

MEETING OF THE PARLIAMENT

Wednesday 8 December 2004

Session 2

£5.00

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Scottish Parliament

Wednesday 8 December 2004

[THE PRESIDING OFFICER *opened the meeting at 14:30*]

Time for Reflection

The Deputy Presiding Officer (Murray Tosh):

Good afternoon. The first item of business is time for reflection. Our time for reflection leader today is Marie Cooke, who is co-ordinator of the youth service of the Roman Catholic diocese of Aberdeen and is based at the youth office in Inverness.

Marie Cooke (Aberdeen Diocesan Youth Service): The Scottish Parliament is an ideal place to reflect on how we can inspire young people with a renewed sense of joyful hopefulness. In our post-modern world, we consider humanity as a global community and, in Scotland, we experience that on a smaller scale in our multicultural, multifaith society, which is full of diversity and richness. It is a source of joy to discover that, whatever their ethnic origin, young people who live in Scotland are proud to be Scottish. A positive aspect for the future is their sense of wanting to belong to a community in which every person is seen as vital to the building of a just and peaceful society.

We are all people of hope—if we were not, we would not be here. We were young, idealistic and enthusiastic people. Now, we are just older and—I hope—wiser in the light of our life experiences. Adults who recognised our potential empowered us to become agents of change. Now is the time to pass on that trust.

Young people are a vital part of Scotland's present as well as its future. They are as enthusiastic, vulnerable, idealistic and frightened by the unknown as any previous generation was. However, unlike earlier generations, they wait for an invitation to get involved in issues that concern them. The adult world needs to respond to ensure that they feel part of a solution instead of a cause of the problem.

Using the see, judge and act toolkit of social justice, we can empower young people to inform themselves widely, reflect critically on the information that they receive and then do something about things for the good of the community as well as themselves.

Young people remind us that we live not in a change of era but in an era of changes, and not with crisis but with potential. This is a new day and another opportunity, and the possibilities to

motivate the static, inspire the apathetic, empower the disillusioned, reconcile the disgruntled and involve the uncommitted are limitless.

Oscar Romero encapsulated a vision of our work for young people when he said:

“This is what we are about: We plant the seeds that one day will grow. We water seeds already planted, knowing that they hold future promise. We lay foundations that will need further development. We provide yeast that produces effects far beyond our capability. We cannot do everything, and there is a sense of liberation in realising that. This enables us to do something, and to do it very well.”

May your work be blessed and made fruitful in the lives of the young people of Scotland.

Points of Order

14:34

Bill Aitken (Glasgow) (Con): On a point of order, Presiding Officer. This is a point of order under rule 13.2 of standing orders, which governs ministerial statements.

Michael Ferguson, who is a patient at the state hospital at Carstairs, absconded on Monday during unescorted leave. I understand that he is still at liberty. By any standards, he poses a danger to the public, and Strathclyde police have stated that anyone who sees him should contact them immediately.

It is clear that serious questions require to be asked about the decision to allow unescorted leave of that nature. In fact, it has been suggested that, under the Mental Health (Scotland) Act 1984, authorisation for the patient's release would have come directly from ministers. The public of Scotland require to know why that has happened and how it was allowed to happen and need to receive certain reassurances. In the circumstances, an early ministerial statement should be made. My question for the Presiding Officer is whether any request has been received from the Scottish Executive for a minister to make the appropriate statement.

The Deputy Presiding Officer: At this stage, no such request has been made. However, the Minister for Parliamentary Business might be able to give us some more information.

Phil Gallie (South of Scotland) (Con): On a point of order, Presiding Officer.

The Deputy Presiding Officer: I think that we will deal with Mr Aitken's point of order first, Mr Gallie.

The Minister for Parliamentary Business (Ms Margaret Curran): It is important that I inform Parliament of the actions of the Executive in relation to this matter. The First Minister has asked for an urgent report on the circumstances of the Michael Ferguson case and his absconding from unescorted leave. The First Minister has asked Rhona Brankin, the minister who is responsible for mental health matters in Carstairs state hospital, to keep the health spokespeople of all the Opposition parties informed of developments, subject to the requirements of patient confidentiality.

The First Minister and the Executive are well aware of the public concerns about this matter. Although, at this juncture, we do not feel that a ministerial statement is appropriate, we will ensure that Opposition parties are kept up to date.

Phil Gallie: On a point of order, Presiding Officer. Members may recall that it was intended that the First Minister would make a statement to Parliament last week on the effects of his presidency over the past year of the group of regions with legislative power and on the Regleg conference that was held in Edinburgh last week. Although it had been scheduled for discussion, that statement was abandoned. Presiding Officer, could you advise me whether the First Minister has sought to bring another debate on the issue to Parliament?

The Deputy Presiding Officer: I am obliged to Mr Gallie for giving me advance notice of his point of order. I advise members that an inspired parliamentary question on the matter was lodged on 30 November and was answered on 2 December. There is no proposal before the Parliamentary Bureau to schedule any parliamentary time to discuss the issue. If Mr Gallie wishes to pursue the matter, he will need to do so through his party's representative on the Parliamentary Bureau; or through the European and External Relations Committee if he wants a sustained follow-up. At the moment, we are not going to discuss the matter in Parliament.

Local Government Finance Settlement

The Deputy Presiding Officer (Murray Tosh):

The next item is a ministerial statement on the local government finance settlement and non-domestic rate poundage. As is normal in these circumstances, the minister will take questions at the end of the statement and there should be no interventions.

14:37

The Minister for Finance and Public Service Reform (Mr Tom McCabe): I offer an apology to the spokespersons of the Opposition parties for getting copies of the statement to them rather late. The Executive has experienced some information technology difficulties over the past hour and a half. Copies of what I am about to say and other information will be available at the back of the chamber, but slightly later than would normally be the case.

The purpose of this statement is to announce the local government finance settlements for the next three years and the outcome of the five-yearly rating revaluation of business properties and the revised rate poundage for next year. I will set out the details of the core revenue allocations to local authorities, or aggregate external finance, which is the proportion of local authority revenue expenditure that the Executive supports. That is supplemented by council tax income, and the two combine to become grant-aided expenditure, which is the indicative amount that the Executive believes local government needs to spend in specific areas such as roads and social work. As the Presiding Officer said, I will be happy to take questions following the statement.

The Scottish Executive is committed to the delivery of excellence in public services. Local authorities are one of the main delivery agents of those services, and the people of Scotland rely heavily on the services that are provided. Those core services, including education, community care, police, fire, transport and environmental services, are crucial to improving the quality of life in our society, providing new opportunities and offering stability and security to all Scottish citizens. My predecessor, Andy Kerr, announced the outcome of the Executive's 2004 spending review on 29 September. That statement set out the aggregate levels of local government core revenue support for 2006-07 and 2007-08. The figures for 2005-06 were set as part of the 2002 spending review.

Since the end of September, we have been working on dividing the aggregate external finance resources between services and on distributing

those funds between Scotland's 32 local authorities according to a formula agreed with the Convention of Scottish Local Authorities. I am now in a position to set out the detail of that work.

First, I can confirm that the total level of Scottish Executive funding for local government core revenue in the next three years is as follows: in 2005-06 it will be £8.1 billion; in 2006-07 it will be £8.3 billion; and in 2007-08 it will be £8.5 billion. Those figures represent year-on-year increases of 4.4 per cent, 3.3 per cent and 2.4 per cent respectively. That is a cumulative increase of 10.4 per cent over the period. Those increases build on the substantial sums that have been invested in local government in previous years. In the current year, funding has increased by £2.1 billion, or almost 40 per cent in the five years since 1999. By the end of the current spending review period, funding will have increased by more than £3 billion, an increase of almost 55 per cent compared with 1999.

Back in 2000, we introduced three-year financial settlements for local government. It is important that we take that improvement to the budgeting process into account and recognise that it provides councils with greater certainty and allows them to plan ahead. Another significant factor is that the various initiatives surrounding the efficient government regime will have come to fruition by 2007-08 and, through that, councils will be able to reinvest significant savings in front-line services.

The overall local government finance settlements for 2006-07 and 2007-08 mean that councils should be able to increase their revenue spending on core services by more than £300 million and £540 million respectively. That additional grant funding is intended to support the increased levels of revenue spending that the Executive considers are necessary to maintain and improve the levels of service currently being provided to the people of Scotland.

The increased spending will be funded by the revenue grants that I outlined earlier plus a proportionate contribution from council tax of not more than 2.5 per cent in 2006-07 and 2007-08. In 2005-06, we expect councils to keep council tax rises as low as possible. I also urge them to take all possible steps to improve their council tax collection rates, which lag behind those of other parts of the United Kingdom. Such an improvement would minimise the need for any rises. Of course, the setting of council tax levels is a matter for local authorities, but ministers have repeatedly said that we expect councils to keep council tax rises to reasonable levels, and that remains the case.

Today my officials will be informing all 32 councils, by means of a finance circular, of their provisional grant allocations for each of the next

three years. In keeping with previous settlements, the Executive and COSLA have agreed that a stability measure—the floor calculation—should be included to ensure that councils with declining populations are protected from much smaller than average increases in grant support. The 3.4 per cent floor for 2005-06 was set in the previous settlement and remains unchanged. I confirm that the floor calculation has been set at 2 per cent in 2006-07 and 1.75 per cent in 2007-08. That will give specific benefit to six councils in each year. In 2006-07, those will be Comhairle nan Eilean Siar, Dundee City Council, Glasgow City Council, West Dunbartonshire Council, Aberdeen City Council and Shetland Islands Council; and in 2007-08 they will be Comhairle nan Eilean Siar, Glasgow City Council, Dundee City Council, West Dunbartonshire Council, East Dunbartonshire Council and Shetland Islands Council. That guarantees that all councils will receive increased grant support in those years by at least the floor amounts.

The distribution arrangements that are applied in the three-year settlement to divide the amount of grant between councils use a needs-based formula that has been discussed and agreed with COSLA and which reflects the most recent information, including updated data on pupil numbers and the 2001 population census.

The continuation of the quality-of-life fund in the settlement reflects our commitment to allow local communities to focus on improving the environment and promoting community well-being. It will allow councils and their partners to be responsive to local needs and to build safer, stronger communities.

We support the use of outcome agreements as a positive approach to turn national priorities into local action. Over the past three years, we have piloted an outcome-based approach in areas such as homelessness, regeneration and adult learning, but I am now interested in developing that approach further. Positive progress on an outcome-based model is vital to ensure that funding supports a more streamlined and useful performance and quality measurement system. Over the coming months, I will work with local government to agree workable procedures to monitor progress in each of those areas. I look forward to seeing the evidence of measurable change in communities across Scotland.

The figures announced today are provisional, so local authorities and COSLA will have the opportunity to comment on the detail. The final figures will be debated during the parliamentary debate on the local government finance order in early February next year. That debate will provide the statutory basis for the revenue support grant payments that will be made during 2005-06.

I am happy to say that other revenue grants will be provided to local government in addition to the revenue funding for core services within the local government finance settlement. Such grants will amount to around £1 billion in each of the next three years to allow local councils to fulfil a number of spending commitments on behalf of the Executive. A few decisions have still to be confirmed, but I am delighted to say that we have been able to confirm that revenue grants outwith core aggregate external finance will rise from £978 million in 2004-05 to £1.1 billion in 2007-08, which is an increase of 12.3 per cent over the period.

On capital expenditure, I can confirm that there will be overall significant increases in capital expenditure support across Scotland, which will help to underpin the key 2004 spending review priority of supporting investment in capital infrastructure. Today, I can announce that total support for capital to councils will exceed £2 billion over the next three years. That will mean record levels of capital support, as capital grants will increase by 35 per cent over the period. By 2007-08, local government will receive loan charge support to provide for more than £900 million of new capital investment over the period.

The prudential borrowing regime, which came into effect in April this year, is now providing substantial flexibility for local authorities. Of course, local authorities are required to have full regard to the auspices of the prudential code, but the new regime is more good news for Scotland's local authorities, as it further increases their flexibility and room for manoeuvre. That will ensure a strong and steady planned programme of capital investment in infrastructure by councils over the next three years, which will be backed by increased central support from the Executive.

In total, revenue and capital funding outwith aggregate external finance will increase by 15.9 per cent over the three-year period. Taken together with aggregate external finance increases, overall funding to local authorities will stand at almost £10.4 billion by 2007-08, which represents an increase of 11.3 per cent over the period. Further details of the funding streams have been shared with the Convention of Scottish Local Authorities and will be published shortly in an official-level circular.

Under the Executive's efficient government plan, which I announced last week, we have set ambitious targets to reduce inefficiency and bureaucracy and to redirect savings of more than £1 billion to front-line public services. Let me re-emphasise the important part that local government must play in that process.

Local government spends one third of the total Scottish budget, so it is crucial that such a significant sum is well managed and well spent.

Making public services more efficient means delivering more for our customers. That means more teachers, police officers and fire officers. It means better schools and improved transport links. Together, the Executive and local authorities can take positive action to regenerate and enhance Scottish communities.

A challenging local government efficiency savings target of £325 million has been identified, so it will be important to demonstrate that we set the same challenges to other parts of the public sector. After discussions with COSLA and individual local authorities, I am aware that the funding package for 2007-08 is perceived as tight. I intend to continue that dialogue and will consider representations on the matter in the context of the overall Scottish budget and local government's progress in implementing efficient government.

In addition, I look forward to receiving high-quality, innovative bids from local government for allocations from the efficient government fund. I know that there are already examples of best-value excellence in the public sector and I encourage councils to work together to share their knowledge and to integrate good ideas.

Turning to non-domestic rates, I recognise the issue's importance to Scottish business—and even more so in light of the 2005 revaluation. As a result of that revaluation, some key policy decisions require to be made and over the past two years we have consulted widely on a number of them. That said, I am able to announce today the outcome of the revaluation; the non-domestic poundage rate for 2005-06; the transitional arrangements that will follow the revaluation; and adjustments to the small business and rural rate relief schemes.

The revaluation has shown that, on average, rateable values in Scotland have increased by 13.3 per cent, compared with 17.7 per cent in England. Each year, we set a uniform poundage rate that is applied throughout Scotland. This year, because of the revaluation, we are reducing the poundage rate to offset the increase in rateable value. That will ensure that there is no overall increase in the rates burden on Scottish business. However, the poundage rate for 2005-06 also depends on a range of other factors, including the expected level of revaluation appeals and a provision for inflation.

After taking account of those adjustments, I can announce that the poundage rate for Scotland for 2005-06 will be 46.1p, which is a 5 per cent reduction on the current year's poundage rate of 48.8p. Unlike England, Scotland is not tied by statute to having the retail prices index, which is referenced to September 2004, as its inflation indicator. As a result, England has to use an inflation allowance of 3.1 per cent in calculating its

poundage rate. In Scotland, we will apply a smaller figure of only 2 per cent, which more than meets our partnership agreement commitment to increase the poundage rate in 2005-06 by no more than the rate of inflation.

Indeed, this will be the third consecutive year in which we have adjusted the poundage rate in Scotland by less than the retail prices index: in 2003-04, we froze the poundage rate and in 2004-05 we held the increase at 2.1 per cent, compared with the RPI of 2.8 per cent. Those decisions mean that, over the period, rates will be 4 per cent lower than they would have been. I hope that Scottish business will acknowledge the impact of that decision.

As in previous years, we have put in place transitional arrangements. As revaluation can result in sudden changes in rates bills, the aim of such arrangements is to protect ratepayers from sudden sharp increases in their bills in the period immediately following the revaluation. That gives ratepayers the time to plan how to accommodate the true bill over a longer period.

I am pleased to confirm that, following our extensive consultation on the matter over the summer, the Scottish Executive will put transitional arrangements in place on 1 April 2005. Under the scheme, increases in rates bills of more than 12.5 per cent in real terms will be phased in over a three-year period. That transitional protection will be funded by phasing in real-terms decreases of more than 10 per cent over the same period. We estimate that about 35 per cent of non-domestic subjects will be affected by these transitional arrangements. The rates of the majority—65 per cent—of ratepayers will increase or decrease within the percentages that I have just referred to.

Since 1997, small businesses in Scotland—unlike their English counterparts—have benefited from a discount in the poundage rate. In April 2003, the Scottish Executive introduced a more focused rate relief scheme for small business that provided rate relief of between 5 per cent and 50 per cent.

Independent consultants were appointed to carry out an initial evaluation of the scheme and a copy of the evaluation report is available on the Executive website. I will not announce any structural changes to the scheme today; rather, I would like to allow interested parties time to look at the evaluation report. Executive officials will shortly be writing to invite representatives of the business community to meet them during January to hear their views on how the small business rate relief scheme might be improved. Depending on the outcome of those discussions, the intention would be to issue a short consultation paper around 2005.

Today, I am pleased to announce that the rateable value thresholds for the small business rate relief scheme will be uprated to reflect revaluation. We will also adjust the rateable value thresholds for the rural rate relief schemes in line with the general increase in valuations. Following the short rural consultation exercise undertaken by the Executive in the summer, I am pleased to announce that we will remove the 1km rule. Based on the revised boundary and population data provided by the General Register Office for Scotland, we estimate that dropping that rule will result in petrol filling stations, hotels, public houses, small food stores, post offices and general stores in approximately 12 additional settlements qualifying for 50 per cent mandatory rate relief. In addition, the sites of cashline machines located in those settlements will now be exempt from rates.

I am aware that there are strong voices within the business community who believe that we are at a competitive disadvantage compared with England and who would like to see further changes. I have made it clear that I want to continue a dialogue that allows them to quantify their case. I assure them now that, within the resource constraints that we face, our minds are open and that I am willing to listen to the evidence that they provide.

As I have outlined today, we have increased the poundage rate by less than inflation for the past three years, putting Scotland at a competitive advantage. We have schemes for small business rate relief, rural rate relief and transitional relief that target assistance with rates. As further evidence of our willingness to assist the competitive position, I will be considering the case for expanding rate relief to support companies involved in research and development. We will begin exploring that issue with the business community in the new year.

I would like to say a word or two about the information available to ratepayers on the 2005 revaluation. Information on indicative rateable values for 1 April 2005 is available on the Scottish Assessors Association internet portal, which went live at the end of October. A link from the portal will take ratepayers to the local government website, and a rates calculator will give ratepayers an indication of their rates bill, based on the information provided by the ratepayer. However, I stress that a ratepayer's exact liability can be provided only by their local authority when it issues a formal rates bill. We are also providing a local government website that provides useful information on local taxation matters, including business rates. Technical notes showing the calculations behind the poundage rate for 2005-06 will also be available on the Executive's website. We will also produce a number of information

leaflets, which will be issued to ratepayers during the period January to April 2005, either by their local authority assessor or by the business rates section within their local authority. Copies of the leaflets will be placed on the Scottish Executive and local government websites.

Good partnership in whatever we do is vital and we recognise that the Executive must work hand-in-hand with the Convention of Scottish Local Authorities and individual local authorities to achieve our goals. Of course, there will be times when our respective positions differ, but it is important that, as our constitutional position matures, we look for an increased understanding of the need to identify new ways of serving people here in Scotland. Local government finance is complex and we are both committed to reviewing the terminology and the presentation in a way that will allow the public to understand the system better.

The funding streams announced today will provide a real increase in investment that will lead to better services for the people of Scotland. I have set out a number of challenges and opportunities for local government and I will expect it to play its part in this important period; after all, our priorities are the same: to provide services that are the cornerstone of our society; to improve the quality of life; to provide new opportunities; and to offer stability and security to all people in Scotland.

The Deputy Presiding Officer: The minister will now take questions on the issues raised in his statement. I will allow around 40 minutes for questions.

Alasdair Morgan (South of Scotland) (SNP): I thank the minister for what he said about the lateness of the statement. Clearly, the road to efficiency through the use of information technology systems is often rocky.

The minister said recently—I think it was to the Finance Committee—that he wants himself and the Executive to be judged on their record looking backwards. I want to be helpful to the minister in that regard. I know that he finds percentages difficult, so I am not going to dwell on the 50 per cent rise in council tax since the Tories were last in power. Can he tell us why he does not expect the efficiency savings that he has been talking about to enable a freeze in council tax this year, next year or even the year after? If not, can he say what he predicts will be the real-terms council tax rise over all of the next three years? If he can do that, when we go to the polls in 2007 the people of Scotland will be able to judge him—as he wants to be judged—on his record looking backwards, and the record will be one of squeezing the council tax payers of Scotland for the past 10 years.

Mr McCabe: I have always known that SNP members are somewhat inward looking, but I was not aware until today that they have a problem with IT developments in our society. The Executive sees our approach as forward looking, adopting the best practices and procedures that we can adopt. Any computer can break down. As SNP members do not seem to be hooked into the IT revolution, perhaps it is left to the Executive parties to ensure that we continue our drive to follow that approach.

Mr Morgan made a number of points about council tax. Again, I know that SNP members are rather inward looking, but I did not realise until today that they had become such a centralising party. In case the SNP had not noticed, we do not dictate to councils up and down Scotland how they expend their finances. Of course, the Executive expects councils to be as prudent as they possibly can be in how they levy their local taxes. We have acknowledged that, under the 2005-06 settlement, there is perhaps a bit more scope for rises in council tax than we would ideally like, and we have spoken to our colleagues in councils and told them that we think that it is in their interests, and in the interests of the people they represent, to keep rises in 2005-06 as low as possible. We have also made it perfectly clear—and I referred in my statement to record levels of funding—that we do not think that there is any reason for council tax rises to go above 2.5 per cent in the years 2006-07 and 2007-08. If that happens, it will be a clear result of decisions taken by individual local authorities.

As I said in my statement, local authorities have expressed concern about the tightness of the settlement in its final year. I mentioned that I would expect the efficiencies from our efficient government initiative to have kicked in by then. I also say to local authorities that it is only because we introduced three-year budgeting, which allows them to plan ahead, that they have sight of the position in the third year. In years gone by, they would not have been able to make an assessment of that year. Now they can; now we can engage in a dialogue. We can hear their concerns and they can hear the views of the Scottish Executive.

Mr Brian Monteith (Mid Scotland and Fife) (Con): I, too, am obliged to the minister for the early copy of his statement. I trust that the technical problems did not delay his press briefing at lunch time, before he came to the chamber.

The minister likes to boast of a 10.4 per cent increase in financial support in the next three years. Of course, he does not care to list the increased financial demands that he and his fellow ministers place on councils and, ultimately, on the council tax payer. The minister and, indeed, the First Minister have said that council tax increases

should be limited to 2.5 per cent next year, yet they know that salaries in the public sector will rise by 2.9 per cent and that councils planned last year for a 4 per cent increase in council tax.

I have two questions for the minister. First, if all the available information and academic studies suggest that council tax increases will be at least 4 per cent next year, what reasons can the minister give to support the suggestion that an average increase of 2.5 per cent can be met? That is the figure quoted by the First Minister at previous First Minister's question times. Will the oracle speak on the future?

Secondly, do the minister's calculations on the average council tax bill include an increase in the collection rate from council tax payers? What is the assumed rate of collection? I ask that question because that figure might be of substance in relation to expectations of what the council tax rate might be.

Mr McCabe: First, I refute the spurious allegation about a press briefing. I am sure that Mr Monteith will take the opportunity to withdraw that remark. There was no press briefing before the statement was made. I am sure that he will take the opportunity to withdraw the allegation.

Mr Monteith: If the press briefing that I was led to believe was taking place at noon was cancelled, I apologise to the chamber for suggesting that it might have taken place.

Mr McCabe: I am obliged that Mr Monteith recognises that he did not check his facts before he came to the chamber. That is reflected in his remarks about the council tax. Mr Monteith is having a bad afternoon, but we will try to assist in any way that we can.

Of course I expect councils to concentrate on improving their rates of council tax collection, as I said in my statement. If they improve their income, that should be of considerable assistance to them when they decide the eventual rate of council tax increase and ways to expand their services.

It does not stand examination for the Conservatives to come to the chamber and attempt to talk up council tax increases. We have demonstrated that council tax increases look good now compared with what happened under the Conservatives' stewardship. On the one hand the Conservatives try to scare people in Scotland about the potential level of council tax increase, but on the other hand they have announced that they want to strip £600 million out of education funding. Their position cannot be squared.

If, as they have said they are, the Conservatives are determined to strip money out of local government and to take money away from public services, and if councils are to return to the

position that they were in when I was a councillor in the mid-1990s, trying to defend local services against the Conservative onslaught, it is obvious that councils would have no alternative but to look for other ways of securing the finance to maintain and defend services. Conservatives in Scotland are not in the business of maintaining or defending services.

Iain Smith (North East Fife) (LD): I welcome the minister's statement today. It reinforces the good news about what the Liberal Democrat-Labour Executive has done for local government over the past five years and highlights the increase in resources to local government. Does the minister agree that it is unbecoming for the Conservatives to criticise the council tax increases when by year 3 of this period the council tax increase for the entire period of the Scottish Parliament will be less than the Conservatives managed in the last three years of their time in government? Will he also criticise SNP members for continuing to include the last year of increase under the Conservatives in the figures that they quote about there being a 50 per cent increase under Labour? It is not for me to defend Labour, but those figures are wrong.

Mary Scanlon (Highlands and Islands) (Con): Is this a question on the ministerial statement?

Iain Smith: It is. It is about the council tax increase.

Does the minister also agree that it is strange that neither the SNP's nor the Conservatives' leading spokesmen have mentioned the business rate today? Is that perhaps because they now recognise that the Liberal Democrat-Labour Administration has reduced the level of business rates in Scotland in comparison with the level in England, that businesses in Scotland are paying, on average, 3 per cent a year less in rates bills than businesses south of the border and that the parties' claims about having a uniform business rate are complete hokum?

Mr McCabe: I agree completely with my coalition colleague. That is a sound contribution. He correctly outlines the terrible things that happened during the Conservative years. As I have said before to the Parliament, the Conservatives have a cheek in trying to portray themselves as the defenders of local services. Communities the length and breadth of Scotland were under unbelievable pressure for an extended period because of the approach that the Tories took. We are obliged to answer questions in the Parliament, but the people of Scotland will remember that situation. They know how they suffered under the Conservatives. The Tories can try to cloak themselves in new clothes, but it will do them no good, because people in Scotland have long memories and the last thing that they

would do would be to reinstate that mob to any position in which they had an influence over decisions.

As for SNP members, they are somewhat confused, to say the least. *[Interruption.]*

The Deputy Presiding Officer: Order.

Mr McCabe: Although the SNP claims to defend services, last week at First Minister's question time it demanded reductions in council tax levels. Mr Morgan's question showed that, under the SNP, local government would be subject to increased central control and would not be able to make its own decisions. In effect, local government would find it difficult to notice any difference between the situation that the SNP would foist on it and the situation that it found itself in during the 1990s under the Conservatives.

The Deputy Presiding Officer: I encourage remaining members to put their questions on the content of the minister's statement and not to encourage him to repeat his earlier answers.

Dr Elaine Murray (Dumfries) (Lab): I welcome much of what was in the statement, especially the consultation on the improvements in the small business rate relief scheme, the dropping of the 1km rule, which I am sure will help many people in my constituency, and the examination of the case for expanding rate relief for companies that are involved in research and development. However, council tax in Dumfries and Galloway has risen by 3.5 per cent in the current financial year and there are reports that it may increase by 4 or 5 per cent next year so that financial pressures can be accommodated. Does the minister believe that rises in council tax of that magnitude are indeed as low as possible and, in the context of today's announcement, is it justifiable for Dumfries and Galloway Council to increase council tax by that amount?

Mr McCabe: I welcome the question. I ask Dumfries and Galloway Council to consider any intended increases against the backdrop of the allocations that it receives. It gets the seventh highest allocation of aggregate external finance per head of population of all mainland councils. On that basis, it seems to sit in a fairly advantageous position. Its share of the £170 million of the quality of life fund is £5.1 million over three years. Given the way in which Dumfries and Galloway Council has been treated under the present settlement, it is clear that it is one of the councils that are best placed to resist unnecessarily high council tax increases.

Mark Ballard (Lothians) (Green): I, too, thank the minister for allowing us to have early sight of his statement.

In his statement, the minister mentioned the potential for revaluation to result in sudden

changes to rates bills. He will be aware that revaluation could have a dramatic effect on the Scottish energy industry. It appears that although rateable values for unsustainable coal and nuclear power stations are set to fall, the rates for wind and energy generators could soar. That is partly because the Scottish Assessors Association, unlike its counterpart in England and Wales, has chosen to include in the valuation income that is derived from renewables obligations. Will the Executive make representations, as the Office of the Deputy Prime Minister has done in England and Wales, to ensure that those environmentally friendly renewable businesses are not penalised in that way?

Mr McCabe: I mentioned the transitional scheme that people will have the opportunity to take advantage of, which seeks to absorb shocks and to level out the impact of increases or decreases in rates. However, I acknowledge that different business sectors across the Scottish economy have made representations on that. I would welcome representations from any sector that felt that it was receiving prejudiced treatment and if, in the light of those representations, we thought that there was a situation that needed attention, we would consider opening up a dialogue with the assessors, who, after all, work on an independent basis.

Tommy Sheridan (Glasgow) (SSP): I have four short questions for the minister. First, does he agree that the council tax remains an inherently unfair tax and is an unfair way in which to raise revenue, as it disproportionately taxes pensioners and low-paid workers? Secondly, will he confirm that the grant settlement for Glasgow, which is Scotland's poorest city, remains below the average for all authorities across Scotland? Thirdly, can he further confirm that the settlement figure includes expected savings of £325 million a year across the local authorities and tell us how the settlement compares with the last three years in respect of the best-value regime and other local efficiency savings? Finally, given that non-domestic rates continue to be classed as a local tax, does he agree that the central setting and distribution of non-domestic rates makes local authorities less accountable to their local electors and, if so, will he agree to return to the local authorities the right to set and keep non-domestic rates?

Mr McCabe: I thank Mr Sheridan for those questions.

We have instituted an independent review of local government finance and the review group will provide the Scottish Executive with the outcome of its work as soon as it has finished that work. Clearly, that is when we will take forward any issues that arise from the review. That is as much

as we can do. If anyone in Scotland has a view about the way in which we raise local finance, I have no doubt that they will feed their view into the independent review of local government finance in the hope that it will hold sway when the final recommendations are made.

I recognise that Glasgow is a powerful driver of the Scottish economy. Undoubtedly, it is a great Scottish city—indeed, I have recognised that fact publicly on other platforms, and I have said that I have a great admiration for the work that the city does. In my view, the city is beginning to flourish: it is showing tremendous imagination and a tremendous willingness to work with its partner organisations. The results of that work are starting to show and to benefit not only the city's environment and facilities but the economic opportunities that are available to its citizens.

As I did previously, I want to stress that Glasgow has the highest aggregate external finance allocation per head of population in all of Scotland. That says enough about the way in which the Executive recognises the city. On top of that, a series of other funding streams are making their way towards the city of Glasgow—and rightly so.

I confirm that the announcement includes an assumption for efficiency savings. That is right and proper as we pursue the goal of a more efficient regime not only in local government but in the public sector right across Scotland. We cannot escape the fact that local government consumes one third of the Scottish budget. It is therefore fair that it carries a considerable burden in the quest to achieve efficiency savings. From the past performance of local government with regard to best value, we can see that it is well able to work with us in achieving those savings. I have great confidence in local government and a great respect and regard for it, as does the Executive. As the years pass, we will demonstrate that in our relationship with local government. We will look to local authorities to assist us in that work by providing as much additional resource as possible. We are asking local government to achieve savings for the sole purpose of reinvesting the resources in front-line services.

I emphatically confirm that I have no intention whatsoever of reversing the current arrangements for non-domestic rates. I do not agree with Mr Sheridan that it would necessarily benefit local government if it were to set the rate. We have no intention of returning control of non-domestic rates to local authorities.

Bristow Muldoon (Livingston) (Lab): I thank the minister for the statement and, in particular, for the Executive's continued strong support for local government funding over the next three-year period. Will the minister expand on issues such as the presumptions that have been made about the

inflationary pressures on local government over that period and the levels of additional expenditure that will be required to develop the service enhancements that will result from the policies that have been developed by the Executive and local government? In what proportions will additional funding, council tax and the Executive's proposed efficiency targets support inflation costs and service enhancements?

Mr McCabe: I confirm that we have fully funded the teachers' pay settlement and that we have made an allowance for pay in several other sectors and bodies that come under local government. It would be inappropriate to reveal some of the figures that have been allowed for pay, because COSLA is involved in pay negotiations. If I revealed those figures, COSLA would regard itself as hide-bound. However, I assure members that we have made an allowance for pay increases and that we have used the consumer prices index for price increases in the settlement.

Stewart Stevenson (Banff and Buchan) (SNP): The minister referred to efficiency savings and the need for councils to improve their council tax collection rates. Will he confirm that improved collection rates form part of the efficiency savings that he expects? Will councils that already achieve high efficiency levels in collecting council tax be cushioned from the adverse effect of their previous efficiency? They will not have the same capability to improve their council tax take as have councils that perform at a lower level through their previous failures.

Mr McCabe: I confirm that as a part of an overall efficient government drive, we would like increased council tax collection rates, but that is not necessarily contained in the figures. We have told local government that it can achieve a range of efficiencies and that we would like it to improve council tax collection rates.

The argument that councils that have been particularly good at pursuing best value will have fewer opportunities for efficiency is perverse. Councils do not operate in a static situation. There have been remarkable increases in resources that are available to local government. As those resources increase, as management techniques change and as information technology changes, further opportunities arise to adjust how we go about our business and improve the service to people in Scotland. I expect councils that have been leaders to show the same leadership and to gain similar or better efficiencies in the years to come.

Des McNulty (Clydebank and Milngavie) (Lab): I welcome much that is in the statement, but the year 3 settlement will be extremely difficult for local government. Through the Finance

Committee, I want to discuss further with the minister the projection's achievability.

I will ask about councils with high deprivation levels. West Dunbartonshire Council, Glasgow City Council and Dundee City Council have the lowest year-by-year uplifts and are stuck to the floor. The minister is right to say that Glasgow has received substantial additional resources through other routes, but that has not always been the case for West Dunbartonshire. Whether the deprivation formula adequately meets the needs of the areas with the greatest deprivation must be examined. West Dunbartonshire Council, Dundee City Council and Glasgow City Council require urgent attention before we consider whatever arrangements emerge from the review that the minister has announced.

Mr McCabe: I made it clear in the statement that through our dialogue with local government, we received its representations on its concerns about the third year of the settlement, which we acknowledge is tight. I also said that I am prepared to continue a dialogue with local government about the third year against the background of the overall financial situation in Scotland. Local government is an important part of our overall work, but it is a part, and our budget has other competing demands.

I will also assess those discussions against the success and determination that local government shows in implementing the efficient government scheme that we announced last week. It is important that local authorities demonstrate to the public in Scotland that they are dynamic organisations in their communities and that they have actively pursued and gained efficiency savings over a period of time. If I am satisfied that local government has played its part in the drive for savings, I will take that into account before we finalise our discussions and come to conclusions about the third year of the settlement.

I fully acknowledge Des McNulty's points about deprivation. As I mentioned in my statement, the distribution formula that we use for the resources is agreed with COSLA, but we are happy to engage in discussions on that. We have set up an on-going official-level working group to examine the outcomes of the allocation formula, but we are happy to consider representations on the issue from local government. The issue is a difficult one for everyone in local government because no one wants to give up resources to help another area. As my predecessors in the Parliament have said many times, we are willing to work with and talk to local government if it thinks that the distribution formula requires alteration.

Bruce Crawford (Mid Scotland and Fife) (SNP): The minister will be aware that some councils predict that their fuel costs will rise by as

much as 27 per cent as a result of electricity and gas supply cost increases. COSLA confirmed to the Local Government and Transport Committee that councils did not include those predicted large increases in energy costs in their submissions to the spending review because the predictions materialised only recently. Given the minister's commitment to continue dialogue with and consider representations from councils, will he consider accepting representations from councils on the increased energy costs so that they can be included in the local government settlement, which would help to deal with the potential increase in council tax?

Finally, given that, as annex 1 of finance circular 08/2004 points out, £6 million has been allocated for councillors' severance payments, how many councillors will receive such a payment and, of them, how many will be Labour councillors?

Mr McCabe: I am not sure whether Mr Crawford is advocating that we should get rid of councillors. We have always said that we will try to maintain the number of councillors in Scotland. However, if that is the new Scottish National Party policy, I am sure that members will be glad to hear about it.

Local government has demonstrated that it can gain significant efficiency savings on fuel costs by getting involved with buying consortia. The procurement initiative that we have announced as part of the efficient government programme should allow local government to come together to purchase energy far more efficiently and therefore more cheaply. If local government wishes to make representations to the Scottish Executive on any aspect of its resources, we will listen. However, I do not recognise the figure of a 27 per cent rise in fuel costs; I do not recognise it in relation to the everyday lives of people in Scotland and I would be surprised if the figure applied to local authorities or any other public body.

Murdo Fraser (Mid Scotland and Fife) (Con): I want to return to the issue of non-domestic rates. It is noticeable that the competitive disadvantage of Scottish businesses relative to businesses in England and Wales—which was confirmed in the comparative study of business taxation that in-house Scottish Executive economists produced last year—remains in place. In his statement, the minister said that he would engage with the business community to consider the level of rates, depending on resource constraints. Given that, in the past four years, the revenue to the Executive from business rates has been £376 million more than anticipated, surely ample funds exist that could be returned to businesses, thus restoring the level playing field that all business organisations want without impacting on the budget elsewhere.

Mr McCabe: There is a swings-and-roundabouts situation. In some years, the income

from non-domestic rates exceeds expectations, but in other years it is well below expectations. It is important that we take a longer-term view of public finances and that we do not portray situations only in their best light, picking out particular years.

Any adjustments that would improve the rate poundage would require financing on a recurring basis. It is not just about one-off financing to meet additional demands. We need to talk to people in the business community—and I have indicated that I am more than willing to enter into that dialogue—to hear the case that they wish to make and to consider how that case can be proved. If we feel that we can take on board any aspect of that case, we will be obliged to find ways to include in our baseline—and not in a one-off way—the level of resources required to meet any additional demands.

Dr Sylvia Jackson (Stirling) (Lab): As the minister knows, there is continuing concern about the backlog of maintenance work on local roads, an issue that is also of concern to COSLA. I believe that COSLA has been working closely with the minister on the matter. It has been recommended that there should be a long-term strategy for local roads improvement, particularly following the survey conducted by the Society of Chief Officers of Transportation in Scotland.

I welcome the commitment that the minister has made about roads, as well as the information that he has given to the Local Government and Transport Committee. Could he give the Parliament some details on the financial settlement that he has agreed with regard to local roads?

Mr McCabe: I can confirm that COSLA made a bid for money for the maintenance of local roads, and that we met that bid in full. We have provided our proportion of the aggregate external finance, which local authorities will top up to the GAE level. I hope that local authorities throughout Scotland will spend at least the indicative GAE levels on the maintenance of local roads.

Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD): The Minister for Finance and Public Service Reform will be aware of the Accounts Commission's report of earlier this year. On the subject of financial stewardship, it showed that many councils were operating with very high reserves. In light of the positive settlement that has been made, which I welcome, does the minister agree that it would be unacceptable for the Tory-run Scottish Borders Council to propose cuts in front-line services while seeking to extend its reserves, potentially up to 6 or 7 per cent of net cost of services?

Mr McCabe: It would not be exceptional for Tory-controlled central or local government

administrations to tuck money away and then plead poverty. That has happened before.

It is for individual local authorities to decide on the most appropriate level of reserve to suit their own circumstances. The Accounts Commission, in its recent report, expressed some concern about the level of local authority reserves. If we came across a situation in which a council's reserves were approaching a particularly high level, we would want at the very least to enter into dialogue with that authority. If we came across a situation in which the council tax was rising to an exceptionally high level against a background of the council in question holding exceptionally high reserves, we would want to know the reasons for that.

Christine May (Central Fife) (Lab): I, too, welcome the minister's statement, particularly in relation to the continuation of three-year funding and his willingness to have further dialogue over the 2007-08 settlement. I have two questions about the initiatives that the minister spoke about. The first is about outcome-based agreements and the scale and scope of the discussions that he is prepared to have on those. If he has any more information on that subject, I would welcome it.

My second question is on the efficient government initiative savings. How will those moneys be put back in, and who will decide that? As the minister will be aware, there are occasionally legal and bureaucratic difficulties that could prevent non-departmental public bodies or quangos working together with local authorities. Will he and his colleagues examine examples of that where they exist and remove them if possible?

Mr McCabe: On outcome-based agreements, I am interested to continue a dialogue with local authorities and consider ways of reducing the administrative burden that we place on authorities and other bodies throughout the public sector. Sometimes in the Executive we ask inappropriate questions or we ask the same question in different ways and place an unjustified administrative burden on local government. By the same token, it is important that local government takes proper responsibility for the robustness of the information that it supplies to the Executive.

Part of our efficient government drive and overall aim is to ensure that we reduce the bureaucratic burden on local government. We have considered what is happening in other parts of the United Kingdom. I am interested in what is happening in Wales, such as the way in which some of the indicators have been rationalised to give both ministers and the general public a better idea of the breadth and scope of services that are delivered better. An important part of our work is continuing dialogue with local government on those agreements.

On efficient government, I am happy to confirm that when the savings are generated it is for individual organisations to plough them back into the delivery of front-line services in the interests of the people of Scotland. That is the whole rationale. We are not talking about cuts; we are attempting to reassure people that in public services, whether in local government or anywhere else, we are determined to maintain an efficient approach that allows the most appropriate services to be delivered as widely as possible here in Scotland.

On NDPBs, I acknowledge that there are inefficiencies. I said on the record at a committee that I think there are too many. In this country of 5 million people we should be considering ways of bringing back-office services together and giving back through the other democratic line of accountability—our local authorities and councillors—some of the powers and functions that are exercised by NDPBs. The public would welcome that. There is increasing concern about the amount of public resource that is expended without a clear line of democratic accountability, and it is only right and proper that we in the Executive examine that.

John Swinburne (Central Scotland) (SSCUP): A plague on all your houses. Whether members realise it or not, since the inception of the council tax pensioners have had to pay increases of 81 per cent while pensions have gone up by only 40 per cent. That might be all right for people who—

The Deputy Presiding Officer: Do you intend to ask a question?

John Swinburne: I am asking a question.

The Deputy Presiding Officer: It sounds like a speech to me. Do come to a question; we have very little time left.

John Swinburne: I realise that and I will come to the question as soon as I can.

The Deputy Presiding Officer: Now would be better.

John Swinburne: Thank you. It is obvious that in a waged household—

The Deputy Presiding Officer: Mr Swinburne, I have taken your sound from you. Ask the question now or I will move to the next item of business.

John Swinburne: Will the minister convince me that he is being fair to senior citizens? His laudable efficiency drive could result in a 4 per cent increase, or more, in council tax. How can he possibly disadvantage every senior citizen in the country with an increase that is well above the increase in their pension?

Does that satisfy you, Presiding Officer?

The Deputy Presiding Officer: That was not too hard, Mr Swinburne. Thank you.

Mr McCabe: We in the Executive have done many things to improve the quality of life for pensioners in Scotland, including introducing the concessionary travel scheme and the free central heating scheme. The Chancellor of the Exchequer has also done many things to alleviate suffering among Scottish pensioners.

It is easy to talk about pensioners as if everyone were in the same circumstances. We have a council tax benefit scheme, for which a large number of pensioners qualify. A large number of those who qualify are in receipt of maximum council tax benefits. I said in response to a previous question that we have commissioned an independent review of local government finance and we all await the outcome of that work.

Ferry Services (Clyde and Hebrides)

The Deputy Presiding Officer (Murray Tosh): I regret that I could not call the three remaining members whose names were on my screen, but I had to protect the next item of business, which is a debate on motion S2M-2117, in the name of Nicol Stephen, on Executive-supported lifeline ferry services in the Clyde and Hebrides, together with two amendments to the motion.

Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP): On a point of order, Presiding Officer. I gave notice of this point of order around noon today, which was the same time at which I received the documents that the Executive published today in relation to this debate: a consultation paper and a specification and tender document that, combined, are about 250 pages long.

I seek your guidance as to whether the Executive should provide a better and adequate period of notice, particularly when a debate relates to a legal proposition. This debate does that, as is manifest from the wording in the motion. The legal proposition is argued in the documents, so we could not apply ourselves to it when framing our amendments, which had to be lodged before the documents were available. Do you agree that the Executive's approach does a disservice to the great number of people who would have liked to be able to put their views to their elected representatives in order to inform this debate? I seek your guidance as to whether this sort of occurrence, which is becoming somewhat frequent, can be regarded as unacceptable and something that we must bring to an end.

The Deputy Presiding Officer: I have some sympathy with the thrust of Mr Ewing's point because the Presiding Officers encourage the Executive to give in advance as much information that is relevant to the subject of the debate as possible. However, the publication of documents is a matter for the Executive, as is the advance release of any information to Opposition spokesmen and party leaders. It is not something in relation to which I have the capacity to give a definitive ruling. It might be something that the minister can respond to in his speech.

Tommy Sheridan (Glasgow) (SSP): On a point of order, Presiding Officer. Can you confirm whether there was a legal barrier to accepting my amendment to the motion? Was that amendment not accepted for the normal reasons or was a legal decision taken to refuse it?

The Deputy Presiding Officer: All amendments that are not selected are not selected for the normal reasons. The normal reaction of the

Presiding Officers is not to divulge the reason for which the amendment was not accepted.

15:42

The Minister for Transport (Nicol Stephen): I am glad that you made that clear, Presiding Officer.

To respond briefly to Fergus Ewing, I say that I would have liked the documents to be available earlier today, because they are substantial. I accept responsibility for that and apologise to him in that regard.

In relation to the legal point that was raised, on 25 June, in answer to a parliamentary question, the Executive set out the full reasons why we were proceeding with the tendering of the Clyde and Hebrides ferry services. The position has not changed since then and does not change in any of the documents that were published today.

Tommy Sheridan: Can the minister provide the chamber with the estimated costs of the tendering exercise that is being proposed today? Does he have any estimated costs of any legal challenge to any European Commission instruction that would force us to tender?

Nicol Stephen: Clearly, there are significant costs associated with proceeding with the tender. There is also significant uncertainty for the communities, the lifeline services and the staff involved. However, the cost and the uncertainty involved in not proceeding with a tender would be even greater—

Bruce Crawford (Mid Scotland and Fife) (SNP): Nonsense.

Nicol Stephen: I assure the chamber that the advice that we have been given, which has been repeated today, is that if we do not proceed with the tender, the Commission could rule, under the European cabotage regulation that was passed in the early 1990s, that the funding that we pay to Caledonian MacBrayne is illegal state aid and could rule for the immediate cessation of that funding, which would have truly disastrous consequences for the services concerned.

This is an important debate that relates to important issues for the Clyde and Hebrides lifeline ferry services. I intend to cover three main issues. First, I will speak about our final consultation before we tender the main bundle of Clyde and Hebrides ferry services—the consultation document is the one to which Tommy Sheridan and Fergus Ewing referred. Secondly, I intend to explain the way ahead for the Gourock to Dunoon service, which has been the subject of great interest and considerable representations in recent years. Thirdly, I will explain the new

investment that the Executive intends to make in both vessels and pier facilities.

On the consultation on the main bundle of routes, as I explained in June in answer to a parliamentary question, the Executive is clear that the Clyde and Hebrides services must be tendered if it is to continue to subsidise them. The issue has been hanging over everyone who is involved for the past few years and it has been an unsettling time for the communities that are served by Caledonian MacBrayne and for the CalMac workforce. It is important that we now take things forward, get the new regime in place and create certainty for the future.

It is two years since the previous consultation on the service specification and although that exercise showed substantial support for most of our key proposals, I want to give the various stakeholders, including communities, ferry users and others who are involved a final opportunity to give their thoughts on both the draft service specification for the tendering exercise and the long-term development opportunities for the services. I want the services to develop, move forward and expand for the future. That is why we today launched a further consultation on the draft service specification.

I take this opportunity to speak about the CalMac workforce. I assure CalMac employees that we attach great importance to their future and that the Executive will do whatever it can to ensure that the protection that is available to CalMac employees is as robust as possible as we move forward.

The majority of responses to the 2002 consultation were on the Executive's proposal for a passenger-only service on the Gourock to Dunoon route. Following further discussion with the European Commission in late 2002, the Executive concluded that it would be possible to tender the Gourock to Dunoon route with a passenger-only subsidy, which it has at present, in a way that gives operators a choice about whether to provide a passenger-only service or a combined passenger and vehicle service. Those proposals were set out in our consultation paper in March 2003.

There was a strong response to that second consultation and much of it argued that the proposal did not go far enough to guarantee a vehicle service. I have thought long and hard about a way forward that meets the aims of the community while complying with the requirements of the state-aid rules. I have tried hard to respond to the wishes of the local community and I believe that the proposals that I am announcing represent a major step forward. There is a view that the Gourock to Dunoon route could be operated on a commercial basis, without subsidy, if the current

restrictions on CalMac's vehicle service were lifted. If so, that would provide the best option, within state-aid rules, to achieve the community's wishes.

Bruce Crawford: Will the minister take an intervention on the state-aid rules?

Nicol Stephen: Yes, surely.

Bruce Crawford: The advice that McGrigors solicitors in Glasgow issued on the Altmark decision states:

"as long as there is no overcompensation, there is no advantage. If there is no advantage then the test of illegal State aid ... is not met."

It states that if public service obligation payments

"do not constitute State aid then they do not have to be notified"

to the European Union. It continues:

"This affords local/national decision makers some discretion over whether ... notification is necessary rather than forcing central decision taking".

Does the minister disagree with that legal opinion?

Nicol Stephen: I believe that what I am announcing today is a positive way forward that will be strongly welcomed by the local community. I will explain the detail.

I believe that we can achieve the community's wishes within the state-aid rules if we open up the opportunity for other operators to come on to the route. If a suitable ferry operator is identified, the restricted service that is provided under subsidy arrangements by Caledonian MacBrayne will be replaced. We expect to advertise the opportunity in early 2005. The proposal will be advertised extensively to ensure the widest possible interest. Thereafter, potential operators will be invited to submit formal proposals for assessment.

The appointment of a new ferry operator would take place in autumn 2005. I emphasise that if no suitable operator is found, we will bring forward proposals to tender for a subsidised service at that point. However, I believe that offering the route on the basis that I have set out provides the best opportunity for the local communities involved to have a combined passenger and vehicle service. That is my proposal for the route.

Mr Jamie McGrigor (Highlands and Islands) (Con): Will the minister say whether CalMac will be able to tender for the unrestricted route?

Nicol Stephen: I would not wish to exclude any operator from the opportunity. Clearly, CalMac receives a subsidy for the service that it currently provides and I think that it has privately indicated that it does not regard the route as one on which a profit can be made for the company. However, I repeat that I would not wish to exclude anybody

from the route. If CalMac wished to come forward with a commercial proposal, that proposal would be fairly and objectively assessed along with all the other bidders' proposals.

Finally, new investment is crucial to maintaining and improving our lifeline ferry services. It ensures that improvements are made to vessels and it supports the infrastructure of vital harbours, such as new linkspan facilities. Since the establishment of the Parliament, CalMac has brought four new vessels into service and a fifth vessel is due next summer.

I am pleased to announce today that CalMac will order a further two new vessels, which will cost a total of £15.3 million. One vessel is for the Wemyss Bay to Rothesay route and one is for the Largs to Cumbrae route. The new vessels are expected to come into service by 2007. The new vessel for the Largs to Cumbrae route will cost around £5.8 million and will enable CalMac to transfer the current vessel on that route to serve the Oban to Lismore route, which will provide improved passenger and vehicle services to Lismore.

I can also announce today that we plan to provide piers and harbours grants for new projects totalling around £15.8 million over the period to March 2008. Those new projects include works at Largs, Cumbrae slip, Wemyss Bay, Lismore, Brodick and Kennacraig. That new investment and the proposals that I am announcing today are vital for many of Scotland's most remote and peripheral islands and communities, and I commend the motion to the Parliament.

I move,

That the Parliament commends the Scottish Executive's continued commitment to supporting and investing in lifeline ferry services in the Clyde and Hebrides; endorses its proposals for tendering the main bundle of ferry services as required under European Union rules, and welcomes the proposals for a final round of consultation to obtain the views of local communities and freight service users before proceeding with the tender under EU rules.

15:53

Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP): In such debates, it would be better if we, as elected representatives, had the benefit of our constituents' views, especially when matters are highly controversial and extremely complicated, such as those that are dealt with in the papers that we are discussing. I hope that the Executive will take that on board. I do not doubt one whit the minister's bona fides on the matter, but I sometimes wonder what our civil service is planning behind the scenes. People who are expert in the matter have not had the opportunity to contribute to the debate. Of course, they will have the opportunity to contribute in the 14-week consultation period, but would it not be better to

have the debate after the consultation, with the benefit of people's views? I think that it would, but a radical change would be required by the Executive in how it conducts its business.

Nicol Stephen: The issue that Fergus Ewing raises is one that I wanted to emphasise. There will be a significant consultation period that will last until 16 March, during which everyone who is involved will have the opportunity to have their say. We are bringing the matter directly to the Parliament so that the Parliament will have the first opportunity to debate it. I think that the principle of information coming freshest and first to MSPs is another principle that Fergus Ewing has often supported in the chamber.

Fergus Ewing: The information is certainly fresh. There simply has not been time for us to study the documents. I thought that the minister had accepted that.

The SNP's position has always been to support lifeline ferry services to our islands. The cost of travelling from our islands to the mainland has always been far too high. That is why, in our amendment, we not only reiterate our principled stance but advocate that islanders should not be excluded from whatever national concessionary travel scheme is introduced. That scheme should be extended to travel by ferries. The minister might have intervened at this point to give us more good news—perhaps not today. I was reassured slightly by the fact that when Bruce Crawford raised the matter with the minister at the Local Government and Transport Committee, the minister seemed to regard that idea favourably, at least.

Nicol Stephen: I am happy to explain that there will be a statement to the Parliament on that issue before Christmas. We do not have long to wait. It would be inappropriate for me to make an announcement today or to reveal only part of the package. We have listened carefully to the representations relating to ferry services and I will respond to that point when I make the statement to Parliament.

Fergus Ewing: The minister is not wearing a Santa Claus costume, but I welcome his words in that spirit.

As far as the main issue of the tendering is concerned, the Executive is going to have to do better. Political debates in Parliament should not really be about legal arguments—this is not the place for that. However, many people who have a long track record in this matter take a different view from that of the Executive—something that will be explored in time to come. Those people include Professor Neil McCormick, one of the most distinguished jurists in Europe, and Brian Wilson, who has a long-standing interest in the matter. Brian Wilson has said that we are going along

“a completely unnecessary road. I do not believe that Europe was ever interested in forcing”—

George Lyon (Argyll and Bute) (LD): Will Fergus Ewing take an intervention?

Fergus Ewing: Can I just finish the quotation, please? I know that George Lyon will not like listening to it, but I want to make it through to the end. Brian Wilson said:

“I do not believe that Europe was ever interested in forcing this tendering process on what to them is a localised operation. The civil servants who conned ministers into this process, in the early days of devolution, have a lot to answer for.”

He went on to say, in a subsequent statement:

“I have been in touch with competition officials at the DTI who are delighted with the Altmark judgment and confirm that, as far as they can see, it means that Caledonian MacBrayne does not need to be subjected to competitive tendering”.

Whether Brian Wilson is right or wrong—

George Lyon: Will Fergus Ewing give way?

Fergus Ewing: I will give way in just a second.

George Lyon: It is on a point of clarification.

Fergus Ewing: I ask Mr Lyon to restrain himself.

Whether Brian Wilson is right or wrong, the issue is that the public are entitled to have the fullest information on this matter. I will give way to Mr Lyon.

The Deputy Presiding Officer (Trish Godman): You will have to be very quick, Mr Lyon. Mr Ewing has finished.

George Lyon: I will be very quick. Like Fergus Ewing, I was sceptical about the need to put the routes out to tender. I visited the Commission and asked two questions in a letter. I asked, first, whether the Altmark judgment had any effect or impact on the cabotage regulation that governs this matter and, secondly, whether the Commission still required the Scottish Executive to put Caledonian MacBrayne ferry services out to tender. The Commission's first reply was to point out that the Altmark judgment—and this was from the director general—

The Deputy Presiding Officer: You are making a statement. Will you please ask a question?

George Lyon: I am making a point of clarification.

The Deputy Presiding Officer: You are not. There is no such thing as a point of clarification. Will you sit down? Please finish, Mr Ewing.

Fergus Ewing: I look forward to the repetition of that argument.

That simply proves that we are having this debate at the wrong time. We should not be debating legal issues today. We should be debating the social issues and the economic future of the people who live on the islands. Because of the late publication of the documents, the debate is becoming—as we see from Mr Lyon's intervention—an arid exchange of legal opinions that takes us no further forward.

I move amendment S2M-2117.1, to leave out from “commends” to end and insert:

“believes that lifeline ferry services must be provided and an element of public subsidy will be required for that aim; further believes that the proposed national concessionary travel scheme should be extended to ferry travel; calls on the Scottish Executive to provide documented evidence showing that EU law requires that the tendering process which the Executive proposes must be undertaken; is concerned about the potential impact that this process may have upon the employment conditions of staff working on ferries, and notes that many passengers have voiced serious concerns about both the efficiency and effectiveness of the current ferry services provided by Caledonian MacBrayne which require a thorough and independent investigation.”

15:59

David Mundell (South of Scotland) (Con): I intend to start where Fergus Ewing finished. In the Executive press release issued on 26 June 2004 in connection with the Altmark case, it was left to a quote from George Lyon—I was not aware that he had any status in the Executive—to say:

“it is now clear that there continues to be a requirement on the Executive to tender the services.”

However, as we have heard again today, the full legal discussion on that issue has not been made clear, although we might hear about it during Mr Lyon's speech. I do not think that we should simply accept what is stated in correspondence from the European Commission. We have to take our own robust view and make an interpretation.

George Lyon: Why did the Tory minister responsible for driving through the regulations in Europe, Mr MacGregor, not recognise the impact that they would have on Caledonian MacBrayne?

David Mundell: There are many things in relation to the EU whose full implications people did not recognise, particularly the way in which Europe would get involved in day-to-day decisions in our country. When people signed up to join the EU, they did not sign up for the EU to be telling us what to do with our ferry services between the mainland and the islands of Scotland. It is Mr Lyon's party that would have the EU and Brussels determining the times of our trains, the times when our ferries leave and who can go on them. We must recognise the role of the EU in this matter and, even at this late hour, the Executive should take a much more robust view in relation to the

Commission's role. What is happening sets a very unsatisfactory precedent.

I was pleased that the minister acknowledged what an unsettling time this has been for CalMac employees and customers. I am not happy with the way ahead that has been determined, but at least there is now a degree of clarity as to how we are going to go ahead.

It would be churlish not to welcome the minister's announcement of investment in ferries and pier facilities. The one thing that everyone in the chamber will agree on is that the term “lifeline services” means precisely that. The ferry services are vital for the functioning and sustainability of our island and remote communities, so I am happy to welcome that investment.

I am also happy to give a cautious welcome to the Executive's proposal for the Gourock to Dunoon ferry service—the welcome must be cautious at this stage in case something emerges that has not been said today or of which we are not yet aware because of the lateness of the hour when the documents were produced.

Maureen Macmillan (Highlands and Islands) (Lab): Will the member give way?

The Deputy Presiding Officer: Mr Mundell is in the final minute of his speech.

David Mundell: We support genuine competition on services where it is sustainable, so if a wholly unsubsidised, commercial operation on the Gourock to Dunoon route can be achieved, we would welcome that. However, we do not welcome the Scottish Executive's kowtowing approach to the European Commission.

I move amendment S2M-2117.2, to leave out from “commends” to end and insert:

“notes the continued uncertainty inflicted upon Caledonian MacBrayne, its employees and customers as a result of the Scottish Executive's handling of the tendering process; regrets that Clyde and Hebridean ferry services are going out to tender purely to satisfy the wishes of the European Commission, and calls on the Scottish Executive to put the interests of our island communities before those of the European Commission.”

16:04

Mr Alasdair Morrison (Western Isles) (Lab): In an ideal world, we would not be having this debate and we would not be discussing the issues arising from the fact that the Scottish Executive has to put CalMac services out to tender. However, as we all know, we do not live in an ideal world. I have made my views known about the tendering process. Nicol Stephen has outlined the legal reasons for the process and the consequences of not proceeding with it. Again, I put on record my view that we must ensure that the integrity of Caledonian MacBrayne is retained before, during and after the tendering process.

For obvious reasons, I will focus on the needs of my constituents and on the level of service that we have enjoyed for years, which we hope to continue to enjoy for many years to come. I was pleased to hear Nicol Stephen place such emphasis on the role of CalMac's crew and staff. I was also delighted to hear about the continued and increased investment in vessels and infrastructure. Since the election of the Labour Government on 1 May 1997, investment in CalMac services has increased beyond recognition. Prior to that great day, CalMac had to make do on a little over £9 million per annum. Next financial year, our coalition Government will spend £27.9 million on ferry services and infrastructure. That positive trend of substantial increases in investment has continued with Nicol Stephen's announcement today.

Tommy Sheridan: Has the member any estimate of the future costs of the tendering process? How much more will the taxpayer need to pay to subsidise the tendered service?

Mr Morrison: I have reiterated my position on that issue in previous years, but I recognise the legal position that Nicol Stephen outlined. Frankly, the member's question should properly be addressed to the minister, who might give an indication of those costs when he sums up.

Like the people on the islands in the constituencies of George Lyon and Allan Wilson, all my constituents know Caledonian MacBrayne well. We appreciate that reliable and safe ferry services are provided under the current state-owned regime. My constituents and I are certainly relieved to hear that the Executive has taken steps to secure the ferry services for the long term and to ensure that there will be no disruptions during the retendering process. That is important.

However, some issues are Western Isles specific. The minister will recall that he had a constructive meeting with South Uist councillor Ronnie Mackinnon, who has faithfully and consistently campaigned for a new ferry service between Lochboisdale and Mallaig. I would greatly appreciate an update on that important development issue.

Another important local issue is concessionary fares. I appreciate that the minister will make an announcement to the Parliament on that either next week or the week after, but he will be aware that, although island pensioners greatly appreciate and use their pensioner passes on island bus services—

Mr McGrigor: Will the member take an intervention?

Mr Morrison: I cannot possibly, as I have only 50 seconds of my four minutes left.

The minister will appreciate that pensioners cannot use those concessionary passes on mainland buses without travelling across the Minch. Both I and my colleague the MP for the Western Isles raised that issue many months ago, long before the Scottish National Party took a passing interest in it, so I hope that the matter can be addressed satisfactorily when the minister makes his announcement next week or the week after.

Finally, I wish the minister well during the current tendering process. Let us hope that it will draw to a quick and satisfactory conclusion, with the ferries still under a similar type of control as obtains under the current regime. I want CalMac's crew, staff and passengers to enjoy the same conditions as they currently enjoy. I will support the motion in the name of Nicol Stephen.

The Deputy Presiding Officer: We move to open debate, where speeches will be of four minutes. As the debate is oversubscribed, I have already had to tell some members that they will not be called. If members go over their four minutes, at least one other back bencher will not be called.

16:08

Bruce Crawford (Mid Scotland and Fife) (SNP): A lot of romance is attached to the history of CalMac. The company can trace its roots back to 1851. It is no exaggeration to say that the fabric of island life has been dependent on the services of the company since its inception. However, that romantic history should not blind us to the fact that, if CalMac is to survive today, it must do much to improve its efficiency and effectiveness.

We need look no further than the financial analysis in the Deloitte & Touche report to see that there is a requirement for further investigation into the operation of the company. The report drew attention to staffing levels, ship repair costs, pier dues and administrative overheads. However, the company's treatment of overheads on its balance sheet—which directly affected the profit or loss of individual routes—has caused alarm bells to ring and eyebrows to be raised. That is one reason why I strongly support Fergus Ewing's amendment, which calls for further investigation into the running of the company.

I will talk about the Executive's proposals for tendering the Clyde and Hebrides services, in particular the principle that the winning operator will be the one that requires the least subsidy. I am aware that the Executive has emphasised issues such as safety standards, quality, reliability and performance. It can give as much weight as it likes to those elements in the tendering process, but the fact is that the lowest-subsidy requirement for

winning the contract will mean that cheaper labour will be employed. Wage and social costs will be cut and the move from full-time contracts and overtime payments to fixed-term contracts and part-time labour will have a direct impact not only on the workforce, but on the sometimes fragile economies of the islands that CalMac serves. That is an inevitable consequence of the tendering process.

The effect on the workforce and communities will be compounded by the fact that EU rules require the term of the contract to be limited to six years. Such a short period will mean that there is little incentive for the operator to develop and invest in the market, even though a quick look at the document that the Executive produced today suggests that it intends to make an investment alongside the vessel-owning company. Short-term contracts lead inevitably to short-term asset stripping rather than to a long-term strategy for generating revenue.

I am astonished at the Executive's self-congratulatory, complacent and weak motion. Instead of robustly putting forward Scotland's case to the European Commission and arguing that ferry services should be exempted from maritime state-aid rules, the Executive seems to have surrendered abjectly. George Lyon can spout on about other legal advice that he has received, but, in such cases, it is one legal view against another and the Executive should have properly tested the Commission's position.

As Nicol Stephen has made clear, the Executive ran up the white flag in June when it issued a press release to say that, of all people, the chef de cabinet to the European commissioner for transport and energy had ordered it to put the services out to tender. That was the head of the commissioner's private office—in other words, his private secretary. Things have reached a sorry state when a minister of the Scottish Government is told what to do not by a European commissioner or director-general, but by a private secretary. That is another good reason why I will support Fergus Ewing's amendment and I ask all members who refuse to be told what to do by a private secretary in Brussels to join me in the vote at decision time.

16:13

George Lyon (Argyll and Bute) (LD): Given the length of the debate, I will concentrate on the issues of substance that the minister outlined in his opening speech.

I welcome the minister's announcement of substantial new investment in the network—£30 million is a substantial amount of money in anyone's language. The new ferries represent a major boost to the Isle of Bute—at which point I

should declare an interest—and to Millport. I also look forward to the construction of the new linkspan at Rothesay pier, which will be integral to utilising the new capacity on the Rothesay to Weymss Bay route.

The good news for Millport will also immediately benefit the islanders of Lismore, who desperately need an improved ferry service. I should point out that the proposals still leave the door open for a north-end ferry on that route, which is an important consideration for the islanders. Of course, the investment at Kennacraig is a welcome boost for Islay. On the legality or otherwise of tendering the CalMac routes, I will circulate to members a letter that confirms that Altmark had no impact on the maritime cabotage regulations and that we had to tender the routes.

Customer service and customer care must lie at the heart of the contracts and have been sadly missing from CalMac's decision to introduce shore ticketing on the Clyde. I am sure that the minister is well aware of the many representations that have been made to me and other members on that matter.

Contracts should provide scope for innovation and route development. We cannot just set the service in aspic. There must be incentives in the contract that will allow new ideas on flexibility and route development to be implemented over the lifetime of the contract. That must be included in the contract process.

In going ahead with the tendering process, the Executive must ensure that CalMac employees, many of whom live on the islands that they serve in my constituency, get full protection for their earnings and pensions. The minister gave an assurance on that during his opening speech, but I hope that he will reassure the employees that their terms and conditions will be fully protected.

On the Dunoon to Gourock proposals, since day one, the key issue that has faced the communities in the Cowal peninsula with regard to the future of the CalMac route is the need for competition. They regard that as vital for keeping down fares and securing the long-term economic viability of the Cowal peninsula. I fully back that view. I am sure that other colleagues in the chamber will agree that competition must be the central driver in the process. The two-stage strategy that the minister outlined is designed to ensure that that objective is delivered for the Cowal communities. The minister has listened to the representations made by the local groups in Dunoon, who have argued strongly that the Executive should seek out a commercial ferry operator in the first instance to operate the route on a commercial basis. If that does not work, there should be a fallback position whereby we can still bring forward a tender that is based on a subsidy for the passengers and, most important,

that has no restrictions on the type of service that is delivered.

I welcome the announcement on the new investments, which will be a major boost to the CalMac network. Customer service and customer care and the protection CalMac employees' terms and conditions must lie at the heart of the process. I support the motion in the minister's name.

16:17

Des McNulty (Clydebank and Milngavie) (Lab): I do not always agree with Fergus Ewing, but I agree with him that the process could have been handled better, particularly in relation to the release of information. One of the suggestions from the inquiry that Maureen Macmillan and I conducted for the Transport and the Environment Committee two years ago was that there must be a robust consultation process on the details of the service specification. The communities affected need to have the full opportunity to discuss all the structural and service issues, as well as the mechanism. I am not sure that that has been carried through as well as we and the communities would have wished.

Some things in the Executive document that was published today reflect points that were made to us as we went round the islands and spoke to affected stakeholders and are welcome developments, particularly the issues relating to disabled travellers, the role of Gaelic and the performance regime—the right to step in after four days rather than after seven days. However, the legal issue that was raised has not been satisfactorily resolved. We took the view in our report that the Commission's rigid requirements for the enforcement of European rules should be challenged, as we thought that it was illogical that a process that is supposedly designed to improve competition mechanisms and make things cheaper for the public purse should be conducted in such a way that it could unnecessarily increase the cost to the public purse.

There are a number of ways of looking at procurement and the tendering process is not necessarily the best way, although it is the one that the Executive has come up with repeatedly—the proposed mechanism has not shifted substantially from two years ago. The minister could perhaps have presented us with more alternatives and different choices and the debate could have profitably gone further than it has in the past two years.

What concerns me is that, at the end of this exercise, we will end up with the public purse paying more for worse services. I see nothing in what is proposed that suggests that we will get something that is better because of the tendering

process. Alasdair Morrison made the point that, in a rational world, we would not be in this situation. Surely part of our job as politicians is to try to find a way of making the world more rational, whether by legal challenges or by looking at things differently.

The services are for remote island communities; they are not standard transport issues in that sense. Whether we should be looking at the full range of European directives and mechanisms rather than at the narrow transport rules relating to seafaring—such as the cabotage regulations—as our sole mechanism for driving our pathway forward has not, in my view, been fully or adequately explored by the minister.

Because of the hiatus over the past two or three years, significant management issues in Caledonian MacBrayne have not been adequately addressed. One of the problems with the minister coming back to us and changing the position in relation to Gourock and Dunoon is that it would have been much better if he had done so two years ago rather than now. That would have enabled Caledonian MacBrayne to be in a better position to compete with Western Ferries and other potential rivals on that route.

There are genuine and solid grounds for criticism of the way in which the business has been conducted. That is not necessarily to say that we cannot make a success of things, but the minister will have to make a better fist than he has made up to now of convincing people that these proposals are the best route forward.

16:21

Mary Scanlon (Highlands and Islands) (Con): I endorse the points that Des McNulty and Fergus Ewing have made. I find that some of the questions that I had for the minister are answered in the document, but because I was not at my desk at lunch time I did not have time to peruse it. It is unfortunate that the minister did not provide the information in time to allow members to contribute more to an informed debate.

However, I am proud to represent the Conservatives—masters of the free market and of competition, where appropriate and when appropriate. The previous Conservative Government examined the cost of subsidising Caledonian MacBrayne and found that the unit costs were, in fact, lower than those for the then P&O service to the northern isles. I would like to use some of my speech to compare some of the tendering process now with the tendering process that we have already gone through for the northern isles with NorthLink.

We welcome genuine competition, which will yield benefits for passengers and enhance social

inclusion and opportunities on west coast islands, as well as encourage tourists to visit. On the comparison with the northern isles, I would like to use the example of Andrew Banks of Pentland Ferries Ltd. That man built two piers, at St Margaret's hope in Orkney and at Gill's bay near John o' Groats. He runs a service across the Pentland firth, which takes an hour, and his passenger and freight numbers have grown enormously year on year, yet he does not receive a penny from the public purse. In fact, he states that, if he received the kind of subsidy that is given to NorthLink, he could run the service free. Last year, Pentland Ferries carried around 80 per cent of sheep out of Orkney and a substantial number of cattle, as well as shellfish lorries and liquified petroleum gas tankers.

Moreover, Pentland Ferries' fares are cheaper. NorthLink receives a 75 per cent subsidy on livestock and, since its inception two years ago, its public subsidy has gone up from £11.5 million to almost £24 million. That can hardly be said to meet the criterion of value for money. Will the minister continue to meet the demands for a higher subsidy for the west coast operators, whichever company wins, on the same lines as he has with NorthLink? Will he consider giving the subsidy to the operator chosen by the people and by businesses to convey passengers, livestock and freight, rather than simply giving it to someone who carries a smaller percentage?

We want the changes to the ferry services to be made for the right reasons, with an assurance that the price paid for tendering should not fall on CalMac employees. That issue was raised by the trade unions at a meeting that many of us attended last week. The unions have also raised issues relating to the Transfer of Undertakings (Protection of Employment) Regulations and pensions. I note that the consultation document—which I have not had time to read—states, on page 13:

"The tender process will also include questions about bidders' employment policies to allow these to be assessed ... As with the transfer of staff we shall ensure that our proposals on this issue are as robust as possible."

I wonder whether CalMac employees will sleep easily in their beds tonight knowing that, because to me it is as clear as mud. Will any new company offer the final-salary pension schemes for CalMac employees and make the additional payments that have been required from time to time because of fluctuations in the equity market? Will the financial burden to the Scottish taxpayer increase, as it has done with NorthLink, or have lessons been learned from NorthLink? Finally, I ask the minister to address the concessionary fares scheme.

16:25

Mr Duncan McNeil (Greenock and Inverclyde) (Lab): As a representative in the Parliament with three ferry terminals in my constituency—there are CalMac terminals at Wemyss Bay and Gourock and a Western Ferries terminal at McInroy's point—and with the CalMac headquarters at Gourock, I have followed the highs and lows of the debate since late 1999.

During the process, we have sought common cause with island communities and with our neighbours across the river in Argyll—albeit for different reasons. We had a common concern about the restrictions that were in place, which damaged the viability of the Gourock to Dunoon run. We see some solution to that in the proposals. However, concerns on our side of the water were about the impact that the withdrawal or reduction of the Gourock to Dunoon service would have on the transport interchange proposals and subsequent development of the plans at Gourock. We were also concerned about the future of the CalMac headquarters in Gourock, which provides highly valued jobs. Another concern was the loss of the vehicle service at Gourock and the displacement of traffic on to the narrow roads through Gourock to the Western Ferries terminal. We welcome the Executive's commitment to the Gourock to Dunoon service, which we anticipate will address some of the concerns in my constituency.

I also welcome the announcement that CalMac will order a further two new vessels. I am sure that the Deputy Presiding Officer, Trish Ferguson, who has a shipyard in her constituency, will be delighted if we do all that we can to ensure that those contracts are awarded to Scottish shipyards and preferably, from her point of view, to Ferguson's shipyard in Port Glasgow.

I am pleased to hear that the minister appreciates that employees in my constituency and others are naturally concerned about the impact that the proposals will have on their future employment and on their terms and conditions. When he sums up, will he reassure us that employees will not pay a price in reduced terms and conditions and that, in discussion with tenderers, he will ensure that TUPE applies? In his discussions with CalMac, will he seek to clarify and take into account the impact of offshoring on employees if he decides to go ahead with the proposals? In his discussions with tenderers, will he ensure that pension entitlements that are not covered by TUPE will be addressed to the benefit of any transferring employees?

The Deputy Presiding Officer: I have never been called a shipyard before.

16:28

Rob Gibson (Highlands and Islands) (SNP): I support Fergus Ewing's amendment. We are dealing with lifeline ferry services in an area that had objective 1 funding, has had transitional funding and, if the calculations were done correctly, should continue to have structural funding to support life in those remote communities and islands. That is not to talk down the services' potential for making more money in future and for making a better life for people in those areas, but it is the background against which we are discussing this pathetic document today.

We can talk about building ships and we can talk about the process of trying to modernise CalMac. We are even making a slight deviation towards privatising part of it. That is all good Blairite stuff, but we do not need that here; we need the process to be one in which public money is used to subsidise lifeline services and we need some commitment from the Government that it will not welsh on that.

I speak on behalf of customers and people who find that they are not consulted or cannot make complaints in a structured fashion. I notice from the consultation that research is planned. I also notice from the 2002 consultation that there are dozens of complaints about fare structures and services. The large number of complaints points to the fact that CalMac has not been responsive to many of its customers in the way that it should have been. If the national health service can go through the rhetoric of consulting, it is high time that that is built into the process under consideration in more detail.

I will talk about a particular group of customers that some members have already mentioned—the disabled. How many of the boats that have been built are compliant with the Disability Discrimination Act 1995? How many of the new boats that are to be built will be compliant? At the moment, one ship out of CalMac's fleet of 30 is compliant. We are talking about people in remote islands who need to travel on a lifeline service. The minister has said nothing that would allow us to feel that their needs as regards equal opportunities are being met.

I turn to the way in which the crews are treated and the way in which the European matter has been handled. Ferry services across the English channel are provided by local ships with well-paid local crews. Most of the Brittany Ferries boats are built in France. That large country has been able to use the European rules and bend them to the needs of its citizens. It is a scandal that, in a small country, we are having to have this debate about lifeline services. The legal rulings make it clear that the Government has not lobbied on behalf of, or pulled its weight in standing up for, some of the

most disadvantaged communities on the edge of Europe.

I think about what has happened with the northern ferries—for example, those that are run by NorthLink. All those areas require that we provide public subsidy for their services. Surely the minister can justify making a whole-hearted commitment on that, instead of chipping away at the edges every time he speaks to us on the subject.

16:32

Tommy Sheridan (Glasgow) (SSP): It is ridiculous that the Presiding Officer has to preside over such an important and vital debate—a debate about the privatisation of an essential lifeline service in Scotland—when she has such limited time at her disposal.

Let us have some reality instead of the “Alice in Wonderland” talk that we have had until now. We are talking about the interests of the CalMac workers. Who pays when it comes to privatisation, whether of gas and telecoms companies or of CalMac? If European competition rules are to be applied, we need to ask why those rules exist. They exist so that the taxpayer's contribution to a service is lowered and the delivery of that service is improved. Wage costs account for 50 per cent of CalMac's operating costs. We are talking about providing an improved service and having the highest levels of health and safety, but how can we open up the market to competition and deliver an improved service without affecting the workers who are employed to deliver that service? From the outset, we should be clear that it will be they who will pay for privatisation.

This is an “Alice in Wonderland” debate because we are not only being asked by a Labour-Liberal Executive to support privatisation of a lifeline service, we have the opportunism of the Tories, whose amendment seeks to defend a public service against privatisation. That is the reality of the situation in which Labour members find themselves. Instead of standing up for a lifeline public service and the workers that are employed in it, and instead of backing the trade unions that have called on the Executive to mount a legal challenge, Labour members are prepared to go down on their knees before the EU commissioners and allow the destruction of CalMac and the loss of jobs and services that will result.

What an “Alice in Wonderland” answer the minister gave to my question on the cost of opening up the services to tender. First, he said that the costs would be substantial and acknowledged the insecurity for CalMac workers. Then, to my question about the cost of the legal challenge, he said that that too would be

substantial and that it would create a lot of insecurity. The minister also said that I would have to believe him when he said that the first costs would be greater than the second. I am not prepared to believe the minister—he must tell Parliament what the costs are. We have to face up to the fact that when the Tories told us in 1994-95 that it would be cheaper to privatise rail services, we found out after only one year that the public subsidy to the privatised railways had to double from £1 billion to £2 billion. Every member knows that such is the reality of privatisation.

It is unacceptable that the minister did not come to Parliament today to tell us that he is willing to pursue the matter to the *nth* degree and to challenge the European Commission. At the end of the day, if the minister was willing to take on the Commission, less cost would result in respect of the workers and essential lifeline services in Scotland. He should show the Executive's continued support for these lifeline services; he should not go down the cowardly route of bowing before the Commission and allowing privatisation of the services and the subsequent loss of jobs and terms and conditions.

I ask Parliament to back the SNP amendment and—this is like “Alice in Wonderland”—to back the Tory amendment. Both amendments would defend the services that the Executive wants to destroy.

The Deputy Presiding Officer: I call Maureen Macmillan, to whom I can give two minutes.

16:37

Maureen Macmillan (Highlands and Islands) (Lab): It will be difficult to keep my speech to two minutes, but I will do my best.

Not only did the Executive go to Europe to lobby for the services, but so did Argyll and Bute Council, the Highland Council and delegations from the SNP and Liberal Democrats. Des McNulty and I were also in Europe, as were the trade unions. The Commission gave us the same answer, which was that the services had to go to tender.

Bruce Crawford: We tried.

Maureen Macmillan: I know. We are all in this “Alice in Wonderland” situation.

Mr McGrigor: Will the member give way?

Maureen Macmillan: No. I have only two minutes.

I am disappointed that that was the result of all our lobbying. I am also disappointed that the decision in the Altmark case did not give us the chance to back away from the tendering process and I am further disappointed that the

consequences of a legal challenge to the Commission's decision would result in, for example, subsidy being withdrawn. I recognise the great dangers in challenging the Commission on the issue. It is a disappointment, however, that it is not possible to do so.

I want to endorse what Duncan McNeil said about the workforce, who are part of our communities in the remote areas of Scotland. We have to ensure that the interests of the workforce both in respect of their terms and conditions of employment and their pension entitlement are protected, not only for a year or two but in the long term.

However, we must also not lose sight of the fact that we must improve the support that is given to our island communities. For example, it seems that John Farquhar Munro is to hold a party on Skye to celebrate the spending of £30 million on buying out the Skye bridge toll contract. Although I am sure that that will delight the people of Skye, I am concerned about the situation on our other islands. How much extra will be spent on Coll, Tiree, Colonsay, Islay, Jura, Mull, the small isles and the Western Isles? Many would say that they are in great need of our support. I look forward to the minister's response on that.

16:38

Bristow Muldoon (Livingston) (Lab): Before I address the contentious issue of the requirement to tender, I open by acknowledging the support that the Executive has committed to our lifeline ferry services. I am thinking in particular of the investment that it has made in two new vehicles: the £9.5 million investment in a new vessel for the Wemyss Bay to Rothesay route and the £5.8 million for a new vessel on the Largs to Cumbrae route. That investment comes on top of the five new vessels that the Executive has ordered since 2000, its investment in piers and harbours, which amounts to £16 million, and its general support for CalMac services through grants that have risen from £19 million two years ago to £28 million in the current year.

I turn to the requirement to tender. The minister referred to his answer of 25 June to George Lyon's parliamentary question, in which he said that the Commission had not changed its mind on the requirement to tender. He also said that the Commission views the maritime cabotage regulation as having a different treaty base from the state-aid rules. The minister will acknowledge that many people—including the trade union movement and communities—have considerable concerns about the potential impact of the proposal to tender on staff, service quality and fragile communities' economies.

I acknowledge that the minister will act in good faith on the basis of legal advice from lawyers and discussions with the Commission but, as we approach the consultation process, many people, including people in the trade union movement, still want to make a case to him for alternatives to the Executive's proposals. I urge him to explore in further discussions with the United Kingdom Government and the European Commission whether an alternative to the tendering process can be identified and whether a revision can be made to the maritime cabotage regulation, which I do not expect was intended to have the implications for lifeline ferry services that it appears to have.

The Conservatives' position in the debate has been hypocritical, given their previous supposed commitments to free trade and their stewardship when the maritime cabotage regulation was introduced. I am pro-European and think that we should engage more with the European Commission to revise the regulation so that it does not have the impact that it seems it will have. Des McNulty said that part of our job in Parliament is to find rational solutions to problems. The current proposals do not fully meet that test.

Concerns exist about several detailed issues in the consultation proposals. Concern has been expressed that the draft service specification uses only the phrase "as if TUPE applies" and does not say that TUPE regulations will apply. Members have asked about pension protection for CalMac staff. The draft tender document suggests that tenders be judged on the basis of the lowest cost, rather than on the quality of the bid. I urge the Executive to review that. The potential local economic impact is significant not only in island communities, but in mainland communities such as Inverclyde, as Duncan McNeil said.

Parliament's job is to ensure that the safe and reliable service that Alasdair Morrison talked about can continue to serve Scotland's islands. I encourage the minister over the consultation period not merely to consider responses to the draft service specification, but to explore rational alternatives to ensure the continuation of services without having to tender.

16:43

Mr Jamie McGrigor (Highlands and Islands) (Con): I have been reminded of a saying that was attributed to John Stuart Blackie, who lived in Oban at the turn of the 19th century:

"The earth belongs unto the Lord
And all that it contains;
Except the piers of the Western Isles;
For they are Davey MacBrayne's."

That may be an amusing anecdote, but it sends shivers up the spines of would-be competitors that

will have to pay the pier dues and levies that CalMac—or should I say the vessel-owning company?—will charge.

We must ask what the point is of a tender process for the main bundle of routes. All that it has produced is confusion and worry among people who depend on ferry services and among CalMac staff. The most important achievement would be to have a ferry service that offers best value to customers and to people who live on remote islands and who rely on their lifeline services. Therefore, a deal must be struck between what is necessary and what is efficient and cost-effective. That key issue, rather than bending over backwards to satisfy European rules, should be foremost in the Scottish Executive's mind.

Fergus Ewing: Will the member give way?

Mr McGrigor: No.

We welcome competition between ferry operators when demand exists, as on the route between Gourock and Dunoon, but compliance with the European tender process for the main bundle of routes will not benefit ferry customers, the people who live on the islands or the people who live in the coastal communities. Once the tender is set in stone, it may well become a factor that drives up costs and leads to less reliable ferry services. One of the most important considerations is flexibility of services, which means the ability to change routes, their timing and their destinations according to islanders' varying needs.

There is always room for improvement. To give CalMac its due, it reacts to demands from the public, albeit sometimes slowly. CalMac cannot please everybody everywhere all the time, but it attempts to do so, which above all requires flexibility without constraints. The tender, once written, will cut flexibility and increase constraints.

Every day since 1973, Western Ferries has run an excellent service on the Clyde between Gourock and Dunoon. The ferries run until late at night and work out of hours in cases of medical emergency. Western Ferries carries nearly 80 per cent of vehicular traffic across the Clyde and would obviously like to provide the residents of Dunoon with improved quality of service. Whereas in the past new vessels for CalMac were subsidised to the tune of 75 per cent, that has become impossible under European rules. It is impossible to discover how much of CalMac's subsidy is spent on the route, because that information is commercially sensitive and therefore confidential, but it is obvious that the route can make money, as has been shown by Western Ferries, which operates with no subsidy.

George Lyon: Will the member take an intervention on that point?

Mr McGrigor: No.

The residents of Dunoon are fortunate in having two options for vehicle ferries and no monopoly and it is understandable that they do not want their services to be downgraded. Dunoon is a gateway to the new Loch Lomond and the Trossachs national park and every effort should be made to make Dunoon one of the main gateways to the Highlands.

The most important point is that the people who live on the Clyde and the west coast should have reliable and constantly improving ferry services that are run by a company that has intimate local knowledge and experience of the waters, which must be classed as among the most dangerous in the world.

The Executive can learn lessons from the sorry saga of NorthLink, whose contract to provide lifeline services to Orkney and Shetland should have lasted until 2007, but which has had to be retendered more than three years early because the funding did not fit the job. Passengers and businesses have suffered because of the Executive's incompetence in safeguarding a suitable service for the northern isles. The latest debacle over the minister's yes-no approach to approving NorthLink's new timetable has added to the confusion. If we are to be forced into a tendering process for the main bundle of routes, can we have one that allows innovation? The ferries are vital to our islands from Bute to Lewis. Let us put Scottish people before European Union rules.

16:47

Jim Mather (Highlands and Islands) (SNP): We have been joined by several Labour members and others in voicing concerns about today's announcement, including concerns about the delay and uncertainty that, as the minister acknowledged, helps few, does little for investment and undermines the local economy, as well as concerns about the lack of convincing evidence for dismissing the Altmark judgment.

Our preference remains in favour of there being no tender. We would prefer further building on and developing of the present model, based on a thorough independent investigation. That process should give Caledonian MacBrayne new challenges, including those of becoming more cost effective, generating more net revenue, matching private operators' profitability levels on key routes and perhaps even learning some of the lessons of easyJet and Ryanair. Those measures would have the objective of benefiting passengers, communities and taxpayers. The process would

also involve further revising and reviewing of routes and services, putting downwards pressure on fares and, where feasible, increasing the frequency of services.

Meanwhile, we have adverse changes and delay, such as the latest move on shore ticketing on the Clyde, which seems to have a dubious justification and comes with many additional costs. There are direct costs in relation to manpower, redundancy, premises and systems, as well as indirect costs such as those that arise from reduction of the incentive to travel that results from more damage to the already weak integration with rail. With the help of the Executive, CalMac needs to review and recast its cost base, beef up its customer service and offer a credible integrated service.

At present, the majority of users see CalMac as being more like the post-privatisation British Airways than the lean and hungry Ryanair. However, we believe that CalMac can be more like the latter, for the sake of its passengers, employees, the local economies and the Scottish taxpayer. In our non-tender option, we want a new and efficient, cost and frequency-obsessed CalMac, with much higher volume targets than the current meagre 2 per cent as a surrogate for an economic growth target. That would force CalMac to empathise further with its communities and staff by giving it the same objectives as they have. We have heard that such a move is supported by none other than Brian Wilson, which we thoroughly welcome.

The tender option has many pitfalls. We could end up with the Railtrack of the seas, with private operators emphasising profit over service and over the growth of the local economy. Such operators could put pressure on staff and kill routes in order to focus vessels and manpower on the more profitable routes, creating the equivalent of 18th century toll roads on many lifeline services, thereby becoming a constraint on west coast development. As other members do, I worry that the tendering process would effectively cast in concrete an imperfect blend of vessels and services, which would limit potential on the west coast in the long term.

In order to move forward, we must be fair to west coast communities; we must use ferry services as economic stimuli, not inhibitors. We need to encourage all stakeholders to befriend change and innovation—in particular, we need to persuade the Executive to be more robust in tackling issues around tendering.

Our amendment spells out the fact that we do not accept the status quo and that we do not accept any diminution of services. We want Caledonian MacBrayne to cease underperforming, which we believe is palpably the case. We also

want to stop the perpetuation of risk and inhibition in the local economies that are concerned. I refer to the condoning of failures to link up or leverage public assets, as was the case with the Campbeltown and Ballycastle terminals, and as might also possibly be the case—although I certainly hope not—with the new linkspan at Dunoon.

We want a real impetus to competitiveness. In our opinion, the competitiveness of the west coast of Scotland is much more important than competition on its ferry routes. That is why we will never concede that there is a need to tender without evidence to support the notion that there is absolutely no other option and without proof that the occasionally sensible EU is determined not to put the people of the west coast and their economic well-being in jeopardy.

Common sense, imposed by the people, prevailed on the matter of hospitals. I have no doubt that common sense will be imposed by the people on the matter of ferries, too. I support the amendment in Fergus Ewing's name.

16:52

Nicol Stephen: There are many less difficult transport issues that the Executive could have chosen to debate today. Very few are less important. There have been many strong speeches in the debate, which reflect the strong emotions that are raised in the communities that are served by these vital lifeline services. I emphasise the fact that the Executive is very committed to all the routes and wants them to continue and to develop.

As Alasdair Morrison said, there has been more than a trebling of investment in CalMac and its services. That increased investment is due to go further over the period of the spending review—in the new Scottish budget through to 2008. We have heard about some of the consequences of that today, with new investment, new vessels and new pier and harbour grants. We want to improve and extend the Clyde and Hebrides ferry services. That will mean new vessels and new investment and a greater commitment than ever before on the part of the Executive to the communities concerned.

Alasdair Morrison mentioned the Mallaig to Lochboisdale route, and I have met Councillor Ronnie Mackinnon, who has campaigned long and hard on that route. We are prepared to consider ambitious development proposals for that route, some of which are mentioned in the new consultation document. I would like to nail one of the misleading views that has been expressed about the Mallaig to Lochboisdale route. It has been suggested that improvement there could

come at the expense of other routes. It is clearly not the case that we would reduce the service on any other routes—we are considering the genuine development of services such as the Mallaig to Lochboisdale service.

Tommy Sheridan: On the extension of services, Alasdair Morrison mentioned the minister's inability to discuss the costs of tendering. The minister is talking about extra investment. What is the cost of tendering that service?

Nicol Stephen: As I said earlier—although I did not say it in the language that Tommy Sheridan has tried to attribute to me—there will be a cost to tendering. The cost of tendering will be administrative, involving the cost of officials' time. There is also the cost of continuing uncertainty and the cost of the risk of a European Commission challenge to our investment in the services. That is a high cost, which I hope Tommy Sheridan appreciates. It is easy for someone to say that they would challenge the law and that they would be prepared to flout Commission regulations. The challenge is a difficult one, however. We, like any Government, must respond to it in order to protect services—to protect lifeline routes and the communities that they serve.

Mr McGrigor: I gather that the minister has commissioned an appraisal under the Scottish transport appraisal guidance for the Lochboisdale to Mallaig route, which infers that it would replace the Lochboisdale to Oban route. Is that the case?

Nicol Stephen: The STAG appraisal has been jointly commissioned, so we are going to work with Western Isles Council. We will consider all the proposals for improvements to the route and I would not rule anything out at this stage. The service responds to the wishes of the Western Isles and of the community at Lochboisdale. I want improvements such as the possible future improvements at Lismore and improvements for the small isles to be considered. In response to the point that Jamie McGrigor made in his speech, we will consider developments through the course of the contract. We do not have to wait until the end of it; there is flexibility to allow us to introduce improvements as we go along.

Fergus Ewing: The key issue in the debate is that the minister has contended that we need to go to tender because we require to accept the lowest price. I have stumbled across paragraph 2.4.9 of the "Clyde and Hebrides Lifeline Ferry Services Service Specification" document, the footnote to which indicates that in certain circumstances ministers need not accept the lowest tender; in fact they could accept a higher tender. If that is the case, what is the point of the tender process and the costs involved in the whole exercise?

Nicol Stephen: Fergus Ewing is quite wrong. We are specifically not going to tender to ensure that the lowest tenderer wins. Let me be clear that we are going to tender because we have to resolve this difficult issue. The tendering requirement is clearly a difficult issue. It has been central to the debate today, but we have not, in Fergus Ewing's words, chosen to take the tendering approach. Previous ministers and I have made representations to the Commission on the matter. We are taking this approach because of the Commission regulation and the legal requirement that is being imposed on us.

Mr McNeil: Given the contributions in the debate today and the representations from the Scottish Trades Union Congress, does the minister not consider that it would be worth while to make one last effort in the next six weeks to further examine the definitive position and whether we need to put the service out to tender?

Nicol Stephen: The issue has been hanging over the ferry services and communities affected not for two years, as some said during the debate, but for five years—the Commission first raised the matter with the Executive and the Parliament in 1999. It is now absolutely clear that tendering is legally required. What Professor Neil McCormick has said has been quoted to me and I have had discussions with him on the issue. As I understand it, having asked the Commission about it, he has accepted that there is no alternative to tendering the routes.

I believe that we now need to move forward and in doing so I intend to do all that I can to secure the services and the future of the employees who provide them. In doing that I give an absolute assurance to Duncan McNeil that I will continue to raise the tendering issue with the Commission. If at any stage during the consultation period, which runs until 16 March, or at any point thereafter in the tendering process, we get any change in advice or shift in position from the Commission, I will report it urgently and immediately to the Parliament. Having raised the issue with the Commission directly, I see no prospect of that occurring, on the basis of current Commission regulations.

I turn to the Tories, whom Tommy Sheridan is supporting today. This debate has had its surreal moments, with Tommy Sheridan backing the Tories and Fergus Ewing quoting Brian Wilson MP as his legal adviser. The hypocrisy of the Tories has been breathtaking today. Why do we need to tender these routes? Because of Council regulation 3577 of 1992, on maritime cabotage. Who signed that regulation? John MacGregor. What was his position? The Conservative Secretary of State for Transport. When did he sign it? December 1992, when the UK held the

presidency of the EU. The Tories led us into this, yet have the hypocrisy to try to duck the responsibility today.

I ask members to support the Executive motion.

Business Motion

17:00

The Presiding Officer (Mr George Reid): The next item of business is consideration of business motion S2M-2130, in the name of Margaret Curran, on behalf of the Parliamentary Bureau, setting out its business programme.

Motion moved,

That the Parliament agrees the following programme of business—

Wednesday 15 December 2004

2.30 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Ministerial Statement on Concessionary Fares

followed by Executive Debate: Waiting Times

followed by Business Motion

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Thursday 16 December 2004

9.30 am Parliamentary Bureau Motions

followed by Scottish Conservative and Unionist Party Business

12 noon First Minister's Question Time

2.00 pm Question Time—
Enterprise, Lifelong Learning and Transport;
Justice and Law Officers;
General Questions

3.00 pm Executive Debate: Tourism

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Wednesday 22 December 2004

2.30 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Stage 3 of the Emergency Workers (Scotland) Bill

followed by Motion on the Code of Practice for Ministerial Appointments to Public Bodies

followed by Business Motion

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Thursday 23 December 2004

9.30 am Parliamentary Bureau Motions

followed by

Finance Committee Debate: Stage 2 of the 2005-06 Budget Process

12 noon

First Minister's Question Time

2.00 pm

Question Time—
Education and Young People,
Tourism, Culture and Sport;
Finance and Public Services and
Communities;
General Questions

followed by

Parliamentary Bureau Motions

3.00 pm

Decision Time

followed by
Curran.]

Members' Business.—[*Ms Margaret*

Motion agreed to.

Parliamentary Bureau Motions

The Presiding Officer (Mr George Reid): The next item of business is the consideration of three Parliamentary Bureau motions. I ask Margaret Curran to move motion S2M-2123, on the approval of a Scottish statutory instrument.

Motion moved,

That the Parliament agrees that the Food Protection (Emergency Prohibitions) (Amnesic Shellfish Poisoning) (East Coast) (No. 2) (Scotland) Order 2004 (SSI 2004/500) be approved.—[*Ms Margaret Curran.*]

17:01

Mr David Davidson (North East Scotland) (Con): The Executive has agreed to do a magnificent U-turn, but it seems to be taking a long time to do it. Last week, the Deputy Minister for Health and Community Care kindly gave me some sort of timescale. She also told me who would be giving her advice. If I may, this week—before encouraging members, correctly, to vote against this motion—I would like to ask her when she will publish the information that she is collecting in advice form so that members can have knowledge of what the schemes are likely to be. The Health Committee would like to see the fine print. Of course, the Conservative party will vote against this motion.

17:02

The Deputy Minister for Health and Community Care (Rhona Brankin): Discussions with the industry are continuing. The Food Standards Agency is involved in discussions with officials from the Scallop Association, the Mallaig and North West Fishermen's Association, the Clyde Fishermen's Association and Seafish. The agency also sits on the Scottish scallop advisory committee. There are complex negotiations going on at the moment. I do not want to make decisions on the hoof about when information will come forward.

This is a critical area in terms of public health and public confidence in the scallop industry. I am not prepared to take risks with public health and the Conservative party should not be prepared to do so either.

The Presiding Officer: I ask Margaret Curran to move motion S2M-2124, on the approval of a Scottish statutory instrument, and motion S2M-2125, on the designation of a lead committee.

Motions moved,

That the Parliament agrees that the draft Tenements (Scotland) Act 2004 (Consequential Provisions) Order 2004 be approved.

That the Parliament agrees that the Justice 1 Committee be designated as lead committee in consideration of the draft Criminal Procedure (Amendment) (Scotland) Act 2004 (Incidental, Supplemental and Consequential Provisions) Order 2005.—[*Ms Margaret Curran.*]

The Presiding Officer: The questions on these motions will be put at decision time.

Decision Time

17:03

The Presiding Officer (Mr George Reid):

There are six questions to be put as a result of today's business. The first question is, that amendment S2M-2117.1, in the name of Fergus Ewing, which seeks to amend motion S2M-2117, in the name of Nicol Stephen, on Executive-supported lifeline ferry services in the Clyde and Hebrides, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

Adam, Brian (Aberdeen North) (SNP)
 Aitken, Bill (Glasgow) (Con)
 Baird, Shiona (North East Scotland) (Green)
 Ballance, Chris (South of Scotland) (Green)
 Ballard, Mark (Lothians) (Green)
 Brocklebank, Mr Ted (Mid Scotland and Fife) (Con)
 Byrne, Ms Rosemary (South of Scotland) (SSP)
 Canavan, Dennis (Falkirk West) (Ind)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Curran, Frances (West of Scotland) (SSP)
 Davidson, Mr David (North East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Fergusson, Alex (Galloway and Upper Nithsdale) (Con)
 Fox, Colin (Lothians) (SSP)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gallie, Phil (South of Scotland) (Con)
 Gibson, Rob (Highlands and Islands) (SNP)
 Goldie, Miss Annabel (West of Scotland) (Con)
 Grahame, Christine (South of Scotland) (SNP)
 Harper, Robin (Lothians) (Green)
 Harvie, Patrick (Glasgow) (Green)
 Ingram, Mr Adam (South of Scotland) (SNP)
 Johnstone, Alex (North East Scotland) (Con)
 Leckie, Carolyn (Central Scotland) (SSP)
 Lochhead, Richard (North East Scotland) (SNP)
 MacAskill, Mr Kenny (Lothians) (SNP)
 Marwick, Tricia (Mid Scotland and Fife) (SNP)
 Mather, Jim (Highlands and Islands) (SNP)
 Matheson, Michael (Central Scotland) (SNP)
 McLetchie, David (Edinburgh Pentlands) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)
 Morgan, Alasdair (South of Scotland) (SNP)
 Mundell, David (South of Scotland) (Con)
 Neil, Alex (Central Scotland) (SNP)
 Robison, Shona (Dundee East) (SNP)
 Ruskell, Mr Mark (Mid Scotland and Fife) (Green)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, Eleanor (Highlands and Islands) (Green)
 Scott, John (Ayr) (Con)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinburne, John (Central Scotland) (SSCUP)
 Swinney, Mr John (North Tayside) (SNP)
 Tosh, Murray (West of Scotland) (Con)
 Turner, Dr Jean (Strathkelvin and Bearsden) (Ind)
 Welsh, Mr Andrew (Angus) (SNP)

White, Ms Sandra (Glasgow) (SNP)

AGAINST

Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Eadie, Helen (Dunfermline East) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Gillon, Karen (Clydesdale) (Lab)
 Glen, Marlyn (North East Scotland) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Gorrie, Donald (Central Scotland) (LD)
 Home Robertson, Mr John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (Lab)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 Macintosh, Mr Kenneth (Eastwood) (Lab)
 Maclean, Kate (Dundee West) (Lab)
 Macmillan, Maureen (Highlands and Islands) (Lab)
 Martin, Paul (Glasgow Springburn) (Lab)
 May, Christine (Central Fife) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McCabe, Mr Tom (Hamilton South) (Lab)
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)
 McGregor, Mr Jamie (Highlands and Islands) (Con)
 McMahon, Michael (Hamilton North and Bellshill) (Lab)
 McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Dr Elaine (Dumfries) (Lab)
 Oldfather, Irene (Cunninghame South) (Lab)
 Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Pringle, Mike (Edinburgh South) (LD)
 Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)
 Radcliffe, Nora (Gordon) (LD)
 Raffan, Mr Keith (Mid Scotland and Fife) (LD)
 Robson, Euan (Roxburgh and Berwickshire) (LD)
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)
 Scott, Tavish (Shetland) (LD)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Iain (North East Fife) (LD)
 Smith, Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Wallace, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

ABSTENTIONS

MacDonald, Margo (Lothians) (Ind)

The Deputy Presiding Officer: The result of the division is: For 53, Against 65, Abstentions 1.

Amendment disagreed to.

The Presiding Officer: The second question is, that amendment S2M-2117.2, in the name of David Mundell, which seeks to amend motion S2M-2117, in the name of Nicol Stephen, on Executive-supported lifeline ferry services in the Clyde and Hebrides, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

Aitken, Bill (Glasgow) (Con)
 Baird, Shiona (North East Scotland) (Green)
 Ballance, Chris (South of Scotland) (Green)
 Ballard, Mark (Lothians) (Green)
 Brocklebank, Mr Ted (Mid Scotland and Fife) (Con)
 Byrne, Ms Rosemary (South of Scotland) (SSP)
 Curran, Frances (West of Scotland) (SSP)
 Davidson, Mr David (North East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Fergusson, Alex (Galloway and Upper Nithsdale) (Con)
 Fox, Colin (Lothians) (SSP)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gallie, Phil (South of Scotland) (Con)
 Goldie, Miss Annabel (West of Scotland) (Con)
 Harper, Robin (Lothians) (Green)
 Harvie, Patrick (Glasgow) (Green)
 Johnstone, Alex (North East Scotland) (Con)
 Kane, Rosie (Glasgow) (SSP)
 Leckie, Carolyn (Central Scotland) (SSP)
 MacDonald, Margo (Lothians) (Ind)
 McLetchie, David (Edinburgh Pentlands) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)
 Mundell, David (South of Scotland) (Con)
 Ruskell, Mr Mark (Mid Scotland and Fife) (Green)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, Eleanor (Highlands and Islands) (Green)
 Scott, John (Ayr) (Con)
 Sheridan, Tommy (Glasgow) (SSP)
 Swinburne, John (Central Scotland) (SSCUP)
 Tosh, Murray (West of Scotland) (Con)
 Turner, Dr Jean (Strathkelvin and Bearsden) (Ind)

AGAINST

Adam, Brian (Aberdeen North) (SNP)
 Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Canavan, Dennis (Falkirk West) (Ind)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Eadie, Helen (Dunfermline East) (Lab)

Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Gibson, Rob (Highlands and Islands) (SNP)
 Gillon, Karen (Clydesdale) (Lab)
 Glen, Marlyn (North East Scotland) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Gorrie, Donald (Central Scotland) (LD)
 Grahame, Christine (South of Scotland) (SNP)
 Home Robertson, Mr John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (Lab)
 Ingram, Mr Adam (South of Scotland) (SNP)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lochhead, Richard (North East Scotland) (SNP)
 Lyon, George (Argyll and Bute) (LD)
 MacAskill, Mr Kenny (Lothians) (SNP)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 Macintosh, Mr Kenneth (Eastwood) (Lab)
 Maclean, Kate (Dundee West) (Lab)
 Macmillan, Maureen (Highlands and Islands) (Lab)
 Martin, Paul (Glasgow Springburn) (Lab)
 Marwick, Tricia (Mid Scotland and Fife) (SNP)
 Mather, Jim (Highlands and Islands) (SNP)
 Matheson, Michael (Central Scotland) (SNP)
 May, Christine (Central Fife) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McCabe, Mr Tom (Hamilton South) (Lab)
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)
 McGrigor, Mr Jamie (Highlands and Islands) (Con)
 McMahan, Michael (Hamilton North and Bellshill) (Lab)
 McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Morgan, Alasdair (South of Scotland) (SNP)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Dr Elaine (Dumfries) (Lab)
 Neil, Alex (Central Scotland) (SNP)
 Oldfather, Irene (Cunninghame South) (Lab)
 Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Pringle, Mike (Edinburgh South) (LD)
 Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)
 Radcliffe, Nora (Gordon) (LD)
 Raffan, Mr Keith (Mid Scotland and Fife) (LD)
 Robison, Shona (Dundee East) (SNP)
 Robson, Euan (Roxburgh and Berwickshire) (LD)
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)
 Scott, Tavish (Shetland) (LD)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Iain (North East Fife) (LD)
 Smith, Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Wallace, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Welsh, Mr Andrew (Angus) (SNP)

White, Ms Sandra (Glasgow) (SNP)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

The Presiding Officer: The result of the division is: For 32, Against 89, Abstentions 0.

Amendment disagreed to.

The Presiding Officer: The third question is, that motion S2M-2117, in the name of Nicol Stephen, on Executive-supported lifeline ferry services in the Clyde and Hebrides, 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)
 Baker, Richard (North East Scotland) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Gorrie, Donald (Central Scotland) (LD)
 Home Robertson, Mr John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 Macintosh, Mr Kenneth (Eastwood) (Lab)
 Maclean, Kate (Dundee West) (Lab)
 Macmillan, Maureen (Highlands and Islands) (Lab)
 May, Christine (Central Fife) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McCabe, Mr Tom (Hamilton South) (Lab)
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)
 McGrigor, Mr Jamie (Highlands and Islands) (Con)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Dr Elaine (Dumfries) (Lab)
 Oldfather, Irene (Cunninghame South) (Lab)
 Peacock, Peter (Highlands and Islands) (Lab)
 Pringle, Mike (Edinburgh South) (LD)
 Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)
 Radcliffe, Nora (Gordon) (LD)
 Raffan, Mr Keith (Mid Scotland and Fife) (LD)
 Robson, Euan (Roxburgh and Berwickshire) (LD)
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)
 Scott, Tavish (Shetland) (LD)
 Smith, Iain (North East Fife) (LD)
 Smith, Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Swinburne, John (Central Scotland) (SSCUP)
 Wallace, Mr Jim (Orkney) (LD)

Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

AGAINST

Adam, Brian (Aberdeen North) (SNP)
 Aitken, Bill (Glasgow) (Con)
 Baird, Shiona (North East Scotland) (Green)
 Ballance, Chris (South of Scotland) (Green)
 Ballard, Mark (Lothians) (Green)
 Brocklebank, Mr Ted (Mid Scotland and Fife) (Con)
 Byrne, Ms Rosemary (South of Scotland) (SSP)
 Canavan, Dennis (Falkirk West) (Ind)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Curran, Frances (West of Scotland) (SSP)
 Davidson, Mr David (North East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Fergusson, Alex (Galloway and Upper Nithsdale) (Con)
 Fox, Colin (Lothians) (SSP)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gallie, Phil (South of Scotland) (Con)
 Gibson, Rob (Highlands and Islands) (SNP)
 Goldie, Miss Annabel (West of Scotland) (Con)
 Grahame, Christine (South of Scotland) (SNP)
 Harper, Robin (Lothians) (Green)
 Harvie, Patrick (Glasgow) (Green)
 Ingram, Mr Adam (South of Scotland) (SNP)
 Johnstone, Alex (North East Scotland) (Con)
 Kane, Rosie (Glasgow) (SSP)
 Leckie, Carolyn (Central Scotland) (SSP)
 Lochhead, Richard (North East Scotland) (SNP)
 MacAskill, Mr Kenny (Lothians) (SNP)
 Marwick, Tricia (Mid Scotland and Fife) (SNP)
 Mather, Jim (Highlands and Islands) (SNP)
 Matheson, Michael (Central Scotland) (SNP)
 McLetchie, David (Edinburgh Pentlands) (Con)
 Milne, Mrs Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)
 Morgan, Alasdair (South of Scotland) (SNP)
 Mundell, David (South of Scotland) (Con)
 Neil, Alex (Central Scotland) (SNP)
 Robison, Shona (Dundee East) (SNP)
 Ruskell, Mr Mark (Mid Scotland and Fife) (Green)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, Eleanor (Highlands and Islands) (Green)
 Scott, John (Ayr) (Con)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Tosh, Murray (West of Scotland) (Con)
 Turner, Dr Jean (Strathkelvin and Bearsden) (Ind)
 Welsh, Mr Andrew (Angus) (SNP)
 White, Ms Sandra (Glasgow) (SNP)

ABSTENTIONS

Butler, Bill (Glasgow Anniesland) (Lab)
 Eadie, Helen (Dunfermline East) (Lab)
 Gillon, Karen (Clydesdale) (Lab)
 Glen, Marlyn (North East Scotland) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Jackson, Dr Sylvia (Stirling) (Lab)
 MacDonald, Margo (Lothians) (Ind)
 Martin, Paul (Glasgow Springburn) (Lab)
 McMahon, Michael (Hamilton North and Bellshill) (Lab)
 McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)

McNulty, Des (Clydebank and Milngavie) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)

The Presiding Officer: The result of the division is: For 53, Against 54, Abstentions 15.

Motion disagreed to.

The Presiding Officer: The fourth question is, that motion S2M-2123, in the name of Margaret Curran, on the approval of a Scottish statutory instrument, 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)
 Baird, Shiona (North East Scotland) (Green)
 Baker, Richard (North East Scotland) (Lab)
 Ballance, Chris (South of Scotland) (Green)
 Ballard, Mark (Lothians) (Green)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Canavan, Dennis (Falkirk West) (Ind)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Cunningham, Roseanna (Perth) (SNP)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Eadie, Helen (Dunfermline East) (Lab)
 Ewing, Mrs Margaret (Moray) (SNP)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Gillon, Karen (Clydesdale) (Lab)
 Glen, Marlyn (North East Scotland) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Gorrie, Donald (Central Scotland) (LD)
 Harper, Robin (Lothians) (Green)
 Harvie, Patrick (Glasgow) (Green)
 Home Robertson, Mr John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (Lab)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 MacDonald, Margo (Lothians) (Ind)
 Macintosh, Mr Kenneth (Eastwood) (Lab)
 Maclean, Kate (Dundee West) (Lab)
 Macmillan, Maureen (Highlands and Islands) (Lab)
 Martin, Paul (Glasgow Springburn) (Lab)
 May, Christine (Central Fife) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McCabe, Mr Tom (Hamilton South) (Lab)
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)
 McGrigor, Mr Jamie (Highlands and Islands) (Con)
 McMahan, Michael (Hamilton North and Bellshill) (Lab)
 McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Morrison, Mr Alasdair (Western Isles) (Lab)

Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Dr Elaine (Dumfries) (Lab)
 Oldfather, Irene (Cunninghame South) (Lab)
 Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Pringle, Mike (Edinburgh South) (LD)
 Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)
 Radcliffe, Nora (Gordon) (LD)
 Raffan, Mr Keith (Mid Scotland and Fife) (LD)
 Robson, Euan (Roxburgh and Berwickshire) (LD)
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)
 Ruskell, Mr Mark (Mid Scotland and Fife) (Green)
 Scott, Eleanor (Highlands and Islands) (Green)
 Scott, Tavish (Shetland) (LD)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Iain (North East Fife) (LD)
 Smith, Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Swinburne, John (Central Scotland) (SSCUP)
 Turner, Dr Jean (Strathkelvin and Bearsden) (Ind)
 Wallace, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 White, Ms Sandra (Glasgow) (SNP)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

AGAINST

Aitken, Bill (Glasgow) (Con)
 Brocklebank, Mr Ted (Mid Scotland and Fife) (Con)
 Byrne, Ms Rosemary (South of Scotland) (SSP)
 Curran, Frances (West of Scotland) (SSP)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Fergusson, Alex (Galloway and Upper Nithsdale) (Con)
 Fox, Colin (Lothians) (SSP)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gallie, Phil (South of Scotland) (Con)
 Goldie, Miss Annabel (West of Scotland) (Con)
 Johnstone, Alex (North East Scotland) (Con)
 Kane, Rosie (Glasgow) (SSP)
 Leckie, Carolyn (Central Scotland) (SSP)
 Milne, Mrs Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Mundell, David (South of Scotland) (Con)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Sheridan, Tommy (Glasgow) (SSP)

ABSTENTIONS

Adam, Brian (Aberdeen North) (SNP)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Gibson, Rob (Highlands and Islands) (SNP)
 Grahame, Christine (South of Scotland) (SNP)
 Ingram, Mr Adam (South of Scotland) (SNP)
 Lochhead, Richard (North East Scotland) (SNP)
 MacAskill, Mr Kenny (Lothians) (SNP)
 Marwick, Tricia (Mid Scotland and Fife) (SNP)
 Mather, Jim (Highlands and Islands) (SNP)
 Matheson, Michael (Central Scotland) (SNP)
 Morgan, Alasdair (South of Scotland) (SNP)
 Neil, Alex (Central Scotland) (SNP)
 Robison, Shona (Dundee East) (SNP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Welsh, Mr Andrew (Angus) (SNP)

The Presiding Officer: The result of the division is: For 80, Against 19, Abstentions 19.

Motion agreed to.

That the Parliament agrees that the Food Protection (Emergency Prohibitions) (Amnesic Shellfish Poisoning) (East Coast) (No. 2) (Scotland) Order 2004 (SSI 2004/500) be approved.

The Presiding Officer: The fifth question is, that motion S2M-2124, in the name of Margaret Curran, on the approval of an SSI, be agreed to.

Motion agreed to.

That the Parliament agrees that the draft Tenements (Scotland) Act 2004 (Consequential Provisions) Order 2004 be approved.

The Presiding Officer: The sixth and final question is, that motion S2M-2125, in the name of Margaret Curran, on the designation of a lead committee, be agreed to.

Motion agreed to.

That the Parliament agrees that the Justice 1 Committee be designated as lead committee in consideration of the draft Criminal Procedure (Amendment) (Scotland) Act 2004 (Incidental, Supplemental and Consequential Provisions) Order 2005.

The Presiding Officer: That concludes decision time.

Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP): On a point of order, Presiding Officer. In the light of the defeat of the Executive's proposals in relation to this afternoon's debate, I seek your guidance on the consequences. In particular, will the Executive withdraw the consultation paper, which Parliament has voted down?

The Presiding Officer: Parliament has decided, Mr Ewing, and it is now up to the Executive to take due cognisance of what has happened. With that, decision time is concluded.

Older Volunteers

The Deputy Presiding Officer (Trish Godman): The final item of business is a members' business debate on motion S2M-2033, in the name of Sarah Boyack, on "Retire into Action: a study of the benefits of volunteering to older people", which is a Community Service Volunteers Scotland report on older volunteers. The debate will be concluded without any question being put.

Motion debated,

That the Parliament welcomes the publication of *Retire into Action*, the Community Service Volunteers' research into the benefits of volunteering by older people; celebrates the contribution made by older citizens in supporting local community organisations and individuals in Scotland; notes the personal benefits to be gained by volunteers such as improved health and confidence, as well as great social benefits; believes that Scotland's ageing population provides great opportunities as well as challenges; notes the work done by older citizens in Edinburgh Central in supporting homeless people and those with debt problems, assisting in schools and running community centres and the many community groups that would struggle to exist without the generous time, expertise and commitment given by so many older people, and, in particular, notes the contribution of the Parliament's neighbours in the Old Town where organisations such as the Committee of the St Anne's Community Centre and the committees of the Dumbiedykes Neighbourhood Association and the Writers Group have worked over many years to support people and enrich their lives.

17:11

Sarah Boyack (Edinburgh Central) (Lab): I am delighted to have been given the chance by colleagues to put the motion in front of members and to have the opportunity to debate such an exciting report. The whole tenor of the Community Service Volunteers Scotland report, "Retire into Action", is worthy of debate. Members have the opportunity to discuss the report's conclusions and to acknowledge the superb local work that is done on behalf of our constituents.

Later, I will refer to a number of groups in whose work around the Holyrood area members might be interested. However, I want to say at the start that the debate should not be touchy-feely or vague. Volunteering can sound like a warm and lovely idea and we might think that we should all just say that it is a great idea that we should support. However, difficult political issues are buried in the subject and I want to pick up on one or two of those in my brief few minutes. First, there is the demographic time bomb. Then I want to talk about resources and community capacity, and volunteers' rewards.

When we talk about the demographic time bomb, it is usually explained that a big problem is coming: that we are going to have more older

people in society. However, the debate should turn that attitude on its head. We should consider the fact that there will be a wealth of talent and experience in our older community. The vast majority of people in that community do not think of themselves as older. That the CSV report talks about the over-50s is interesting. It does not talk about people automatically being retired, but about viewing people as a resource.

The rewards for people who are over 50 in getting involved as volunteers was one issue that emerged powerfully from the CSV's research. There is the sense of purpose and self-respect that comes from making a socially useful contribution that is valued by the people with whom they work. There is the opportunity for self-development. Many people stay in the same job for years and retirement offers them a superb opportunity to do different things and to use skills and talents in a different way in shaping themselves, and possibly to diversify into totally different activities. A person might have been a bank manager and might end up driving a truck to take around food for the Crisis FareShare project. There are many opportunities out there.

People's sense of achievement and the strong personal satisfaction and personal motivation that come from deciding how they want to contribute comes through in the report, and I certainly get that sense from talking to people. We are not talking about an employment situation in which a person signs a contract and has a duty to do things. It is about personal choice. For many people, volunteering gives a structure to life that is not like the treadmill of work. It is not a 9-to-5 job; it is not shift work of 12 hours repeated several times a week; it is about choosing when and how they want to contribute.

There are also many social benefits for people who get involved in volunteering or campaigning work in the community. The research shows the benefits to people's health of the motivational experience and the confidence that comes through such work, highlighting its positive impact on the volunteers, never mind the impact on the huge number of people whom they help by volunteering. We might also consider the economic benefits of volunteering. The CSV's statistics suggest that more than £1 billion goes into the Scottish economy every year through the work that volunteers do. We should be celebrating the work of older volunteers, not regarding an ageing population as a big problem that is coming down the tracks. Society as a whole should seize it as a big opportunity.

I have mentioned the different ways in which people can contribute to society, through voluntary organisations, churches and local groups that would not be able to operate without the free

contribution that is made by volunteers. I know that eradicating homelessness is part of the task of the Minister for Communities—I said that this would get slightly political—but in my constituency we have a number of groups that support homeless people. Many people volunteer to help the Cyrenians, the Ark project and the Salvation Army to ensure that people receive support. I have mentioned the fact that we have volunteers who drive vans; we also have people who serve in cafes and other people who support those groups. There is the work of Sister Aelred and the nuns who support people by giving them food. There is also the work that is done to resolve debt problems in my community by the citizens advice bureau at Gorgie-Dalry, and there is the work that is done to support our local schools.

I have here a wonderful quote from a volunteer that was part of the research that was done by CSV. The person says:

"It gives me a buzz to read to the kids. I'm giving something back the kids appreciate and learn—I can give some specialist input."

There is a real sense of achievement and of personal contribution there.

The wider community learning agenda is a huge issue for all members. There are projects for older people—the trendy name would be silver surfers—that are about giving people access to the internet and computers. That is something that most of us are beginning to take for granted, even if we are not sure about how we do it. Older volunteers themselves are helping people to get access to the internet, and there is a huge personal liberation for the people who are supported in that way.

There are a number of community centres in my constituency—as, I am sure, there are in other members' constituencies—that would not exist without the work of older volunteers. Those are local citizens who stand in to do the work in health initiatives, hairdressing projects, leisure and arts projects, sports and social activities for young people—a whole range of work. Without certain key people, many organisations would simply collapse. I am thinking of Mary Whitfield and Liz Walker in the Dumbiedykes; Gladys Purvis and Margaret Flynn at St Ann's community centre; Jean Donaldson of the writers group; Anja Amsel, who runs a number of civic groups and is on the new Canongate Community Council; George Pitcher, who is one of our community activists who gets sent in to stop things falling apart and to give the council a couple of months' grace; and Audrey Cormack of the Grassmarket area group.

I could probably spend another 10 minutes naming the key community activists in my constituency. Tonight, I acknowledge their work. They support me in my work as a constituency

MSP, but they are also good as local volunteers who, on occasion, apply pressure where it hurts and—crucially—when it matters to ensure that we MSPs work with the council and with voluntary groups to make things happen. There is such a thing as society, and it is often our older volunteers who hold society together. They hold our communities together and create community well-being.

This is a time of opportunity, and I look forward to the Executive's response. I am glad that it is the Minister for Communities who will respond to the debate. The message is that people can retire into action and support their communities. There is a massive resource out there. The Parliament should celebrate the work that people do and look forward to helping to sustain that work and those communities. Crucially, we must ensure that the voluntary sector and people who volunteer are supported. They do a tremendous amount of work, and we should hope to see many more people enthusiastically retiring into action. I look forward to hearing colleagues' comments.

17:19

Christine Grahame (South of Scotland) (SNP): I congratulate Sarah Boyack on securing tonight's debate. As one of those older people, I never feel that I am a demographic time bomb. I can be a time bomb at times, but only if roused to anger, as some will know.

It is interesting that, at 30 per cent, the percentage of people who volunteer is very high among those in the 50 to 59 age group; 26 per cent of the 60 to 74 age group and 15 per cent of the over-75 age group volunteer. How often do we see people in their 80s who are as fit as fleas and whose brains are ticking away because they keep themselves active and engaged? Volunteering is good for those whom the volunteers help and it is certainly good for the volunteers. The old adage is that an active mind means an active body. It prevents isolationism and its children, which are depression and general ill health.

Older people feel as though they lose their individuality. I have not yet met that feeling myself, although I am sure that it will happen. "Retired" is a label that hangs around people's necks and makes them feel as if they have suddenly become invisible. Pregnant women face the same thing; they have lost their individuality. Older people either lose their individuality or feel that they have become a problem for society. Of course, they are not a problem at all; as Sarah Boyack said, they are a great advantage and resource.

I understand that some organisations still veto volunteers who are aged over 70. I hope that such ageism will disappear from those organisations'

rules and regulations in the light of tonight's debate. Until quite recently, children's panels banned anyone over 65. I am glad that that rule has gone; I think that I raised the issue in Parliament many years ago. I suspect that the change has happened because there is a bit of a crisis in getting panel members, but whatever the reason, I am glad that the advantages and talents of people aged over 65 are now being used.

Older people have many talents. The talents that are hewn from experience are such things as experience, tolerance, patience, firm kindness and pace. I always like it when there is an older person at the till in Sainsbury's or Safeway because I know that they will give me time to put my messages into the bag. It is very important for vulnerable or anxious people to have that time on their hands and to know that they can take time over things. Older people make valuable and valued volunteers.

I think of my brother, who until fairly recently was in senior management. He retired and recently went with John Home Robertson to drive one of those lorries to Palestine to deliver items and goods to schools that have been devastated.

Linda Fabiani (Central Scotland) (SNP): I apologise that I will have to leave the debate to go to something else. I wanted to ensure that we noted the great value of older volunteers in other places in the world as well as at home. Just now, Christine Grahame mentioned some fantastic work. Organisations such as Beso and Voluntary Service Overseas actively encourage people with skills to go out to give long-term or short-term help to others who are less fortunate.

Christine Grahame: I also think of my father who does a kind of volunteering. He is nearly 90 and every Sunday he cooks Sunday dinner for a very thin and hungry student grandson. That is a major operation. He might only be volunteering to help one, but it has kept him as fit as a flea.

There are some barriers to older people volunteering. People might be caring for grandchildren. They might be caring for their parents; it is a long stretch between the ages of 60 and 90 and pensioners can have parents who are also pensioners. I am an example of that. People might also have to keep working because the basic state pension does not give them sufficient to live on, given the rising council tax and energy charges. On that basis, the voluntary resource might not be around. The minister might not be able to deal with that issue, but if people had a decent pension, more of them might be able to volunteer.

Without becoming politically controversial and a bit of a time bomb, I would say that it is very important that we recognise the value of older

volunteers. Older volunteers turn around the idea that when people hit the age of 50 or 60, they go through some kind of time warp, they change, and they are no use; in fact, they are an asset.

17:24

Mary Scanlon (Highlands and Islands) (Con):

As an over-50, I am pleased to speak in tonight's debate. Although I am not looking for work at present, come the day when I retire, I would be delighted to do some voluntary work. I have previously worked as a volunteer prison visitor and I have done voluntary work for a citizens advice bureau, for a Child Support Agency panel and for the Red Cross. It was all absolutely wonderful fun. Perhaps one message that I would like to go out from tonight's debate is that people do not need to be over 50 to volunteer. The strong message is that one can volunteer at any age.

We should encourage older people from all backgrounds and areas of Scottish society to become involved in volunteering and charitable work. For example, most of the people whom I asked to be on the community council that I set up recently in Inverness south had not done any voluntary work before. They were delighted to be asked and we now have a successful community council that is full of volunteers. However, if I had not asked those people, we would still have no community council. Many people do not realise that their talents are needed because we are not good at valuing them. Many people are also unsure how to participate, so we need to make the opportunities and access to volunteering known to people of all ages.

Retirement is often the perfect phase in which to consider volunteering, in particular for non-profit organisations. However, precisely because volunteers receive no wage or payment, they should be even more valued than those who do. There should be no assumption that those who receive no salary do not make a valuable contribution.

As Sarah Boyack said, voluntary work can have beneficial effects for older people. It can benefit their physical and mental health by providing ways in which they can keep active and continue to learn new skills, to meet new people and to face new challenges. Volunteering can help to overcome the loneliness and isolation that are felt by many people, not only in remote areas but in big cities such as Edinburgh. It can also help to maintain a sense of time and give structure to the week. Volunteering can give a sense of purpose to those who feel cut off from social networks since retiring from their paid occupation.

Volunteering provides other benefits apart from the benefits to the individual. We need to work

harder to identify those mature and experienced potential volunteers who could contribute a lifetime's worth of skills, knowledge and wisdom. Given the introduction of the Charities and Trustee Investment (Scotland) Bill, there is no doubt that local voluntary organisations will soon be required to administer and present more information. That will mean that they will have a greater need of retired people who have experience in life.

As I am running out of time, let me simply point to the many opportunities that exist for volunteers, especially in advocacy work. Like Christine Grahame, I welcome the fact that Euan Robson has scrapped the age limit for children's panel members. When the issue was raised, the minister promised to look into it and I am delighted that he has taken action.

17:28

Rosie Kane (Glasgow) (SSP): I congratulate Sarah Boyack on securing debating time for such an important issue.

Our debt to the voluntary sector is massive. There is an army of volunteers throughout Scotland who give freely of their time. We can never underestimate the difference that they make. It is no exaggeration to say that volunteers keep civic society afloat. Tonight's debate on Sarah Boyack's motion allows us not only to talk and think about that fact, but to say thanks and to pay tribute to those who give so much to society.

Rightly, the focus of the debate is on older volunteers. I do not know about others, but I was quite blown away by some of the figures in the briefing notes that we received from CSV's retired and senior volunteer programme and from Volunteer Development Scotland. One figure that must be mentioned is that 300 senior volunteers contribute 72,000 hours of classroom support across 14 education authorities in Scotland. Another is that 100 volunteers generate some 30,000 hours of community support to some of the most vulnerable people in society in seven of our health board areas. I am not sure how we say thank you for that, but I suspect that that is what we are attempting to do now.

I noted that some older people felt unable to volunteer because of the barriers to volunteering, which Christine Grahame mentioned, such as looking after grandchildren. The people who do that job might not belong to any organisation, but it still constitutes volunteering and supplies yet another essential service.

That leads me to the issue of informal volunteering. Older people volunteer much more than we can ever measure. Indeed, we can never really know the breadth of the services that they provide. For example, they might collect the

shopping or the pension for a family member or neighbour; pop in to see whether a neighbour or friend is well; sweep up snow from the pavements or put down salt on paths to make them safe when it is icy—my mother does that; pick up prescriptions; accompany elderly, sick or infirm people to hospital; help out in community food co-operatives and after-school clubs; and organise gala days.

Many members will have seen the women in black, who stand in Princes Street protesting against weapons of mass destruction. My experience also suggests that older people have been at the forefront of fighting to save schools, pools and community centres. We do not always call those people volunteers—in fact, we often call them auntie or granny—but we should remember what they do.

Older people from all backgrounds pick up the slack, make a real difference and, as Sarah Boyack pointed out, save the Government billions of pounds. Volunteer Development Scotland highlighted that, in 2003, 81 per cent of adults in Scotland volunteered formally and informally. That figure is phenomenal, and the older section of those volunteers are more likely to be caring for the sick and elderly. Again, we thank them for their work.

I do not have the time to make all my points, but I will end by saying that these services are delivered silently by an army of older people who make such a difference to our lives. The voluntary sector is a vital cog in the Scottish economy and employs about 100,000 workers. We must recognise the difference that those people make and support them not just in our discussions and debates but in a practical and political way. As a result, I hope that the minister will offer such practical support at the end of the debate.

17:32

Karen Whitefield (Airdrie and Shotts) (Lab): I join other members in congratulating my colleague Sarah Boyack on securing this members' business debate. Her motion gives us the opportunity to acknowledge older people's invaluable contribution to our communities.

Anyone with any experience of voluntary and community organisations will know that the over-50s make up a disproportionately large percentage of all volunteers. Unsurprisingly, research that was done by Volunteer Development Scotland and Community Service Volunteers Scotland supports that subjective view.

In his book "Bowling Alone: The Collapse and Revival of American Community", Robert Putnam concludes after analysing a massive amount of data that volunteering not only builds social capital

and strengthens communities but improves the health and well-being of those who participate. His quite remarkable conclusion is that volunteering is as much an individual health issue as it is a collective social one.

However, volunteering is also of great benefit to the community. As other members have pointed out, older people play key roles in keeping alive a range of voluntary and community groups from food co-ops to credit unions, disability groups and local environmental groups such as the smarter Salsburgh project in my constituency, in which older volunteers help to improve the quality of life of all sections of the community, young and old alike.

I am proud to be a director of the local Petersburn development trust, which has secured more than £0.5 million to build a high-quality play facility for young people in Petersburn and Airdrie. I am sure that none of the group's members will mind me mentioning that many of them are more than 50 years old and that they are putting time and effort into improving matters not for themselves but for local young people. One of the project's central aims is to strengthen relations between the older and younger sections of the community to generate much greater understanding and to support young people's needs and desires.

Various barriers such as difficulties in obtaining insurance cover or getting time off work can prevent older people from volunteering. All parts of Scottish society must work in partnership to remove those barriers. The responsibility to address those concerns lies with all of us, including the Executive, local government and the private sector.

I am pleased that the Parliament is recognising the value of volunteers, particularly older volunteers. I congratulate Community Service Volunteers on the success of its retired and senior volunteer programme and I wish it well in its efforts to support and develop volunteering among older people.

17:35

John Swinburne (Central Scotland) (SSCUP): I thank Sarah Boyack for bringing this interesting topic to the chamber. In her speech, she succinctly highlighted the agist use of the word "older" and the stigma that is attached to the word. That word is generally used in an agist context, but Sarah Boyack does not use it like that.

I count myself as one of the more fortunate older volunteers, as I go about my daily task of attempting to stop unthinking politicians from sinking my generation more deeply into the financial mire. By the way, for every recognised

and counted volunteer, dozens of others generally go unrecognised. They do not seek praise or plaudits, because they get an inner satisfaction that cannot be measured.

I saw a couple of interesting statistics this afternoon, which were that, of all those who are currently retired, a mere 35 per cent are male, while 65 per cent are female. I do not know how we have finished up with that state of imbalance, but the males of my generation will have to look closely at that. Perhaps we should ask someone to volunteer to investigate the situation that the statistics describe. In 1925, people did not get a pension until they were 70; then it was discovered that the average life expectancy of a working man in 1925 was 49. We have come a long way in three quarters of a century and are living much longer, but ageism is still rife in the 21st century. All the retired volunteers do a great job to reverse all the negative effects of ageism.

Sadly, I have difficulty in persuading younger people that age is not a barrier to leading a productive life. Our national economy would be greatly enhanced by the utilisation of all the talents and abilities that senior citizens in Scotland have. So many abilities are untapped. Many older people provide their skills voluntarily, but older volunteers should be rewarded by the state for what they do. They save the state a fortune by being volunteer home helps and making volunteer home visits, for example. There should be a way for the state to give older volunteers a little financial boost as a thank you, even though they are not looking for it. It is one thing to say thank you, but it is something else to put our hands in our pockets to show our thanks.

Older people have skills, abilities and years of experience, but we do nothing in this place to push for the use of all that for the general good of the country. Many older people do socially useful activities voluntarily, but if there was a scheme whereby volunteers could productively help society in 101 ways, this would be a better country to live in. Older people are happy to volunteer, but if they got a little increase in their pension at the end of the day, that would be a bonus. Older volunteers are not looking for that, but it is always nice to be appreciated.

17:39

Donald Gorrie (Central Scotland) (LD): Sarah Boyack has produced an excellent debate for us. It is interesting that tomorrow's members' business debate is about excessive winter deaths. I might be economical and make the same speech in both debates. The issues of this debate and tomorrow's are related, because if older people are active, they will not sit at home and just wither away.

Age discrimination was raised by Christine Grahame and by other members. That is important and we are beginning to break through, but there are still some voluntary organisations that have limits. There is a downside, because sooner or later somebody in the organisation might have to be clever about telling somebody, very nicely, that they are not really very good at counting the money any more and that they should perhaps move on to some other task. However, we can extend people's useful activity far longer than has been approved hitherto.

We must look at organising and making the best use of volunteers. Scots are not always easy people to organise, and we do not get any easier to organise as we get older. One cannot be like the chap in the New Testament who said that he could tell someone, "Go, and he goeth". Volunteers are not like that; one has to lead them, persuade them and work together with them as a team.

My second-hand experience tells me that some large voluntary organisations become more and more bureaucratic and are no different from large commercial or local government organisations. They have all the defects of size and do not value their volunteers or use volunteers in their management. One must use volunteers' brains. They are not merely pairs of legs and arms to do the skivvy; they can supply a huge amount of knowledge about the subject, as well as good advice and good management. That lesson must be learned.

Another good aspect of elderly volunteers is that they sometimes get on much better with young people. There is a sort of grandparent-grandchild relationship, especially when helping in schools or doing other things with young people. Some elderly people are particularly good at that, and I think that it is good for them. Sometimes, in organisations that I have known in the past, a group of elderly people have dominated a community centre and rather discouraged young people from coming in at all. That is certainly not what we want. We want the co-operation of older and younger people.

Above all, we must try to attract more volunteers. As other members have said, there is a lot of talent out there that we do not use adequately. We have to show that we value volunteers and a debate such as this helps to do that. However, serious effort must be put in, because there is a tendency in some central and local government quarters to believe that volunteers are difficult and cannot be easily organised. The official system is a bit hostile and unhelpful to them.

My experience tells me that what are most needed are treasurers. One can always get chair

people, because there are megalomaniacs like me who will become chairman of anything if you ask them, but a treasurer actually has to do some work and carry some responsibility. I appeal to all potential treasurers of organisations who are out there to come and do their stuff.

17:43

Ms Sandra White (Glasgow) (SNP): I congratulate Sarah Boyack on securing the debate and on the positive motion that she has lodged. We sometimes talk about older people in a denigrating tone, but tonight's debate has been a celebration of what older people can and do contribute to society.

I am convener of the cross-party group on older people, age and aging. As Donald Gorrie said, it is easier to be the convener than to be the treasurer, and Donald, as vice-convener, gives us lots of help, as does Nanette Milne. Every time we have a cross-party group meeting, it is amazing to hear how much work people from all over Scotland have done. They come along to the cross-party group and tell us exactly what they have been doing throughout the country. As Rosie Kane said, they help not only by going for prescriptions but by being involved in the Scottish Trades Union Congress pensioners forum. Some of them are 80 years old and they still continue to go along to meetings and to bring their expertise to our cross-party group.

This is perhaps a good time to make a little plug for the cross-party group's conference on Saturday, when people from all over Scotland will come along to the Parliament for the very first cross-party group conference. If it was not for the energy and support of those older people, the event would never have got off the ground, and I am proud and pleased to be involved in it.

Mention has been made of the attributes that elderly people bring. John Swinburne has mentioned the skills that elderly people have, and one thing that comes with those skills is older people's reliability, which we tend to forget about. We often take for granted their ability to ensure that they are somewhere at an appointed time and carry out a task. Throughout the years on the cross-party group I have noticed that if it was not for the reliability of those people, we would be going nowhere.

I am pleased that Sarah Boyack mentioned in her speech that this is not a touchy-feely debate. I have concerns and other members have expressed concerns, too. Karen Whitefield mentioned insurance cover, which is of great concern to many voluntary groups. Often, insurance companies will not give voluntary groups insurance cover for over-70s. I know that

the matter is reserved, but I would like to think that members of the Executive would consider what they can do about the fact that people cannot get insurance cover and would take up the issue with their Westminster colleagues. As Christine Grahame rightly said, there are many sprightly over-70s—they are probably sprightlier than I am—who would love to volunteer for certain groups but cannot get the insurance cover. I would like the minister to take that matter up.

Another matter of concern is the volunteering strategy, which we discussed a few months ago. I spoke in that debate and I have the volunteering strategy in front of me. One of the matters that I raised with members of the cross-party group is the fact that the volunteering strategy does not include a strategy for elderly people who volunteer. Again, I ask the minister whether we will follow the Welsh example and have a strategy that is specifically for elderly people. It is right that we raise such concerns in this debate.

Another concern of mine is that Gordon Brown, the Chancellor of the Exchequer, has announced that 2005 will be the year of the volunteer. I have submitted these questions as written questions. If the minister has further information, I ask him to let us know which voluntary sector organisations in Scotland will be involved in the year of the volunteer that the chancellor has announced and how much money they might get to take forward their work.

I congratulate Sarah Boyack and all the other members who have spoken. I do not think that Scotland or even the world could go round without the work that is done by elderly volunteers. Members all meet such volunteers daily. Parts of the economy would collapse if they did not contribute in such numbers.

I say good luck to them, on my behalf and, I assume, on behalf of other members. I am glad that we have them with us, and I do not know what we would do without them.

17:47

The Minister for Communities (Malcolm Chisholm): I congratulate Sarah Boyack on securing this important debate. Her motion covers her own constituency as well as the general issues.

Volunteering is central to our vision of

"a Scotland which cares for its people, where opportunities are increasing for everyone ... and where people have confidence in their communities".

No one should be in any doubt that older people are a central part of that vision.

Like Sarah Boyack, I acknowledge the superb work done by volunteers, particularly, in the

context of today's debate, by older volunteers. We all appreciate the enormous contribution that older people continue to make to society. Rosie Kane highlighted their voluntary work in education and health. Those sectors are the ones used in the report that has been published today, on which I congratulate CSV.

The report concentrates on research into the benefits of volunteering. We know about the benefits for others, but Sarah Boyack and other members have highlighted the benefits for volunteers themselves. Volunteers can maintain and develop social contacts and enjoy the experiences that volunteering has to offer. Of course, as Sarah Boyack reminded us, volunteers can also improve their health and well-being, as volunteering provides a means to keep active and contribute to communities.

Through the Scottish Executive's volunteering strategy, which was launched earlier this year, we will embed a robust culture of volunteering throughout society. We are proud to be starting from a position of some strength, since Scotland is fortunate in having a strong tradition of volunteering. We also have an infrastructure in place to promote and support volunteering. The Scottish Executive core funds a national network of more than 40 volunteer centres as well as Volunteer Development Scotland, which supports volunteering at a national level.

Volunteering does not just happen. We know that people who get into the volunteering habit when they are young are much more likely to continue to volunteer later in life, including old age. By focusing on young people, we are aiming to create future generations that have not only got into, but stayed in, the volunteering habit.

Through investment in young people and programmes such as project Scotland and millennium volunteers, we have the power to change the culture for the long term. The strategy is not a here today, gone tomorrow initiative; it is about building volunteering into the everyday experience of all Scots—of whatever age, background or culture—for now and the future.

However, our focus on young people does not mean that we are neglecting other key life stages. For example, a key emphasis is the development of employer-supported volunteering, both as a means for staff to develop work-related skills and as a key element in the transition to retirement. The CSV "Retire into Action" report backs up the fact that the structure of volunteering can provide a flexible, sociable and effective replacement for the structure of work.

As Mary Scanlon reminded us, older people must be able to find out about volunteering outwith the workplace. That is why the strategy highlights

the role of service providers for older people in carrying out the important task of raising awareness of volunteering, its benefits and how to get involved. That work is crucial to making volunteering part of the everyday experience of older Scots.

The issue is not just about making older people aware of, interested in and enthusiastic about volunteering. Community groups and organisations that engage volunteers have a key role to play. It is essential that volunteer managers, who are often volunteers themselves, recognise the value of engaging all types of volunteers, regardless of their age, social class or culture.

Donald Gorrie, Christine Grahame and John Swinburne highlighted age prejudice, which is being tackled through the strategy in general and which will be addressed through training, advice and guidance on diversity in particular. Such improved provision will be part of a broad programme of support that is available to those who recruit and manage volunteers.

I draw members' attention to two illustrative examples of initiatives through which the Executive is providing financial and moral support to voluntary sector organisations that work with Scotland's older people. The first is CSV's retired and senior volunteering project, which is an initiative for older people that increases learning opportunities, supports our social inclusion agenda and promotes volunteering by older people. The Executive's funding package amounts to more than £0.5 million for the three-year period from 2003 to 2006 and has enabled RSVP to become involved in schools, health care projects and the provision of support to disabled people. RSVP also helps to deliver environmental volunteering projects and even mentoring projects for young people.

Another example of successful volunteering by older people is the senior executive programme from Scottish Business in the Community. SBC enlists the services of volunteer retired business managers to assist voluntary organisations and groups in the community. Those retired experts have considerable skills that are of invaluable use to organisations. They help with finance, information technology, management, marketing, fundraising and media and public relations. As well as making an enormous contribution, they develop and maintain social contacts and enjoy all the experiences that volunteering has to offer. This year, volunteers in the initiative will contribute 20,000 hours. If that work was done by companies that charged professional fees, it would cost about £0.5 million. A hundred and seventy organisations have been assisted this year, but the figure is growing all the time. The Executive's contribution

to the initiative will be £285,000 over the three years to 2006-07.

Sandra White asked about the year of the volunteer. I am considering options on that and I will make an announcement shortly.

There should be no financial barriers to volunteering, which is why the Executive covers the cost of checks for volunteers. As a disclosure check should cause the least possible disruption, we established the central registered body in Scotland to support the voluntary sector on all aspects of disclosure. I am pleased to be able to tell members today that the latest figures from CRBS show a significant improvement in performance in the time that is taken to process disclosures. CRBS is now clearing applications for processing by Disclosure Scotland within nine working days.

I hope that I have shown that the Scottish Executive is committed to promoting, supporting and developing volunteering by older people. We invest considerably through RSVP and the senior executive programme. We have a well-developed infrastructure through volunteer centres and Volunteer Development Scotland that supports volunteers and the groups and organisations that engage volunteers.

The volunteering strategy provides a clear direction to build on those achievements for the benefit of older volunteers and for us all. I commend all volunteers of all ages for the substantial contribution that they make to our nation. In the context of today's debate, I pay particular tribute to the thousands of older people who provide such an invaluable service to our communities.

Meeting closed at 17:55.

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