# **MEETING OF THE PARLIAMENT**

Thursday 19 May 2005

Session 2



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## Scottish Parliament

Thursday 19 May 2005

[THE DEPUTY PRESIDING OFFICER opened the meeting at 09:15]

# Argyll and Clyde NHS Board

The Deputy Presiding Officer (Trish Godman): Good morning. The first item of business is a statement by Andy Kerr on the follow-up to the Audit Committee's report on Argyll and Clyde NHS Board. The minister will take questions at the end of his statement and there should be no interventions.

09:15

The Minister for Health and Community Care (Mr Andy Kerr): I have asked for parliamentary time today to make a statement about the Executive's proposals for the future of Argyll and Clyde NHS Board. This follows the Scottish Executive Health Department's response to the Audit Committee's report at the beginning of the week.

Members will recall the background to the Audit Committee's report. Three or four years ago, there was considerable concern about the performance of the health board, the size of the financial deficit that was emerging and the ability of the management team to tackle the issues effectively. My predecessor, Malcolm Chisholm, took action at the time. A support team was brought into the health board and provided a report to the minister. Subsequently, the chief executives of the board and the three national health service trusts in the area left and a new board chief executive was appointed. The trusts were wound up and NHS services in Argyll and Clyde were planned and delivered on a single-system basis.

Since then, good progress has been made on a range of financial and other performance issues. We want to record our appreciation of that. There have been significant improvements in important areas such as waiting times and delayed discharges. Key services have been sustained and augmented for the benefit of local people. The fact that local staff and management have managed to achieve so much in the face of well-documented financial pressures is a tribute to their professionalism and dedication. We thank them for that.

However, the issue of financial balance has proved to be long running and deep-seated. The report by the Auditor General for Scotland, which was published in September last year, predicted that the cumulative deficit might rise to as high as

£80 million to £100 million. Although I acknowledge the progress that has been made, I do not think that the Executive can justify allowing a publicly funded body to spend so much more than its income. That would be unacceptable. We have concluded that a fresh start is required and that the building of renewed confidence is necessary. I am therefore announcing that the Executive intends to consult on the dissolution of Argyll and Clyde NHS Board.

It is proposed that NHS Greater Glasgow and NHS Highland assume responsibility for the relevant areas in Argyll and Clyde. In addition, it is my intention to clear the accumulated financial deficit. I make it clear that the changes are being proposed in order to secure high-quality, safe and sustainable services for local people. That remains our absolute priority. However, I am conscious that my proposal may cause concern and anxiety in the local community. People will be worried about how it may affect services, and local staff will be worried about their jobs. Let me explain the reasoning behind the proposal and what the next steps will be.

I mentioned the Audit Committee's report on NHS Argyll and Clyde's finances, which we have studied carefully. One of its conclusions was that there had been a failure between the Health Department and NHS Argyll and Clyde to agree the board's financial recovery plan. I agree that that was unacceptable and acknowledge and accept the department's share of responsibility in the matter. The chamber can be assured that lessons have been learned and that procedures will be revised. I am happy to confirm that the existing board has approved a financial recovery plan that the Health Department has since agreed.

However, we must address the board's financial position. Over the past two years, good progress has been made on achieving planned savings against the board's plans. The board made total savings of £13.2 million in 2003-04 and £18.2 million in 2004-05. However, the issue of financial balance has proved to be long running and deepseated. It is only proper that the Executive expects all NHS boards to sustain a sound financial footing and to meet their statutory financial duties. That is essential in preserving the delivery of high-quality, safe and sustainable local services. Plainly, it is unacceptable for a public body to allow the accumulation of debt that was taken on by NHS Argyll and Clyde. The situation cannot be allowed to continue.

It has also become increasingly clear that the geography of the NHS Argyll and Clyde area precludes effective management by a single health board. It is simply not a natural geographical area for one board. That is why we have discounted the option of retaining NHS Argyll

and Clyde, while writing off the accumulated debt. Although a financial plan has been agreed, it is apparent that true recovery cannot take place unless structural issues are properly addressed. I am afraid that, despite the efforts of the current management team, NHS Argyll and Clyde has become associated with failure. I have no doubt that it has become necessary to dissolve the board and to move on, free from the millstone of the recent past. We have therefore agreed to provide £80 million in funding to clear the deficit and to enable the management teams to tackle their new responsibilities, free from the shortcomings of the past.

I assure the chamber that the provision of funding to clear Argyll and Clyde's deficit will not have an adverse effect on health funding in Scotland generally. Of the £80 million that we have decided to make available, £53 million will come from central Executive resources. The remaining £27 million will come from unallocated Health Department underspend that has been carried forward from the previous financial year. No planned health initiatives have been cut back to make the proposal happen.

Rightly, the condition that is attached to this action by my Cabinet colleagues is that financial balance in the Argyll and Clyde area needs to be restored as quickly as possible. As I have reported, NHS Argyll and Clyde has reached agreement on the details of the board's financial recovery plan. I will now look to all three boards to ensure that the plan is implemented on time. They have assured me that, when implementing the plan, they will maximise non-clinical savings.

We recognise that the coming months will be difficult for Argyll and Clyde, but momentum on implementing the recovery plan must not be lost. Spending reductions on the scale that is required in Argyll and Clyde cannot be made without service change, but that should be seen in a positive light. There will have to be change and we should not be afraid of it.

Next week, Professor David Kerr will report on his national review of service change. The review will provide boards with an opportunity to take a truly radical, modernising approach to service provision. However, our approach must be to continue to ask what we can deliver safely and sustainably in our local communities. In this case, there is an opportunity to redesign fundamentally the way in which the workforce is organised and services are delivered in Argyll and Clyde, in order to achieve tangible benefits for patients. There is an opportunity for services in communities in the Argyll and Clyde NHS Board area to become an example to the rest of Scotland of the way in which health care should be delivered in the 21st century, for the benefit of patients.

There is no doubt that tough decisions will be needed. I am sure that the reconfigured boards will need support to take and implement those decisions. Members should be assured that, when the case is made, the Executive will not shirk any action that will ensure high-quality, safe and sustainable services for local people.

I make it clear that the proposal to redraw the boundaries is intended to speed up the rate of modernisation in the areas concerned and not to reopen the debate on decisions that have already been taken. That would merely set back the implementation of important improvements in Argyll and Clyde, Glasgow and the Highlands. The proposal is also not intended to signal further structural change. In our view, that would be an unnecessary distraction at this time.

We want effective regional planning to be the throughout Scotland. Local throughout Argyll and Clyde can be assured that patient services will be maintained, necessary health care provision will continue and the services on which they rely will be there for them. We acknowledge that removing the boundaries between Argyll and Clyde and Glasgow may heighten concerns over the future of the Royal Alexandra hospital in Paisley, given its proximity to the Southern general hospital. Such concerns would be misplaced. The RAH is a valuable resource that contributes significantly to the delivery of first-rate services to local communities. We expect that to continue.

After I have made this statement, I intend to spend the rest of the day in Argyll and Clyde meeting local staff. I recognise that local people and staff will be anxious about the statement. I will tell them that services will go on, people will continue to be cared for and staff will continue to be needed to provide services and care. I know that the three health boards concerned will work together closely to provide certainty to all staff about their future roles and responsibilities as quickly as possible. I expect the boards to take that work forward through the partnership arrangements that are already in place in NHS Scotland. That will ensure that trade unions and professional organisations that support staff are actively engaged.

We acknowledge that there will also be questions over where the redrawn board boundaries should lie. Local communities can be assured that our proposals will be detailed in a forthcoming consultation paper, which will be subject to three months of formal public consultation, commencing in late June. We are determined that it will be a genuine consultation that will take place with the full co-operation of the three health boards. We are keen to hear the views of all communities, staff, unions, local

campaign groups and elected representatives. I assure members that we will consider carefully all representations and available information before coming to a final decision. Fundamentally, the situation is about people and services, not bureaucracy, boundaries or borders.

What we have announced today is about securing the future. It is a fresh start with a clean slate. It is about making real and effective change to support first-class health care facilities in our communities.

The Deputy Presiding Officer: I am sure that members will appreciate that a considerable number of people wish to ask a question, and it should be exactly that—a question. I would be grateful if members would stick to a question without preamble.

Shona Robison (Dundee East) (SNP): I thank the minister for the advance copy of the statement. The decision that has been taken is probably the only one that could have been made given the sorry saga in Argyll and Clyde, which has culminated in the projected deficit of £100 million and the recent damning report by the Audit Committee.

Why, after 22 meetings between the board and the Health Department, was there a failure to agree a financial plan until only this week? What improvements will the minister make in his department's ability to monitor the finances of health boards adequately in the future? Given his comment that

"Spending reductions ... cannot be made without service change",

what guarantees can he give the public in Argyll and Clyde that they will not suffer further losses of services because of the incompetence of either local managers or his department? Will he assure Parliament that the current senior managers will not be given the same grotesque pay-offs as the previous senior managers received, as that would surely add insult to injury to the people of Argyll and Clyde?

Mr Kerr: I consider the latter part of that question to be unacceptable as it discusses in the chamber the conditions of service of individual members of the public and trade unions. Shona Robison is reprehensible in her approach and shows a clear lack of understanding of some of the good progress that Argyll and Clyde NHS Board has made, which I tried to explain in my statement. Nonetheless, we reach back to the core of the decision about sustainable services, a sustainable board and a geography that does not meet the needs of the community in the delivery of the service.

I am more than happy to address some of the more rational points of Shona Robison's question. As regards the Health Department, I have said that there will be a complete review of internal procedures relating to the submission, review and agreement of financial plans. That report will be submitted to me by July.

The reason why so many meetings happened, so much consultation took place and so many phone calls were made is that the Health Department was not willing to sign off a plan that was not sustainable. It was a difficult process. Although I accept that we can improve our ways of working, we were not sitting at the end of a phone line not agreeing to anything; we were positively engaging with the board, trying to reassure ourselves that all the resources that were required to do the job were included in the recovery plan and that all the financial aspects of the plan were detailed appropriately for us so that we could sign it off. We could not sign off a recovery plan until we felt that it had some veracity and deliverability. There are still some substantial risks in that regard, but nonetheless we and the new boards can now work with the plan.

It is always our desire to maintain services as locally as possible, but with necessary specialisation, and that will continue to be the case and the driver of our health service in Scotland.

Mr Duncan McNeil (Greenock and Inverclyde) (Lab): I welcome the minister's statement, as it tackled head on the issues that have plagued Argyll and Clyde for so long: geography and the board's debt. Will he reassure the chamber that the consultation will not take 12 months, as some people have reported, because such a delay would not be helpful?

When he visits Inverclyde royal hospital today, will the minister take time to thank those front-line staff who have delivered an improved service under difficult circumstances? Will he also make it clear to the staff and the wider community that Inverclyde royal hospital has a secure and sustainable future?

**Mr Kerr:** The purpose of my visit to Argyll and Clyde today is to do what Mr McNeil suggests. I want to build confidence in the future of services in that area. I want to say that people who were sick yesterday or who will be sick tomorrow or in the future will be cared for by professional staff in a professional way, and I want to reassure staff about their role.

When I visited Argyll and Clyde in the past, I realised that it must be difficult for staff to have every statement that they read about the health board prefaced by the terms "debt ridden" or "financial crisis", with all the negative connotations that such terms have. Wiping the slate clean and

ensuring that the debt is removed will give staff an opportunity to build their services for the future. It will give them confidence in the way in which we deliver health services in Scotland and confidence that continued investment will take place. Although I accept fully that meetings with staff will be difficult, it is appropriate that I, as minister, should meet them, listen to their views and hear their concerns.

The formal consultation process will last three months, as set out in the NHS (Scotland) Act 1978, if I remember correctly. We intend to consult, analyse and respond to the consultation as quickly as possible. We propose to start the process at the end of June.

I have been to Inverclyde royal hospital and have discussed these matters. I see clearly a future for Inverclyde royal and I reassure Duncan McNeil that we will sort out all the issues to do with boundaries and boards. However, I foresee that Inverclyde royal will continue to play a significant role in the delivery of services.

Miss Annabel Goldie (West of Scotland) (Con): I realise that today is not the minister's happiest day in the chamber and it is certainly a pretty desperate day for the patients and staff of Argyll and Clyde NHS Board. I ask the minister about the immediate issues of confidence on the part of patients and staff in that area because it seems to me, from listening to his statement, that sticking one bit of that area on to NHS Greater Glasgow and the other on to NHS Highland is a meaningless solution that is fraught with problems. Would it not be better for the Executive to assume the immediate responsibility for administration of the NHS Argyll and Clyde area pending the consultation and—perhaps even more pertinently—the publication of Professor David which understood report, commissioned to instruct and inform a debate on the future of the whole health service in Scotland?

**Mr Kerr:** Professor David Kerr will inform the debate on our health care systems in Scotland, but his report is not about structures; it is about how to deliver the best level of care. That report will be discussed next week in the chamber.

We are not sticking bits anywhere. We will have rational discussions and take rational decisions. We will engage with communities and listen to professionals and everyone else in the area to ensure that we do not stick bits where they should not be. We will ensure that the boundaries fit modern health care services and that patient flows are recognised in any restructuring. In all that I have heard about Argyll and Clyde in recent times, people have mentioned to me the geography of the area, the inconsistencies and different styles of delivery, and the pressures and strains that that geography brings. Add to that significant debt,

which has increased over recent years, and we have a problem.

I welcome the member's earlier comments because this is not a happy day. The decision that I have taken has been very difficult for me and my team and this is not where we wanted to be. However, I rest on the decision because it is the right one. It should reintroduce confidence and rebuild services and faith in the community. It will also ensure that neither I nor another health minister face the same difficulties in that area in five years' time. I want to ensure that the results of the decision are carried out properly to sustain services and confidence. We will do that not by sticking bits together but through genuine consultation with clinicians, patients and staff in the community.

Pauline McNeill (Glasgow Kelvin) (Lab): Given the considerable pain that is involved in making decisions on Greater Glasgow NHS Board's acute services strategy and the critical stage that we are at in modernising its services, will the minister assure me that today's decision will not be detrimental to patients in greater Glasgow and that there will be no additional management burdens on that board and no additional financial burdens in the short or long term? Will he further assure me that there will be an adequate lead-in time should the consultation lead to a change in the boundary?

Mr Kerr: I think that I can give those assurances. I have had confidential discussions on this matter with senior managers and board chairs in all areas. I tried to make clear in my statement that I do not see this move as unpacking any past decisions; I believe that these changes, modernisations, reforms and reconfigurations must continue for the benefit of patients and in order to improve our service delivery to them.

As far as any burdens are concerned, I have sought to reassure members that I consider it to be unacceptable simply to reconfigure board boundaries and then have other boards inherit the debt. That is why we have agreed to write off the debt burden. Similarly, with regard to management capacity, I am sure that all boards are capable of carrying out this difficult task on our behalf.

George Lyon (Argyll and Bute) (LD): I, too, welcome the minister's statement and seek clarification on a number of points. First, will he confirm that, if the Argyll and Bute area is taken into NHS Highland, patients will not have to travel to Inverness for treatment? There must be recognition of the traditional paths that patients follow for treatment.

Secondly, will the minister confirm that the modernisation of mental health services that NHS

Argyll and Clyde agreed earlier this year will go ahead and that some of the £80 million that he has announced today will be used to fund the development of community mental health services ahead of any closure of institutions such as Argyll and Bute hospital?

Thirdly, does the minister agree that the root cause of the financial difficulties that the board faced was the consistent use of non-recurring funding over a period of years before the new management came in? That funding was used to cover up the board's deep financial problems. Will he assure us that in future the accounts of boards throughout Scotland will be more transparent in their reporting of the use of non-recurring funding?

The Deputy Presiding Officer: Before you answer that, minister, I remind members that I asked them at the beginning to be brief and to ask perhaps one question. Mr Lyon, you have held up other members who have been sitting here and who are now not going to be called.

**Mr Kerr:** I will do my best to run through those questions and give an adequate response to them.

As far as the boundaries of Argyll and Bute are concerned, it could be said that I am in favour of having as much coterminosity as possible. However, although I genuinely have an open mind about the need for coterminosity with regard to the borders of Argyll and Bute Council, I also take account of the health service statistics on patient flows. I have not closed my mind on this matter and want to hear views from local people and, indeed, from the member before we go out to formal consultation. Mr Lyon should not assume that the Argyll and Bute Council area will be the section of the NHS Argyll and Clyde area that will go to NHS Highland.

The mental health strategy will be rolled out effectively. That said, I cannot make the commitment that Mr Lyon seeks with regard to the £80 million, because that money is required to write off the debt. It is the board's responsibility to ensure that it makes the resources available to deliver the mental health strategy before any facilities are closed.

Finally, we now pay greater attention to the issue of non-recurring funding and it has become more visible on board accounts.

Murray Tosh (West of Scotland) (Con): The minister said that local people can be assured that patient services will be maintained. Will he assure local people that existing acute hospital services at the Vale of Leven hospital, Inverclyde royal hospital and the RAH will be maintained? Moreover, given that centralisation or reconfiguration of acute services within an expanded NHS Greater Glasgow would currently be decided at board level, will he take additional

powers to ensure that his guarantee today will stand the test of time?

Mr Kerr: Going into detail on any of those questions would pre-empt the work of the current board and its successors. However, I strongly believe that the Vale of Leven hospital, Inverclyde royal hospital and the RAH have a future in the health service. Indeed, my earlier comments on Inverclyde royal hospital and the RAH make that clear, and I share that view with regard to the Vale of Leven hospital. Services will change; after all, the issue of health and the way in which we engage with the health service are changing. Nevertheless, as I have said, I believe that there is a future for all those facilities in our health service.

On the second question, I do not think that it is necessary to take any additional powers. We will work with the boards and will continue to monitor their activity and engage with them effectively to ensure that the outcome of the consultation that I have announced today—whatever that might be—is delivered effectively in all areas.

Jackie Baillie (Dumbarton) (Lab): On behalf of the 24,000 people in my constituency who petitioned the Parliament, I whole-heartedly welcome the minister's statement and commend his actions. He has clearly listened to our concerns and has demonstrated that he is prepared to take strong action to protect patients' interests.

I have two very quick questions. First, will he send a strong signal that he expects patients from the Helensburgh and Lomond areas to be cared for by NHS Greater Glasgow? After all, that is what they and their local authority, Argyll and Bute Council, want and, frankly, it is only common sense.

Secondly, will the minister lend his support to the innovative model of integrated care that is being developed by general practitioners, clinicians and nurses at the Vale of Leven hospital, which creates a safe and sustainable future for the hospital by breaking down divisions between primary and acute care?

**Mr Kerr:** On the latter question, I am happy to encourage the continuation of such innovative approaches. We have tried to support the Vale of Leven hospital and will continue to do so while the model is being developed. We certainly look forward to its fruition.

As for patients in the Helensburgh and Lomond areas, I give the same answer to Jackie Baillie that I gave to George Lyon. I am not stuck with using council boundaries as the basis of any decision that I make. We need to consider patient flows and listen to the voice of communities and folk in the forthcoming formal consultation. At the moment, I am simply trying to signal that members should

not necessarily assume that my solution will be based on coterminosity. Indeed, my decision might well reflect patient flows and what is best for patients in this situation.

Mr Stewart Maxwell (West of Scotland) (SNP): With regard to Argyll and Clyde, the minister stated this morning:

"Key services have been sustained and augmented for the benefit of local people."

Of course, that is the exact opposite of what has been happening in Argyll and Clyde, as services have been downgraded or lost in Inverclyde and Dunbartonshire. That is why local people have been out on the streets protesting. Will the minister tell me which of the services that have been downgraded or lost at the Vale of Leven hospital and at Inverclyde royal hospital will, as a result of the scrapping of NHS Argyll and Clyde, be returned to those hospitals, which is what local communities demand and require?

Mr Kerr: Of course, it is the no-change party that always wants no change in health care. However, health care is changing markedly. We want to provide more services in our communities, which is why chemotherapy and other services are being taken out of the acute setting and put into local settings and why specialisation takes place where necessary in the patient's best interests. That is a challenge for all health boards. We want folk to be cared for in their community and some of the work that NHS Argyll and Clyde has been involved in has reflected that positive approach, in which people are cared for where they want to be cared for: in their own communities and, indeed, in their own homes. I am sure that the member would also want to reflect on the fact that NHS Argyll and Clyde has quite successfully met its waiting times targets and has reduced bedblocking to one of the lowest levels in Scotland.

I must say that I do not share the member's analysis. The SNP is a no-change party. It will ensure that patients do not receive the best service and that any outcomes will not be the best ones for them or for their families. Our key driver is that services in Scotland should be provided as locally as possible. Indeed, more than 90 per cent of our services are provided in the local community. As for acute services, they must be highly specialised and ensure successful outcomes for patients.

Ms Wendy Alexander (Paisley North) (Lab): I, too, welcome the announcement that the £80 million millstone of debt is now being lifted. It has proved a major obstacle to progress and the Executive should be congratulated on making the right decision.

In his statement, the minister alluded to some of the anxieties—

**The Deputy Presiding Officer:** Ms Alexander, do you have a question?

**Ms Alexander:** I have indeed. The minister said that anxieties and fears over the future of the Royal Alexandra hospital were unfounded, and that lifting the debt burden would create a platform for better services. I would be grateful if he could expand on that comment.

**Mr Kerr:** I think that I can do so. The RAH is and will remain a valuable resource. Because sick people will still require its services, we will still need the people who provide those services to work there. That contribution will continue.

This issue is not about patient care but about a boundary, a line on a map and a management structure. I believe that the RAH has a strong future in the health service in Scotland. The services that we deliver today will continue tomorrow, even though there might a different line on the map.

Frances Curran (West of Scotland) (SSP): NHS Argyll and Clyde has had no credibility for a long time. However, this morning's announcement will mean little unless local people and NHS staff are guaranteed that it is not simply a balance-sheet rearrangement of cuts and closures. I ask the minister to give an unequivocal guarantee that the programme of cuts and closures will be halted while the consultation takes place. I would hate to think—[Interruption.] Well, let us hear it clearly. I would hate to think that the cuts and closures would be rushed through in three months and that the Executive would then wash its hands and blame those cuts and closures on a board that had been abolished.

The Deputy Presiding Officer: Could we have a question please, Ms Curran?

Frances Curran: That was it.

Mr Kerr: I am not sure from which planet the member has landed, but she may have missed my opening statement. I do not recognise the agenda of cuts and closures that she describes. We have made historic investments in the health service in Scotland. All that investment is taking place, from the radical changes and outcomes for patients that are making a real difference for them, to the yearon-year above-inflation increases in the health service and the investment in consultants, nurses and doctors, There is no programme of cuts and closures. There is a change for the better for patients. Our health care system has been reconfigured to ensure that services are delivered as locally as possible and are as specialised as necessary. It is not about a hidden agenda of cuts and closures but about taking away up to £80 million of debt from a health board, to ensure that it can concentrate on the future of patients and their care in the community without that millstone

round its neck. That is what is important for patients. Let us think about patient care, not debt.

Jim Mather (Highlands and Islands) (SNP): I welcome the prospect of a new beginning, but the minister did not make a good start today. The previous dramatic reorganisation was not three or four years ago, as he said in his statement, but 30 months ago, on 17 December. We have heard the same rhetoric today as we heard on 17 December. As for today's announcement, if, as the minister says, the consultation is not intended to reopen the debate on decisions that have already been taken, how can it be called genuine? [Interruption.]

**Mr Kerr:** The lights going out on the nationalists? I thought that that had happened in early May, but that is another matter entirely.

This is about ensuring that patient care is at the heart of what we do. The geography of the current structure of the board was, to put it bluntly, not working. People in the local community have pointed that out to me on many occasions, and we must ensure that we put the local community first. We must ensure that we invest and that we give confidence to the staff and management in that community that the care that they provide today will be provided tomorrow and in future. We must ensure that we take away that debt and that pressure, so that we can focus on the patient. However, we must also reflect, as many other members have done, on the fact that the board does not have a sustainable future because the geography does not work. We have made a tough and, as some members have pointed out, difficult decision. It is not a good day for the NHS. Nonetheless, the decision is right and there will be significant positive change in that local community.

Mr Brian Monteith (Mid Scotland and Fife) (Con): I rise to speak as convener of the Audit Committee, whose report precipitated today's statement. The minister has acknowledged the Health Department's share of responsibility in the failure to agree a financial recovery plan and has said that lessons have been learned and procedures revised. Will he tell us how such failures of process, which could affect other boards with deficits, will be avoided in future? Is it possible for the accountable officer, Dr Kevin Woods, to brief the committee on the writing-off of the deficit and the newly agreed Argyll and Clyde recovery plan?

Mr Kerr: To take the member's first point about the Audit Committee report precipitating the debate, I have to say that I waited for the report before making my decision public. It was part of the decision-making process in which I have had to be involved throughout this unfortunate set of circumstances. Having made that point, I reassure the member that I am happy not just to have Kevin Woods come along to the Audit Committee to give

evidence on the matter but—as the report is due to me in July 2005—to share with the committee our findings with regard to the review of the internal procedures relating to the submission, review and agreement of financial plans in the NHS in Scotland.

## **Serious Organised Crime**

The Deputy Presiding Officer (Trish Godman): The next item of business is a debate on motion S2M-2824, in the name of Cathy Jamieson, on tackling serious organised crime and developing strategic partnerships.

09:49

The Minister for Justice (Cathy Jamieson): We have had many debates in Parliament about crime—debates reflecting the real concerns of ordinary Scots and ordinary communities. Every crime must be taken seriously, but I want to focus on a specific threat, which is the threat that is posed by serious organised crime.

What do we mean by serious organised crime? We live in an increasingly global world. Markets now transcend national borders and multinational corporations are no longer constrained by geographical or political boundaries. Criminal organisations have adapted to that changing world and have evolved into far-reaching international networks that operate in many different countries and have many spheres of interest. Those organisations produce and supply the drugs that blight Scotland's communities and they are involved in people trafficking, customs crime and arms dealing. Those networks have a hand in criminal activity at each and every level, from the poppy fields in Afghanistan to street dealers in Aberdeen; from people-trafficking operations in eastern Europe to prostitution in the east end of Glasgow.

If we are to fight serious organised crime we must target explicitly those who preside over the criminal gangs that are responsible for that crime. We must go after the people who exploit others and who bring misery to our communities. They are the people who sit comfortably in front of their plasma-screen televisions while trusting members of the public have peddled to them bootleg electronic goods. They are the people who sit in designer apartments while the dealers prey on Scotland's most vulnerable communities. Serious organised crime funds the obscenely excessive lifestyle of the men and women at the top—a lifestyle that leads those organised criminals to believe that they can thumb their noses at the police and at the millions of hardworking Scots who play by the rules.

I state once again, here and now, that that is not acceptable. Our police and prosecution services will continue to do everything in their power to put those people behind bars, and we will not stop there. We will seize their ill-gotten gains and we will send out a clear and unequivocal message that whatever the quick return might be, in the long

term, crime will never pay. That good work is already under way. In 2004-05, we seized or confiscated more than £3 million-worth of criminal assets. Many more cases are being pursued; another £8 million in realisable criminal assets were identified for potential seizure by the Scottish Drug Enforcement Agency between April and October last year. The Solicitor General for Scotland will cover that in more detail later in the debate.

The main threat from serious organised crime continues to come from drugs trafficking. The SDEA is working with the Scottish police forces and other agencies to disrupt and arrest those who are involved in supply, so that we can stem the flow of drugs into our communities. They are having success: in 2003-04, more than 100kg of class A drugs were seized, with a street value of more than £11 million. The total for 2004-05 will be even higher. In just one of many examples, in 2004 a single network was dismantled, which led to the recovery of heroin that had a street value of more than £1.5 million. The four principal members of that network received combined sentences amounting to 73 years.

As well as disrupting those networks at the top level, we are tackling the drugs menace at the distribution end, through initiatives such as Crimestoppers Scotland's drug dealers don't care, do you? campaign. The campaign has so far resulted in 116 arrests and has been responsible for seizures of drugs worth over £133,000. I understand that on Monday, SDEA officers in Glasgow, acting on intelligence that they had received, seized class A drugs with a value of £550,000.

Stewart Stevenson (Banff and Buchan) (SNP): I welcome the news that the minister has been given. She may recall that I have previously suggested that the illegal drugs industry in Scotland is worth some £2 billion a year, based on there being 51,000 heroin addicts and English figures that suggest a cost of £35,000 a year per addict to feed their habits. Will the minister confirm what her view is of the size of the industry and whether, whatever figure she comes up with, given the amount of money that we are managing to seize there is a lot of distance yet to travel?

Cathy Jamieson: Without putting a figure on it, I agree with Stewart Stevenson that there is a lot of distance yet to travel, which is why I take the issue so seriously and partly why I wanted to have the debate. We need to acknowledge how well we have done, but we also need to acknowledge the continued threat from organised criminal networks and from the fact that they adapt and change over time and move into new areas. We need not only to keep up with that movement, but to be ahead of it.

Organised criminals have other interests that are less obvious than the drugs scene. They often use businesses that appear at face value to be legitimate to shield their illegal activities and launder their shameful profits. We have seen clear examples of that in Scotland in the problems that affect the private security industry. I am pleased that legislation is now in place to regulate that industry, which will help to fight against the unscrupulous criminal elements that have plagued it over the years.

Members have heard me say before that criminals do not care about national or international boundaries—unless, of course, one jurisdiction is seen to provide a safer haven than its neighbours. To retreat into parochialism and focus only on what happens in Scotland itself would be a terrible mistake, because co-operation across jurisdictions is of paramount importance. Such co-operation begins in Scotland.

I praise the excellent work of all our law enforcement agencies that are involved in tackling organised crime. Because of the close cooperation between the police and the SDEA, 200 police officers had been seconded to the SDEA by the end of March this year. That is the highest figure ever and has been made possible by the record funding that we are providing to keep police numbers at an all-time high. Together with the Association of Chief Police Officers in Scotland, we are committed to continuing the SDEA's role as Scotland's lead enforcement agency in tackling serious organised criminality. That is why we are working towards putting the SDEA on a firm statutory footing with new governance and simplified funding arrangements. I expect to bring proposals on that to Parliament later this year.

It is also crucial that we co-operate effectively at United Kingdom level. The serious organised crime agency will come into being on 1 April next year. It will draw together the existing National Criminal Intelligence Service, the immigration service's responsibilities on organised crime, HM Revenue and Customs's responsibilities for serious drug trafficking and the National Crime Squad for England and Wales.

Much of the success of the SDEA and police in tackling organised crime has been the result of their ability to co-operate effectively with other law enforcement agencies from throughout the UK and around the world. More co-operation will bring about more success. I stress that the introduction of SOCA will take nothing away from our distinctive Scottish policing structure; rather, it will enhance the capacity of Scotland and the UK to respond to international crime.

Our active role in the European Union is also providing clear benefits. The EU framework decisions that are being discussed on mutual recognition of measures that are taken by courts and law enforcement agencies in partner countries are important. The European arrest warrant is a significant development that will speed up the arrest and return of criminals who are wanted for prosecution or punishment. It is a huge improvement on what existed before, which was a particularly cumbersome system that was open to abuse by individuals who were determined to frustrate justice. Europol provides an impressive level of support to the SDEA and the Scottish forces, as it allows rapid exchanges of crucial intelligence between member states on a range of serious organised crime issues, while Eurojust assists with co-ordination, investigation and prosecution of cross-border crime and has improved co-operation between legal systems.

Working within Scotland and beyond, our law enforcement agencies are disrupting the activities of organised criminal gangs and are bringing real benefits to our communities. I am determined that we will take the fight against serious organised crime to the people who are responsible for it—the international criminal networks. That is what the decent majority of ordinary Scots expect. They rightly question why criminals should live comfortable lives that are funded by their illegal activities; I share their outrage and pledge that the Executive will do everything in its power to create a safer Scotland by bringing to justice anyone and everyone who makes a career out of peddling misery in our communities.

#### I move,

That the Parliament believes that tackling serious organised crime is key to a safer Scotland; recognises that criminal networks operate across local, national and international boundaries; commends the achievements of those responsible in Scotland for bringing to justice those engaged in serious organised crime; supports the Scottish Executive's actions to achieve speedy and efficient court processes, its efforts to ensure greater co-operation with European and international criminal justice agencies and its plans to strengthen the status of the Scottish Drug Enforcement Agency; commends the success of the Crown Office in recovering £5.4 million since the introduction of the Proceeds Of Crime Act 2002, and will continue to support the sustained efforts of all those involved in disrupting and destroying the criminal networks which profit from inflicting violence and misery on communities in Scotland.

#### 09:59

Mr Kenny MacAskill (Lothians) (SNP): The Scottish National Party fully endorses the Executive motion and the minister's comments. She is correct to raise such matters and it is proper for her to do so in her speech.

The world—not simply the economy, but society—has globalised. Crime, as well as labour and capital, is mobile and transnational. Crime is capable of stalking across many lands, so

countries need to work together if they are to address it. We must accept that we live in a shrinking world and that crime is therefore much more transnational. Globalisation brings economic benefits and the benefit of international travel but, although we must recognise its fruits, it comes at a price and we must guard against that. A cheque card that is stolen from a Scot on holiday can easily be used for crime and one that is stolen to order in this country can be sent abroad to cause mayhem. A vehicle that is stolen in Scotland, to be put in a container and sent to eastern Europe or elsewhere, can be out the country before the owner has noticed its absence. Businesses and individuals receive e-mails from Nigeria and elsewhere that cause fraud, mayhem and severe loss.

The minister is correct that crime knows no boundaries. Whether we are talking about guns being imported from the Balkans, drugs being imported from Afghanistan or people being trafficked through eastern Europe or elsewhere, we need to accept that the world has globalised and that crime agencies must co-operate. We must also bear it in mind that no country is an island; all countries are interdependent. Even the most powerful nation in the world—the United States of America-must recognise that fact, and not simply because of the terror that manifested itself on 9/11, which showed the USA that it was not immune to circumstances that can ravage places elsewhere in the world, and that no matter how it seeks to secure its borders, there will be difficulties that it will be required to address.

The USA would do well to remember the words of Noam Chomsky-I note that the learned professor was over here recently-on cocaine trafficking. Despite the activities of America's special weapons and tactics teams, Food and Administration, Drug Enforcement Drug Administration and its military, cocaine still enters the USA from Colombia. However, 94 per cent or 95 per cent of the ingredients of the cocaine that is sold on the streets the United States of America are manufactured in the USA then exported to Colombia to be assembled with the basic powder and re-imported to the United States of America. Professor Chomsky made the point that the US authorities are unable to stop the cocaine being flown in and, rather than wage war on campesinos who make a small percentage of the ingredients of cocaine, they would be better to address the problems that exist in their own society. That shows that even the manufacture of cocaine is an international process that transcends countries. It is not simply that the war is in Afghanistan or the problem is in Colombia; the problem is as much in our country as it is those others and we need to work across the board to address that. As the minister pointed out, we need to accept that point

in respect of a variety of matters, such as terrorism, fraud and people trafficking.

We must also accept that crime comes in a variety of shapes and forms. A man in a suit is as likely to perpetrate a crime as is a youth in a hooded top. Legislators elsewhere must take on board the fact that much serious crime is committed not by hoodies, but by hoods dressed in dapper Armani suits. Many years back, Woody Guthrie sang:

"Yes, as through this world I've wandered I've seen lots of funny men; Some will rob you with a six-gun, And some with a fountain pen."

It is important that, in addressing crime, we bear it in mind that the problem is not simply a small element of youth, but serious and highly organised crime.

The SNP's amendment recognises the difference of Scottish society. We have to work internationally and transnationally, but we must realise that Scottish society is different and distinct. What works in metropolitan London and what is needed in metropolitan Paris is not necessarily appropriate for Scotland. Lothian and Borders police would tell members that its policing methods for the Cowgate are different from those for George Street and most certainly different from those for Lothian Road on a Friday night or any other night. What is needed in Paris, London or Chicago is vastly different from what is needed in Scotland; how a policeman in Thurso would act is, in many instances, vastly different from how a policeman in Tooting would act.

The SNP accepts that some things are universal—we must always be prepared to accept best practice, wherever it comes from. However, we must acknowledge that our society is different. We have a unique legal system; it might not be the best system in the world, but it is ours. We must be prepared to learn where that system needs to improve and we must recognise and address its faults, although it has served us well through centuries and will continue to do so. Our system has also been moulded and shaped to meet our society's requirements.

Our policing has a different culture. It is very much based upon communities and on policing going upwards. It is also based upon chief constables' being almost sacrosanct; apart from being accountable to the board that appointed them, chief constables are certainly not subject to political interference. We are anxious to ensure that what has served us well in the past should remain. We must ensure the independence of our chief constables and their decisions about what is right for their communities, subject to discussion with the democratically elected boards.

We must also ensure that our law is paramount and that our legal system prevails. Clearly, we must be prepared to co-operate not just with extranational jurisidictions but with the jurisdictions elsewhere in the United Kingdom. However, as I say, we must always bear it in mind that our legal system is unique and distinct because it is for our distinct and unique society. It has served us well and it will have to develop and evolve and take on board ideas from other nations, but it must be paramount. We must ensure that new agencies and structures do not try to force the proverbial square peg into a round hole and that they allow our system to develop as best suits our society and the way it wants to address a global phenomenon.

I move amendment S2M-2824.1, to insert at end:

"notes, however, that, whilst co-operation with other bodies both elsewhere in the United Kingdom and abroad is vital, Scotland has a unique legal system and a distinctive policing culture that is community-based and independent from political interference and therefore that the Scottish legal system and Scottish Law Officers must always be responsible for, and in control of, operations in Scotland and the representation of Scottish views and needs abroad."

#### 10:06

Miss Annabel Goldie (West of Scotland) (Con): There is a lot in what the minister has outlined today that is commendable; Conservatives welcome the efforts to seize the illgotten gains of criminals and plough them back into the communities that have been damaged. Similarly, we welcome the Executive's efforts to work with European and international criminal justice agencies to catch more big-time criminals. We have no difficulty in supporting those aspects of the Executive's motion.

I am also pleased that the minister is talking about strengthening the SDEA. A good first step would be to rename that organisation more accurately. I wonder how many members of the public have any idea that the Scottish Drug Enforcement Agency deals with much more than drugs; indeed, it deals with some of the most serious crime in Scotland. Perhaps its previous name—the Scottish Crime Squad—was more fitting.

That technicality aside, I remain worried about the impact on the SDEA of the new serious organised crime agency; I think that Kenny MacAskill alluded to that. I have one or two questions for the minister that I hope will be addressed later on in the debate. I am still not clear how the SDEA is expected to interact with the new body, because the new body will also be present in Scotland. I am also interested to ascertain whether the minister anticipates having

regular meetings with the Home Office to ensure that she and her colleagues are not left out in the cold.

Another way in which we should clamp down on criminals and on drugs entering the country is by improving policing at our borders. I notice that under Labour only 11 of Britain's 35 main ports are manned 24 hours a day. My party would establish 24-hour security at Britain's major ports of entry and we would establish a British border control police force whose sole job would be to secure Britain's borders. There is anxiety about security of entry at the moment, and there are issues that impinge on the sort of serious crime to which the minister referred.

Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD): On a point of clarification, is the Conservative party proposing that there be checks at every port of entry in the United Kingdom? That is clearly not what their UK spokesman said during the election campaign.

**Miss Goldie:** No—I said the major ports of entry. I also said that there would be a British border control police force to enforce security at our borders.

Serious and organised crime cannot be considered in isolation from the everyday criminal activity that occurs in too many of our Scottish communities. The final clause of the Executive's motion states that it

"will continue to support the sustained efforts of all those involved in disrupting and destroying the criminal networks".

Surely one of the best ways of doing that is to increase police presence in our streets. Visible policing does not just deter and detect crime; putting police back in our communities would restore trust between the police and the people whom they serve, which would encourage individuals to come forward when they have useful information.

The minister mentioned Crimestoppers. Prior to 2003, I remember supporting that pilot scheme in my area because it was highly effective. It also demonstrated that there is public good will out there to help with nailing criminals.

As New York has demonstrated—I have mentioned this many times—concentration or emphasis on community policing is not unique. A similar success story occurred in Massachusetts—a highly industrialised area that suffered heavily from economic deprivation, drug crime and gangland activity. The city of Lowell was perceived to be dangerous and unwelcoming, so Superintendent Edward Davis decided to follow the New York example. The result was a reduction in crime. In 2001, Superintendent Davis made a speech to the Institute of Economic Affairs during

which he explained the reasons for his success as follows:

"We don't solve crime because we are smart or scientifically astute. We solve most crimes because someone tells us who did it."

Those are wise words and the Executive could do with learning from them.

Cathy Jamieson: I understand Miss Goldie's continued interest in what is happening in New York and she will, from my comments, be aware of what I learned on my visit there. Does she accept that one of the ways in which the police and other authorities in New York have tried to tackle their problems is not necessarily by seeking to increase the number of custodial penalties but to have quick, visible and effective community reparation that communities are part of?

**Miss Goldie:** I do not think that there is an issue between the minister and me. I emphasise that the key seems to be the presence of police in communities where they can engage with the public. How we thereafter incorporate a raft of sanctions or solutions is consequential.

increased police presence in communities would do a lot to reconsolidate the public's confidence and willingness to assist in solving crime. If it remains easy for serious offenders-the Mr Bigs-to get bail, many witnesses will be too scared to come forward. That is the sad reality. I suggest that the Executive's attitude to fighting crime is a top-down approach: solve the big crimes, catch Mr Big, get the headlines and the little crimes might not be noticed. I disagree with that approach. We need a bottom-up approach, which I suppose is the justice equivalent of "look after the pennies and the pounds will look after themselves". Only if we follow that path will we be able to cut crime.

That is why my party believes in more accountable local policing. When we proposed our idea that the convener of the police should be locally elected, Mr Henry was very dismissive. His colleague Mr McNeil in Inverclyde was not quite so dismissive for reasons that I fully understand. There is a feeling of disengagement between communities and the overall policing strategy.

It is little comfort to the individual who is trapped in a crime-ravaged community that big-time dealers and persistent criminals are the guys who are clamped down on. As Superintendent Davis suggested, the best way to catch the big guys is for someone to pass to the police the information that is needed. In the current climate of fear of criminals and distrust of the justice system, that will not happen.

I move amendment S2M-2824.2, to leave out from "the Scottish Executive's" to end and insert:

"actions which will create an efficient court process; backs the Scottish Executive's efforts to ensure greater cooperation with European and international criminal justice agencies; believes that the status of the Scottish Drug Enforcement Agency should be strengthened and therefore hopes that it will not be undermined by the creation of the Serious Organised Crime Agency; commends the success of the Crown Office in recovering £5.4 million since the introduction of the Proceeds of Crime Act 2002, continues to support the sustained efforts of all those involved in disrupting and destroying the criminal networks which profit from inflicting violence and misery on communities in Scotland, but believes that crime will continue to blight too many Scottish communities until there is an increased police presence on our streets coupled with a zero-tolerant attitude to crime."

10:14

Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD): There is a lot of common ground this morning, particularly in analysis of the problem. We live in a United Kingdom-to the chagrin of my SNP colleagues—and in an increasingly interdependent world. Of course, that brings great benefit, as Mr MacAskill said. Communications are easier, travel is quicker, and the world seems to be smaller. With all the benefits that that brings, there are those who take advantage of it; serious and organised crime knows no borders. That means that for the Scottish Parliament, a balance is required between the need to ensure that we have legislation in Scotland that suits circumstances, and the cross-border interest in issues such as immigration, organised crime and customs. Although we make decisions that might well differ from those taken south of the border, it would be ludicrous to have divisions and discrepancies. Criminals who operate across the UK will be the first to look for gaps in co-operation, fault lines in legislation or loopholes in police powers. A criminal organisation that is based in Glasgow or elsewhere in Scotland will set itself no boundaries round the globe, never mind within the UK. Increasingly, crime has an international dimension.

I will cover a matter on which Liberal Democrats are in absolute agreement with Labour coalition colleagues, and then I will touch on an area where there is disagreement. The Scottish Parliament considered the Serious Organised Crime and Police Bill, which the Westminster Government was taking through the UK Parliament. I had hoped that a service level agreement would be drawn up on the functions that are to be carried out by the SDEA as an agency for the serious organised crime agency.

In my view, if the relationship between SOCA, the police, the SDEA and ministers is to be effective, we will need a transparent and accountable relationship between the Scottish ministers and SOCA's sponsor department, the

Home Office. I know that there has been progress in that area.

I am pleased that we are working towards a first in the UK, with a law-enforcement campus at Gartcosh in North Lanarkshire. The innovative plans for that campus aim to bring together the SDEA and a number of partner agencies. That represents a logical progression to the SDEA's existing task-force approach to tackling serious organised crime.

**Stewart Stevenson:** Does Mr Purvis agree that it is important for the relationship between politicians and law enforcement that policy be set by politicians, while all operational matters should be left to the law enforcers?

**Jeremy Purvis:** That is, of course, the overall framework, but the member will be fully aware of section 11 of the Police (Scotland) Act 1967, which allows ministers to intervene in police matters if

"it appears ... to be expedient in the interests of public safety or order that any police force should be reinforced or should receive other assistance".

In that context, I agree with Stewart Stevenson.

There is a clear separation between Labour and the Liberal Democrats on one important subject. The former Home Secretary, Mr Blunkett, launched the UK Government's identity card scheme in 2003 with this promise:

"An ID card scheme will help tackle the crime and serious issues facing the UK, particularly illegal working, immigration abuse, ID fraud, terrorism and organised crime."

Among the frequently asked questions on the Home Office's website is:

"Won't an identity card be attractive to fraudsters and organised criminals?"

### The answer is:

"Yes just as current identity documents are. This is why we will have strengthened identity checking procedures, biometrics and improved physical security measures both for existing identity documents and for identity cards."

The ID cards in themselves will not be effective without additional physical security measures, as the Home Office has said. It is certain that the massive information technology project that would be required, which would take years to plan and more years to deliver, would need to cover millions of people, would cost billions of pounds and would be technologically out of date even before it came into operation.

One technology expert, Peter Dorrington, who is head of fraud at the private software company, SAS Institute, a company that has worked with UK police forces, the UK Government, blue-chip companies around the world and the United States

federal Government, was highly sceptical of the cards. He said:

"These are going to be incredibly attractive to organised crime groups. If you have one of these, and know that banks and governments are going to take them as a trusted form of identification, then the potential to commit fraud is massive. If a criminal can successfully obtain or generate a smart card with stolen or bogus data the world becomes their oyster.

What this means is that the value of these cards on the black market will be many times greater than the current passport. Typically a passport will go for anywhere between £500 and £5,000 on the black market. These ID cards will go for considerably more than that."

The Liberal Democrats are very pleased with the progress that we are making in Scotland to tackle serious and organised crime and with the development of strategic partnerships, which is already producing results. In March this year, half a million pounds of heroin was seized at Waverley station. Let us not be distracted, however, by an illiberal, expensive, ineffective and potentially dangerous ID card scheme.

#### 10:19

The Solicitor General for Scotland (Mrs Elish Angiolini): In February this year, the Lord Advocate and I outlined to Parliament the steps that had been taken by the Crown Office and Procurator Fiscal Service to modernise and reform. That reform has profoundly affected how we in the prosecution service tackle the menace of serious organised crime and our vision for the future development of our role in that respect.

The prosecution of serious organised crime has, in accordance with our strategic plan, been given priority by area procurators fiscal, who are working closely with colleagues from the SDEA and the Scottish police forces in a partnership approach, which is proving ever more effective. In recent years, the COPFS has been responsible for the successful prosecution of a significant number of major drugs cases and other serious crime cases in the High Court. That has demonstrated the effectiveness of the close working relationship that has developed, and also the greater and earlier role of Crown counsel in the investigation and prosecution of those cases.

Cathy Jamieson has already given an example of the successful prosecution of high-level drug dealers, and there are many more, with the conduct in question sometimes involving serious violence and murder as well as drugs. The prosecution service in Scotland will continue to work closely with the SDEA and colleagues from the police and other investigative agencies to give such cases priority and to ensure that those involved in the most serious organised crimes are brought to justice.

The Crown Office and Procurator Fiscal Service has ensured that tackling serious crime is achieved not only through the traditional, important route of prosecution, but also through a number of other measures following the creation of the Crown Office's financial crime and civil recovery units. Among other roles, the financial crime unit is responsible for the investigation and prosecution of money laundering offences. Money laundering is the process by which the proceeds of crime are converted by criminals into assets that appear to have a legitimate origin, so that they can be retained permanently or recycled into further criminal enterprises.

The number of money laundering cases reported to the Crown Office continues to rise. Although a number of those cases are still being investigated, I am pleased to report that the first conviction for a money laundering offence under the Proceeds of Crime Act 2002 was secured earlier this year, and that two further cases have now been indicted in the High Court, and will proceed shortly. About 40 more active money laundering investigations are under way, which gives some indication of the extent of what are frequently complex, detailed and sophisticated investigations. The new powers help us explore the full extent of the trails that organised crime gangs can lay down to mask their ill-gotten gains. We are committed to using the 2002 act to its full effect to strike at those who prevail at organised crime, but who are far removed from the hands-on offenders.

It is vital to that success that we maintain effective working relationships with the other agencies in the criminal justice system. That is the foundation upon which the tackling of serious organised crime must be built. The COPFS now works very closely with all its criminal justice partners, and its very effective relationships with the SDEA, the main police forces and HM Revenue and Customs continue to develop. It has been aided in that process by the appointment of five seconded officers from law enforcement agencies to Crown Office units, as well as a senior procurator fiscal being seconded to HM Revenue and Customs. That has brought about a much better understanding of each agency involved, and has contributed greatly to the identification and dissemination of best practice.

We welcome the opportunity to work closely with the new serious organised crime agency as it moves towards full operational status next April. Kenny MacAskill raised the matter of SOCA's accountability and how it will operate in the context of the distinct Scottish legal system. I can assure Kenny MacAskill that section 22 of the Serious Organised Crime and Police Act 2005 makes explicit provision to ensure accountability to the Lord Advocate.

**Stewart Stevenson:** Given the fact that 99.995 per cent of transactions, by value, are electronic and do not involve physical money, can the Solicitor General tell us what computer skills and resources are available to her and the prosecution service to deal with crime in the major areas where money moves through the system?

The Solicitor General for Scotland: The Proceeds of Crime Act 2002 provides opportunities to deploy information from financial institutions and the computer networks to which they have access. Sophisticated skills are being developed in the SDEA, and forensic accountants work with and within the Crown Office's financial crime unit. IT very much forms a part of that process. As criminals work in a complex and sophisticated way, we are required to equip ourselves with innovative, creative skills to deal with that. I can assure the Parliament that that is what we are about.

Another major objective is to recover the assets of those who have engaged in criminal activities. The COPFS is making good use of the new powers under the 2002 act. Asset confiscation takes the proceeds of crime out of circulation and ensures that offenders do not have access to funds with which to resume their criminal activities. Organised crime is motivated by greed and the desire for power. Recovering assets is therefore a toxic weapon in demotivating would-be leaders and in diminishing their status in the community. The powers that are now available for confiscation enable the investigation of financial backgrounds through a variety of investigative orders, the restraint of assets and the confiscation of assets by court order.

During the financial year 2004-05, the financial crime unit obtained 189 orders restraining assets with a value of £37,859,489. That shows that, even in the earlier stages of the implementation of the new legislation, we mean very serious business in tackling this major problem. The number of orders obtained rose by 67 per cent on the previous year, and the total value of assets restrained rose from £9,364,913.

The restraint of assets disrupts activity because the assets are not available pending the investigation and prosecution of criminal cases, including cases that involve money laundering. Assets that have been restrained include duplex penthouse flats, holiday complexes in the United States of America, bank accounts, insurance policies and cruise deposits as well as collections of whisky and sophisticated, diamond-encrusted watches.

In the first month of the present financial year, the number of restraint orders granted continued to rise and it is anticipated that more than 250 orders will be obtained in the coming year. That is

an indication of the work that is in the pipeline, which will eventually lead to confiscation proceedings in cases in which a criminal conviction is secured. However, that is not the end of the story. Restraint action is not restricted to those who profit from the trafficking of controlled drugs. The financial crime unit has raised proceedings against those who are alleged to be engaged in other aspects of serious organised crime, including people trafficking, money laundering, brothel keeping and extortion as well as other types of offences in which criminals are motivated by financial gain.

Although restraint can have an impact on those who seek to live on the proceeds of their criminal activity, it is the confiscation of assets and their subsequent redistribution that will ultimately have the greatest impact as they are removed from the criminal and realised for the public good.

# Mr Stewart Maxwell (West of Scotland) (SNP)

The Solicitor General for Scotland: I will not take an intervention because I want to report further developments to Parliament.

I can inform Parliament that the total amount of money that has been recovered by confiscation orders is approaching £3 million. I have every confidence that that figure will continue to grow as the financial crime unit works with other agencies, particularly the SDEA, to ensure that assets are confiscated at the end of restraint periods.

Part 5 of the Proceeds of Crime Act 2002-POCA-came into force in February 2003. It ensures that criminals do not hold on to what they have gained unlawfully, not only in criminal cases in which we secure convictions, but in cases in which it is not possible to prove involvement in a specific crime. Although the legislation is still in its early days, I am pleased to advise Parliament that, so far, the courts have granted five final recovery orders and 16 interim administration orders in cases in which court proceedings are still under way. The total value of the assets that have been realised through recovery orders thus far is nearly £1 million and there is a sustained increase in the area. To illustrate that, I point out that since the Lord Advocate spoke to the Parliament about our reforms three months ago, another £700,000 worth of assets have been recovered. That demonstrates that the powers are beginning to bite, and much more work is under way. The total number of cases that are referred to the civil recovery unit continues to increase: it has accepted 30 cases for civil recovery in the financial year 2004-05, which represents an increase of more than 50 per cent on last year.

The civil recovery unit is responsible for pursuing cases in which there has been a cash

seizure. The provisions in the 2002 act enable the seizure of cash where there are reasonable grounds for suspecting that it is recoverable property or that it is intended for use in unlawful conduct. The court can then be asked to forfeit the money. In many cases, money is found in suitcases or plastic bags in the boots of cars but we are unable to secure criminal convictions in relation to possession. Almost £1.5 million has been forfeited by the courts since the powers became available. Cash seizure and civil recovery proper has enabled the civil recovery unit permanently to take out of circulation nearly £2.5 million in just over two years. It is important to note that those sums would not have been recoverable before the introduction of the powers in POCA.

Serious and organised crime is very much an international business. As Mr MacAskill and Annabel Goldie recognised earlier in the debate, criminals frequently move their activities and assets across borders. However, the increasing level of co-operation between states and the greater use by law enforcement agencies of the specialist networks and new powers are ensuring that the challenges that are posed by international criminals are being addressed. The international co-operation unit at the Crown Office continues to play a key role in facilitating requests to and from Scotland for mutual legal assistance. In the year ending 31 March 2005, the number of extradition and mutual legal assistance requests that were dealt with was more than 50 per cent higher than in the previous year. With the implementation throughout Europe of the European arrest warrant we can expect the figures to rise further in the coming year.

Cathy Jamieson referred to Eurojust and its role. It enables speedy co-ordination of cross-border investigations into international crime. Scotland has its own representative, who is seconded from the COPFS and who works at Eurojust as assistant to the United Kingdom national member. The presence of Scottish lawvers in Europe is crucial as they emphasise the distinct Scottish legal system. Also, Crown Office staff have been seconded to posts in Brussels and Italy in the past two years, which underscores the key role that we in Scotland wish to play in the fight against international crime. I assure the Parliament that in the International Association of Prosecutors there is clear recognition of Scotland's distinct legal system and acknowledgement of how smoothly co-operative actions usually run.

I am sure that members appreciate that in Scotland we are doing a great deal to battle the menace of serious crime. We have a long way to go and we are not complacent about the matter, but wherever criminals try to hide themselves and their criminal profits, they are pursued through our use of the wide range of powers that we now

have. There is energy and dedication within the Crown Office and Procurator Fiscal Service and elsewhere in the criminal justice system to ensure that, as far as possible, we bring those people to justice.

#### 10:30

Michael McMahon (Hamilton North and Bellshill) (Lab): It has been said that the law should not pretend to punish everything that is dishonest because that would seriously interfere with big business. I say that in a somewhat tongue-in-cheek way not because it is entirely wrong, but because I believe that it is our responsibility to interfere in crime wherever it occurs. What might be more accurate is my belief—which appears to be contrary to the view of the Minister for Justice, given what she said earlier-that we cannot consider the view that crime does not pay to be even remotely true. Crime is one of the biggest businesses in the world today and we must interfere with it. I am glad that the Scottish Executive recognises that and has set itself the task of confronting that reality. Organised crime is truly global and we must look beyond our borders if we are to tackle it effectively.

During the recent general election campaign there was a great deal of discussion on immigration. Had there been a reasoned debate on the matter there is much that could have been addressed, but this morning we have an opportunity to consider one dimension of the immigration debate. Migration from disadvantaged or troubled areas of the world to more stable and affluent countries is a multifaceted global phenomenon and it creates great opportunities for serious and organised criminal involvement. Organised immigration crime comprises both people smuggling and human trafficking; the distinction between the two is that in the case of human trafficking the intention behind the facilitation is to exploit the migrants when they reach their destination.

The indications are that human trafficking takes place on a much smaller scale than people smuggling, but the nature of human trafficking is such that it is harder to identify. It is clear that human trafficking relies on the frequent use of intimidation and violence, which arguably makes it the more acute threat and one that Scotland's criminal justice system must make a priority. Scotland is not immune to the problem, so it must be tackled by the strategic partnerships to which the motion refers. Criminals involved in serious and organised crime, whether they trade in people, drugs or other commodities, are adept at exploiting weaknesses in the system. Such criminals show flexibility and speed in responding

to the efforts of law enforcement officers to combat their crime and in countering improved detection capabilities.

I am particularly concerned that traffickers often recruit migrants specifically into the vice trade. That usually involves deception and the exploitation of the lack of opportunities that are open to women in the source countries. The use of violence to control both trafficked prostitutes and sweatshop labourers is widespread and must cause us great concern. In the case of women who are trafficked for prostitution there are extreme forms of coercion, which usually involve physical abuse and rape by the traffickers. Violence is likely to be present from the point at which the woman begins working as a prostitute and most victims are forced to become addicted to hard drugs such as heroin. They become dependent on both the drugs and the trafficker. Victims of trafficking are a particular concern because they continue to be exploited by serious and organised criminals once they are in Scotland. I hope that the minister will pay particular attention to the problem.

Many of the serious and organised criminals who are involved in immigration crime are also involved in other serious and organised criminal activities, such as class A drug trafficking. There is evidence of illegal immigrants being used by serious and organised criminals to facilitate other serious and organised crimes—for example, they are used as drugs couriers. Serious and organised criminals also use illegal immigrants to commit various types of organised low-level crime when they arrive in the destination country. When that happens in Scotland, it shows us how a global problem becomes a local issue. I am glad that the ministers gave a strong indication this morning that they intend to tackle the problem.

In any debate on crime, we must have a sense of perspective about what needs to be done and what can be done. From what we have heard this morning, the ministers have got that balance right and I wish them well with their efforts in tackling the problem.

#### 10:34

Mr Stewart Maxwell (West of Scotland) (SNP): I am sure that we all agree that we owe a debt of gratitude to the men and women who work in the eight Scotlish police forces, the SDEA, HM Revenue and Customs, the Crown Office and Procurator Fiscal Service, the court system and other law enforcement agencies. They are in the front line of the fight against serious and organised crime.

Since its launch in June 2000, the SDEA has achieved considerable success in the fight against

drugs. In its report for 2003-04, the SDEA said that since its launch its efforts had resulted in the arrest of 736 people, the seizure of more than 1,300kg of class A drugs and of more than 7,700kg of class B drugs and 333 disruptions to criminal networks. I am sure that we all welcome those achievements.

The SDEA's approach to serious and organised crime is increasingly founded on the implementation of the Proceeds of Crime Act 2002. The seizure of £5.4 million as outlined in the Executive's motion is welcome but, as I am sure that we all realise, that is only the tip of a very large iceberg. I wish Crown Office staff well in their attempts to seize the maximum amount from criminals that they can. However, I understand that the amount that can be retained in Scotland is still capped. That cap should be lifted and all money and assets that are seized here should be retained and used in Scotland.

Hitting criminals where it hurts is an extremely important development in tackling serious crime and in showing the public that the phrase, "Crime doesn't pay" will become reality. Justice must be seen to be done by the communities that are most affected by the criminals.

Earlier this year, we debated a Sewel motion to allow Westminster to legislate for us in the Serious Organised Crime and Police Bill. All but the Executive parties opposed that motion for several reasons. One reason for opposing the bill was that the Parliament should defend the separate Scottish legal system, which other legal systems should not ride roughshod over.

We agree absolutely that close cross-border cooperation is needed between different legal jurisdictions in the UK, but that applies equally to legal systems outwith the UK. Whether the justice services of England, Wales and Northern Ireland or of the Republic of Ireland, the Netherlands and Belgium are involved, close co-operation is vital. However, it is not necessary or desirable to create overarching bodies that overrule those individual and separate legal systems.

**Bill Butler (Glasgow Anniesland) (Lab):** Will the member give one tangible example of a system that was ridden roughshod over?

**Mr Maxwell:** It is inconceivable that Ireland or Holland would allow a different legal system to rule over their legal systems, yet the creation of a so-called UK supreme court and a UK federal bureau of investigation will do just that here. Those are two tangible examples.

Ensuring public safety is the number 1 priority of any Government and that duty requires Governments to tackle serious crime. However, I disagree with the Government in London when it tells us that introducing identity cards will tackle serious crime and terrorism. It is clear that ID cards do not work. Most countries of continental Europe have ID cards, but they suffer from serious and organised crime at an equivalent level to us or at an even higher level.

Spain has ID cards, but they did not prevent the terrible bombings in Madrid. ID cards have not stopped Spain's problems with drug trafficking from north Africa. Does anyone honestly believe that ID cards will deter serious criminal gangs from going about their business? I certainly do not think so. If ID cards are such a useful tool, why does the USA—the most security-conscious country in the world after 9/11—not wish to introduce them? That is because it knows that ID cards do not work.

Adequate resources are crucial in the fight against serious crime and our police and other arms of the justice system could do with more resources to assist them in their work. That is why it is nothing short of supreme folly to spend billions on ID cards instead of where that money is most needed. We should spend that money on putting more police on the streets to protect the communities that are suffering from those crimes. We should invest in, rather than cut, organisations such as the customs and excise service.

We agree that we need to prioritise the tackling of serious and organised crime, but that does not mean trampling over our unique legal system, creating a UK FBI or wasting billions on ID cards.

10:39

Pauline McNeill (Glasgow Kelvin) (Lab): One of the most important strategic decisions that our Labour Government in Westminster and our Scottish Executive have made is to recognise that highly organised crime has changed. In doing so, they have encouraged the establishment of law agencies and the passing of laws that give us the tools to fight organised and serious crime.

The freedom of movement of people, capital and goods and the use of modern-day technology have taken crime to a level that we can barely imagine. Our most notorious criminals are no longer local. They are different. They are devious and sometimes very clever people who move from country to country. Serious crime operates transnationally.

That is why the establishment of the Scottish Drug Enforcement Agency was important and why it should be strengthened, as the motion and one amendment say. I, too, support the proposal to move to Gartcosh, provided that the agency's role is strengthened in the operation. If Government departments should be value for money, we have heard that the Scottish Drug Enforcement Agency and our Crown Office, among others, have shown that they are delivering.

For a small country, Scotland has done extremely well in taking serious and organised crime seriously. We are the largest user of Europol and we have a strong voice on the European and international stages. Crucially, we have shown professionalism in the use of covert intelligence methods that has brought the nation credibility. We have standing in the world on that. We are a serious player in understanding the importance and the nature of organised crime and we have shown that we will take bold steps in our laws, such as the adoption of the Proceeds of Crime Act 2002, despite comments that that act might be contrary to the European convention on human rights. The Protection of Children and Prevention of Sexual Offences (Scotland) Bill, which has passed stage 2 and will soon be discussed at stage 3, also shows the type of law that we are prepared to put in place.

The national hi-tech crime unit, which is part of the Scottish Drug Enforcement Agency, is in its infancy but has already shown that it has the capability and the covert ability to review the trafficking of children through the internet and links to child abuse that is happening and causing worry in Scotland. Recently, a 54-year-old man was indecent exposure arrested for and contravention of section 6 of the Criminal Law (Consolidation) (Scotland) Act 1995 for groomingtype activity towards girls under 16. That arrest was the result of a task force operation by that

All the evidence suggests that Scotland must build on its successes. Opting out of the international scene is not a choice for Scotland; we can only go forwards. I will advance two reasons for continuing to support the SDEA's work. We know that serious crime is operating in a new dimension. It is important to understand the impact of organised crime on legitimate business. Illegitimate business threatens our legitimate businesses, so that is one reason why the agency is important. Criminals can deliver a deal in one country, move assets to another country and even involve a third country or another continent. That is the behaviour to which we refer. We must send the message to lower-level criminals that we are capable of challenging the highest-level criminals, that we will remove their assets and that we will jail them, so lower-level criminals should not aspire to such behaviour.

Michael McMahon referred to people trafficking. The United Nations estimates that 4 million people are smuggled worldwide for trafficking and slavery. In Italy, 200 trials are being held for people trafficking. When women are bonded to a slave master, their families would be harmed if those women reported the crime to the police.

If ever we need to be reminded of the scourge of drug misuse in our communities, we can read yet another study, which the University of Glasgow published this week. The study shows that 62 per cent of women drug users have been physically abused.

It is important for us as politicians to talk about the capabilities, the laws and what we must do transnationally, but we must always make it clear why we put resources in place. The communities that we represent need law enforcement as well as other parts of the strategy to make the system truly work.

I support the Executive's motion. I also support 99 per cent of the SNP's amendment and I am not sure what the difference is. Stewart Maxwell talked about protecting our legal system, but I fail to understand the relevant concern. Even the Tory motion contains little with which I would disagree. Why can we not just all agree that there is nothing wrong with the Executive's position? Given the importance of the issue, we should all just get behind the Executive motion.

10:45

**Mr Bruce McFee (West of Scotland) (SNP):** The closing section of the Executive's motion reads:

"and will continue to support the sustained efforts of all those involved in disrupting and destroying the criminal networks which profit from inflicting violence and misery on communities in Scotland."

That laudable sentiment, with which we can all agree, brings to my mind the comments on the regulation of the private security industry that the Association of Scottish Police Superintendents submitted to the Justice 2 Committee during its consideration of the Serious Organised Crime and Police Bill. Although the association welcomed the bill, its submission stated:

"Nevertheless, ASPS wishes to emphasise again the Licensing Authority's need to take into account legitimate intelligence information/non-conviction data in assessing an individual's fitness to hold a licence."

Members will know that the Serious Organised Crime and Police Act 2005 belatedly extended the provisions of the Private Security Industry Act 2001 to Scotland, but they should be under no illusion as to the scope of the dubious activities that are entered into by some private security firms

My interest in the regulation and control of the rogue element within private security companies dates back over 10 years to when, as a councillor on Renfrew District Council, I chaired the inquiry into the activities of a private security company that was established and maintained by public money. In considering the company's performance

on council contracts—which I will leave to one side for the minute—it became clear that the company had secured more than £1 million in housing contracts without proper tendering procedures. However, the real eye-opener was the fact that the company and some of its associates engaged in activities such as employing workers who were on state benefit, creating phantom employees for whom wages were drawn in cash and fabricating time sheets to cover work that was said to have been carried out by phantom employees. I witnessed how one guy used different signatures—apparently he had three—depending on who filled out his time sheet for him. The council paid an hourly rate for work that was never done, but that did not seem to matter because sites went on fire or were vandalised only if people did not agree to the provision of security in the first instance. Of course, with that level of corruption, the local drugs dealers were fully involved, peddling their wares from selected sites.

Although the Serious Organised Crime and Police Act 2005 has now emphasised the need for integration and co-operation throughout the UK and beyond, at that stage in time the reality was somewhat different. The company to which I refer operated with a degree of impunity that one might call immunity. The Department of Health and Social Security knew about the cash-in-hand payments, but it took no action. The Inland Revenue knew about the cash withdrawals to pay the wages of the phantom workers, but it took no action. The police knew of the involvement of the local drug dealers but took no action. Despite an horrendous report from the liquidators that pinpointed criminal activity and spelled out the fact in words of one syllable, no one was ever charged, far less convicted. The firm enjoyed protection all the way to the top.

Although the Security Industry Authority has powers that help it to combat and exclude some unsavoury individuals from participating in parts of the private security business, we should not fool ourselves into thinking that all the angles have been covered. The fear culture continues. In certain areas, pressure is exerted on some businesses and individuals, especially builders, to employ a private security firm. Many companies choose to pay. They are secure in the knowledge that they are paying through the nose, but they know for a certainty that their site will be trashed or be the location of the next unfortunate fire if they do not pay. Such additional costs to business could rightly be termed extortion. In addition, there exist cartels of private security firms that carve up some areas of our cities to operate monopolies. They have no need to guard any site; the sign outside does that job. Unfortunately, some firms are still able to use arm's-length companies to reward their criminal cronies for services.

The need to take into account legitimate intelligence and non-conviction data should not be limited to private security firms but should also apply to other licensed activities. Local authorities are ill-equipped to root out illegal activities in the trades that they are required to license. Instead, they rely on convictions and formal police objections. As MSPs, how many of us have been approached with reports that some taxi companies, or individuals who are involved in that trade, deal in drugs? I do not say that every individual or company in the taxi or private-hire business is involved in dealing drugs, as that would be absurd. There are many good operators, owners and drivers out there, but they too know the score. It is fair to say that there is significant concern that individuals with close connections to criminal elements are building up significant interest in the taxi and private-hire business. In some areas, they also control local bus services. They dictate when services stop running and when those who live in some of our most deprived areas will need a taxi if they are to venture out.

Ill-gotten gains have been laundered through legitimate businesses and have been used to acquire and expand legitimate operations. If we are to take seriously the sentiment that is expressed in the latter part of the Executive's motion, perhaps those issues require further investigation and real partnership working.

10:51

Bill Butler (Glasgow Anniesland) (Lab): The Minister for Justice was right to emphasise that measures to tackle organised crime are central to our aim, which is shared by members from all parties, of creating a safer Scotland in which communities are not bedevilled by drug dealing. forgery, prostitution, money laundering and smallarms trading. It is up to this Parliament, acting in a co-ordinated fashion both with our Westminster counterparts and with European agencies, to ensure that the police and law enforcement agencies are effectively equipped to meet an sophisticated international increasingly underworld.

Organised criminal gangs are, basically, illegitimate businesses that exist for the sole reason of making large sums of money. They are prepared to go to extreme lengths—up to and including corruption, intimidation and extreme violence—to protect their rackets and to ensure that their businesses thrive and prosper. To protect their investments, such organisations have adopted a range of increasingly sophisticated measures, including modern counter-surveillance techniques and the elaborate money laundering arrangements to which members have referred. Therefore, it is right and proper that Government

provides its police and law enforcement agencies with the resources and legislative framework to allow them to deal with organised criminal gangs and to prevent the squalor, despair and death that such gangs cause in all our communities.

As members have mentioned, serious problems are associated with drugs trafficking. For example, the UK's crack and heroin markets are estimated to gross £3 billion per annum. People who become addicted to those drugs turn to crime to pay for their habit. In effect, every £1 that is spent on heroin results in an estimated £4 in economic and social costs. Of course, the cost in misery for communities and for the individuals who are trapped in that twilight world is incalculable.

Government and Parliament have recognised the need for new and imaginative ways of meeting that serious challenge. For instance, I believe that we were correct to establish the Scottish Drug Enforcement Agency. Since its creation in April 2001, the agency has worked in close co-operation with police forces across the UK, with HM Customs and Excise and with our partners in Europe to seek to combat the criminal networks that supply drugs to Scotland. The SDEA has achieved significant success in identifying and bringing to justice those who are involved in drugs trafficking. To date, operations involving the SDEA have seriously dented the profits of those who deal in illicit drugs.

Thanks to our close partnership with the Labour Government at Westminster, the Proceeds of Crime Act 2002 gives us the ability to seize the assets of drug dealers. To date, operations involving the SDEA have resulted in the seizure of class A drugs with a street value of more than £85 million. Such steady and commendable progress is no cause for complacency but should, nevertheless, be noted.

Alongside the SDEA, the Executive is supporting community efforts to wipe out drugs in local neighbourhoods. Members will be aware of the recent drug dealers don't care, do you? campaign; like many members, I have done my best to publicise that initiative in my constituency of Glasgow Anniesland. The campaign, which is funded with cash seized from drug dealers and run in conjunction with Crimestoppers, asks members of the public to give police any information that might help to track down the dealers and bring them to justice.

Since the start of the campaign, more than 3,500 calls have been acted upon, resulting in 116 arrests and 229 charges brought. I believe that that shows that communities are more than willing to play their part with the authorities in tackling the dealers who blight their areas. Annabel Goldie alluded to that in her speech and she was correct to do so. I believe that such community

involvement is welcome, commendable and necessary.

The Serious Organised Crime and Police Act 2005 received royal assent on 7 April. I am sure that members will recall the debate in this Parliament in February on the Sewel motion that related to the formation of the serious organised crime agency. In that debate, the Minister for Justice, Cathy Jamieson, argued that

"SOCA's creation takes nothing away from the Scottish police service, but enhances the overall ability of the UK and Scotland to respond to international and serious crime",

#### and that the bill would create

"statutory UK-wide arrangements for the protection of witnesses".

### She also said that the bill would

"introduce regulation of the private security industry in Scotland."—[Official Report, 2 February 2005; c 14144-5.]

Those are worthwhile objectives. The minister was right in what she said and the Parliament supported her. The SNP and the Tories were wrong to vote against that motion, plain and simple, and I hope that today they will be big enough to admit their mistake. Given Mr MacAskill's intelligent and considered speech, I remain hopeful, although not foolishly so, that that will be the case.

**Mr McFee:** I hear what Bill Butler says about the regulation of the private security industry, but is it not the case that if the Executive had wanted to deal with that issue by means of a Sewel motion it could have done so in 2001 and had the legislation introduced here four years ago? It was the Executive's prevarication in the matter that delayed implementation.

**Bill Butler:** That was an example of a highly spurious debating point that does not relate to the case at all.

People in communities throughout Scotland wish to see serious and organised crime tackled in a coherent fashion that will create a safer Scotland. SOCA will play a vital part in the creation of that society. I commend the motion to the chamber and I hope that the Tories and the SNP will show a change of heart.

#### 10:57

Shiona Baird (North East Scotland) (Green): Like all members who have spoken in the debate, I agree that it is important to tackle serious organised crime in Scotland. Co-operation and interagency working are vital to success in that area, but I would like to focus on one specific crime: the unacceptable and deplorable crime of human trafficking. Other members have referred to

that crime, and it is an issue that I have raised before, but it is worth emphasising the extent of the problem.

Human trafficking is a highly organised international crime. According to Home Office statistics, around 800,000 men, women and children are trafficked every year. However, such crime is mainly perpetrated by men against women and children. Around 1,400 women were trafficked into the UK for sexual exploitation in 2000. Human trafficking is believed to be the fastest growing industry in central and eastern Europe and it is having its effect in Scotland.

The Executive is funding research into trafficking in Scotland and that is to be welcomed, because we need at least to try to determine the numbers of people who are trafficked into Scotland. Information gathering is difficult, but it is crucial. We need to ensure effective information gathering sharing between non-governmental organisations and Government agencies, locally and globally, to gain a greater understanding of trafficking and to ensure that traffickers are brought to justice. That communication is beginning to happen, but it is very much in its early stages. I look forward to hearing about the Executive's progress. I believe that information sharing and interagency working have improved in relation to such serious crime, and that is helping to develop and build up intelligence-led policing that can help to take the onus off the women and children to testify against their traffickers.

The minister will be aware that leading UK charities have recently called on the UK Government to sign up to the new European convention on action against trafficking in human beings. I appreciate that it is a reserved matter, but can the minister tell us whether she has been involved in any discussions on the convention? There is concern that the UK Government will fail to sign up to the convention. The Executive's motion seems to signal that it would support efforts to ensure co-operation with European agencies.

The convention would secure and symbolise a concerted international effort against human trafficking. It would oblige the UK to meet minimum standards for the protection and support of trafficked people and would, therefore, have an obvious impact on the level of assistance that specialist services in Scotland could guarantee they would provide to trafficked people. The period of reflection that is proposed would also enable a supported period within which trafficked people may be able to provide better-quality information, safe from the threats of their traffickers, to assist with intelligence-led policing.

People trafficking is a shameful crime, which requires a concerted and sustained effort by the

international community. Scotland must play its role in that effort.

Mike Pringle (Edinburgh South) (LD): Does Shiona Baird agree that the Executive's proposal to establish a SOCA for Scotland at Gartcosh, thereby bringing all the agencies together, will do exactly what she wants, and that if those agencies work together they will have a greater effect on the issues that she has mentioned?

**Shiona Baird:** It is important to recognise the importance of the convention. I would certainly like to see the UK sign up to that.

11:02

Mr Frank McAveety (Glasgow Shettleston) (Lab): I welcome the commitment in the Executive motion to treat seriously the difficult issue of serious and organised crime. I also welcome the initiatives that have been undertaken by ministers in the recent past to address such crime in a more co-ordinated and structured fashion.

Many of us who represent areas of Glasgow have seen the proliferation of fast food shops, tanning parlours, taxi companies and even petrol filling stations that are probable fronts for the activities of serious and organised criminals. The impact of such activity in the immediate community can be negative. A number of members have identified the ways in which such activity impacts on communities, and I will dwell on those issues in my speech.

There is no doubt that there are lucrative profits to be made from such activities, but they can do substantial damage, both immediately and in the longer term, to the economy of the affected neighbourhoods. Legitimate traders are affected. Glaswegians and people beyond the city have affection for the Barras market in Glasgow, and a visit there is a genuine and unique experience. In recent years, however, the proliferation of counterfeit products, including compact discs and DVDs, and the panoply of individuals associated with that trade have diminished the quality of the experience, not just for local residents but for those who visit the market to experience an element of the city's social history. Those elements make the market an unattractive place to shop, and the way in which those people conduct themselves affects the way in which the police have to police the area.

Local newsagents and food outlets, in Glasgow and elsewhere, are affected by organised crime. When shops are opened up as fronts to ensure that money can be laundered more effectively and they undercut the long-standing traders in the neighbourhood, that can have a long-term detrimental effect on communities.

Many members have identified the ways in which the drug trade is used by serious and organised criminals. We are aware not only of the brutal impact that drug taking can have on drug users and families, but of the fact that, in areas such as my constituency, the need to feed an addiction can lead to the terrible tragedy of women from good homes finding themselves in difficulties and engaging in street prostitution. That can lead to the sort of horrors that we have seen only recently in the newspapers. However, that experience does not affect only those women who are involved in street prostitution. It leads to a devaluing of the immediate neighbourhood in which the activity is conducted and attracts to the community elements and individuals who would not otherwise be there. The knock-on effect of serious and organised crime is that it devalues the communities that we all care passionately about.

The tragedy is that we all, including myself, have an uneasy relationship with the issue of organised crime. Over the years, there have been portrayals of organised crime in media such as television and books. As a child, I remember being fascinated by the biographies of figures such as Capone, Legs Diamond and Lucky Luciano. The glamour of "The Godfather" trilogy is now also represented in the wonderful DVD series of "The Sopranos".

I will dwell on a metaphor from "The Sopranos" that relates to what the debate is about. The morality tale of the conduct of the Soprano family—in particular the head of the family, Tony Soprano—is, in a sense, a metaphor for the debate about serious and organised crime. He runs supposedly legitimate clubs—the Bada Bing club—security companies and refuse collection operations. He even says, euphemistically, when he is interviewed by the police, by his psychiatric counsellor and by his family that he is in the waste management business. That is the kind of metaphor that covers the nefarious activities that are engaged in by Mr Soprano and his family.

The morality tale ends in tragedy, because as it concludes—I am currently on series 4; I will tell members when I get through series 5—I presume that it leads to Mr Soprano's eventual devourment as a result of his conduct and that of his associates.

There is a powerful metaphor. Organised crime is glamorised in the media and its dramatic quality can have an impact even on people like me, but the reality is that individuals and communities are very badly affected by such crime.

If the Executive's activity in recent months—and the partnership that we want to develop with both the UK Government and European Governments to ensure that we work across the European Community and beyond to address the issue—can reduce the opportunities for individuals to succeed

at the top end, the consequence as that tumbles down will be a reduction in the opportunities for young men and women to be involved in that sector and in that kind of activity at the bottom end. We must ensure that all the agencies work in partnership to address the issue.

I do not care what the constitutional position is in respect of the debate. I care that agencies talk to each other and that we target areas and deliver so that we can reclaim the neighbourhood near the Barras, the neighbourhood in Glasgow green and the lives and the lost opportunities that drugs and criminal activities claim in too many communities throughout Scotland. That is why I welcome the initiatives that have been undertaken by the ministerial team on justice and the work that is being done across Europe to address the issue. I commend the motion to Parliament.

#### 11:07

Mike Pringle (Edinburgh South) (LD): As other members have said, the world that we live in is getting smaller and smaller. We are all closer and closer in time to our neighbours. For example, when we phone our insurance broker or—probably more likely—the claims department, we may talk to somebody far away in India.

On 25 May, members of the Justice 1 Committee will spend an hour talking to the Australian justice committee by videoconferencing. We conduct our business in a global manner and it is clear that criminal networks can also operate on the same basis—across national boundaries, across continents and across the globe. The minister and many others have highlighted the issue in their speeches. I will talk later about SOCA and the co-operation across national boundaries. It is clear that national boundaries are a real problem.

The expansion of the internet and its upgrading through broadband mean that it is much easier to contact people. That has led to a new type of crime, from the frauds that have taken in many people through money scams—like others, I must have had more Nigerians contact me with offers to make me rich than I have had Sunday lunches—to the appalling crime of internet grooming. Such crimes have been led by criminal gangs that often have their tentacles into our communities. Michael McMahon described exactly how that operates in his extremely good speech.

If such criminal activities are to be tackled, we must meet them head on and fight them across the UK. The Liberal Democrats have called for a national police agency to fight national and international crime, which would free up local police forces to concentrate on local issues. We have also called for a new national border force to

tackle cross-border terrorism, drug smuggling and organised immigration crime.

The establishment of the SDEA has been a great success. That success is, of course, twofold—the agency's role has been not only to get drugs and criminals out of our communities but to identify criminal cash and assets for seizure. The figure that I had was that, in 2003-04, we seized £21 million, but the Solicitor General gave us up-to-date figures that showed that we are on the up, as in 2004-05 we gained £37 million. She also showed that we are having real successes in other areas against organised crime.

Those successes have come from co-operation between organisations. An example of cooperation that is being developed by the Executive is its proposal for what is being called a serious organised crime agency for Scotland—a £40 million agency that will probably be based in Gartcosh. The agency would consist of the SDEA, Strathclyde police forensic science department and a number of other related organisations such as HM Revenue and Customs. Annabel Goldie's amendment states that that would not be a good thing, but I suggest that bringing all the agencies on to one site is exactly what we should do. It is expected that the 200 SDEA staff would relocate sometime between 2006 and 2007. Such joint working can bring only greater success in tackling both local and international crime. The aim must be to show those who are determined to pursue criminal activities that Scotland is not the place to come and practise such activities.

Members will not be surprised that I agree with the sentiments on ID cards that were expressed by my colleague Jeremy Purvis. I am glad that Stewart Maxwell has returned to the chamber, because I also agree entirely with his analysis of ID cards. If Mr Bush is not going to introduce them in America, I would have thought that Mr Blair would have taken that into consideration.

It has been argued that one way of tackling serious and organised crime would be the introduction of ID cards. Of course, Liberal Democrats do not agree with that point of view and we will in due course oppose strongly any proposal by Mr Blair at Westminster to introduce them. ID cards have not proved effective in tackling any sort of crime, and the £3 billion that it is suggested would have to be spent on introducing them throughout Britain would be much better spent on policing and tackling crime at the grass roots. That would have a serious and direct effect on reducing crime and would be a much better way of spending the money.

To keep up with both national and international criminals we must be one step ahead. The establishment of the SDEA is a start and the Serious Organised Crime and Police Bill was another example of such an approach. The Executive's proposal to have the new serious organised crime agency for Scotland in one place, with all the agencies working together, is extremely positive. I believe that that will provide the opportunity for us in Scotland and the Executive to keep ahead of the criminals and keep ahead of the game.

#### 11:13

Bill Aitken (Glasgow) (Con): It would be wrong to pretend that there is a great division over what we see as the problem that faces us today. We are largely in agreement and there have been some very constructive speeches, which have all have been tinged with anxiety because we recognise that the problem impinges adversely on Scotland's communities.

As we all become more familiar with faraway places and strange-sounding names, which is a good thing, it would be naive to assume that crime would not become more sophisticated and international in its dimensions. When that happens, a number of things are necessary in our response. First, we must recognise that there has to be an increased level of co-operation with police agencies in other parts of the world. It is clear that we must encourage such co-operation.

As the minister and the Solicitor General for Scotland said, we can look at various successes. Drug seizures are well up. The power to make financial seizures, which was introduced under legislation in the Scottish Parliament, has been a great tool in the fight against organised crime and there have been a number of high-profile and successful prosecutions.

However, there is evidence of failure. The pathetic plight of drug addicts is obvious on the streets of our cities and towns. When we consider the street price of heroin, we realise that much of what has been achieved will end up as nowt unless we are prepared to carry on the fight even more vigorously. The number of convictions for minor thefts and prostitution of people who have a habit that they find irresistible is another manifestation of the difficulty. It is also obvious that a number of businesses are fronts for criminal activity. Bruce McFee talked about that in relation to security companies and Frank McAveety mentioned the problem. The story of the pub with no beer in the east end of Glasgow might be apocryphal, but we must ask whether we really need so many tanning salons in Glasgow and other cities. We would be naive if we did not assume that many such establishments are units for money laundering.

Drugs are a major problem, but they are not the only problem. Counterfeit goods represent a

multimillion pound scam that is based in areas as diverse as Malaysia, Hong Kong and Dubai. Shiona Baird and Pauline McNeill talked about people trafficking. The importing of women into this country to provide sexual pleasure for very perverted sections of our community is surely one of the most heinous crimes. Another aspect of people trafficking, which we cannot ignore, is the importing of people to this country to live in barrack-like accommodation and be paid £1 a day to carry out hard labour, so that they can feed their families in China and other parts of Asia. The production of bogus credit cards that originate in Pakistan and countries in the middle east is also a problem. The international dimension of all those crimes highlights the necessity of international cooperation.

We must consider what is required. We should consider and build on the success of the SDEA. The move to Gartcosh presents an opportunity for us to acknowledge that we can build on the agency's success only by increasing its resources. The SDEA has been successful, but we must acknowledge that the agency is likely to face growing challenges in the years ahead and we must give it the appropriate support. We must also consider carefully the relationship between the SDEA and SOCA. I do not want to revisit the debate that we had in the Parliament a few months ago, but problems could arise in that relationship. It was rather amusing that when Bill Butler intervened during Mr Maxwell's speech, Mr Maxwell, who had dealt with generalities rather than specifics, was unable to identify specific instances of difficulties. That was not surprising, because he would not be aware of any difficulties. It is obvious that the different set-ups and legal systems will inevitably cause pressures and we must watch that those pressures do not become counterproductive.

Cathy Jamieson: I reassure members that there will be on-going discussions about setting up the appropriate protocols. Of course, I will maintain close contact with my Home Office colleagues, because building partnerships is the important aspect of the matter, as the motion indicates.

**Bill Aitken:** I welcome the minister's reassurance, which will be of comfort to everyone.

We must consider other approaches. As Annabel Goldie said, we must consider policing and the work-up approach whereby small crimes are tackled first, in the hope of cutting off supplies to the Mr Bigs. The Minister for Justice might be surprised to learn that she and I are not at considerable variance in our views on the operation of the courts in New York, which I visited last month. Lessons can certainly be learned from New York, but before we could implement such an

approach in this country there would have to be a dramatic slaying of sacred cows, which would be a challenge for the minister rather than for us.

**Cathy Jamieson:** It would be a challenge for Bill Aitken, too.

Bill Aitken: We must also consider the way in which the police and prosecution authorities are inhibited by the free availability of bail in our courts. A person who has been charged and who is likely to appear in the High Court on an indictment for some of the crimes that we have mentioned should not be granted bail. The number of repeat offenders who are on bail is a major problem, which must be addressed. When one of those offenders is allowed back on the streets, they have the opportunity to suborn or put pressure on witnesses and to cloud the issues in general. We simply cannot allow that to happen and I look to the Executive to propose measures that would combat the problem in the not-toodistant future.

The debate has been largely consensual, as a debate on a matter of the greatest importance to the people of Scotland should be. The Conservatives look forward to the Executive announcing concrete proposals in the months ahead. We acknowledge that crime is a problem for us all and that there are no easy answers to many aspects of the problem.

#### 11:21

Stewart Stevenson (Banff and Buchan) (SNP): I welcome the opportunity to debate this important subject. Like Bill Aitken, I welcome the relative consensus that has been reached. The disagreements between and within parties are largely about implementation and detail, rather than broad principles. On that basis, the Scottish National Party will find it perfectly possible to support the Executive motion, while hoping that members of all parties will favour the strengthening of the motion by agreeing to our amendment.

I particularly welcome Elish Angiolini's speech, which touched on the essence of our amendment, because it demonstrated that distinctive and separate contributions must be made by politicians and law officers. It is excellent that law officers make significant contributions to the debate and interact with members of the Parliament, to listen and to inform. Of course, the Scottish law officers and legal system must be maintained at an appropriate distance from political interference. I suspect that any discussion of the matter that we have will be of a minor nature and not of great moment.

I always listen to Bill Aitken with care and interest, although I do not always agree with him.

However, I do agree with his comment that it would be wrong to pretend that there is any great division among members in the debate. I also agree with his call for more co-operation across jurisdictions and police authorities throughout the world. I have a minor disagreement; if Bill Aitken were to search for volunteers in the Parliament and elsewhere to help to return Glasgow to being a city with a pub that has no beer, he might receive some offers of assistance, especially if he is paying.

The work-up approach to which Mr Aitken referred, the Tory amendment's call for a "zerotolerant attitude" and the references to New York are beguilingly attractive, but the approach might cause genuine difficulties. Zero tolerance had successes when it was implemented in parts of New York, but the difficulty is that, like soap in the bath, crime might simply have been squeezed out, to adjacent parts of the east coast of the United States of America. I do not criticise zero tolerance: I merely put into perspective the inevitable limitations of the approach. However, sacred cows are even now being slaughtered in Delhi, as the authorities in that city try to deal with the serious problems that they cause, so perhaps we should reconsider the things that we hold dear, which might be inhibiting our ability to look afresh at our problems.

It has been suggested that we consider the weed-and-seed approach. I am not staking my personal credibility on the suggestion, but we should think about it, because it offers an interesting way of considering aspects of the criminal justice system.

Clearly, some people must be put in prison. They are so dangerous, and are such significant players in the industry that is criminality, that prison is the only place that allows us to protect society from them.

The view that too many people are in prison is shared. The suggestion has been made that communities could be offered the chance to choose people to take out of prison, who would be accepted into the communities in exchange for the money that it would have cost to keep them in prison. That money would then be spent on community projects. It is an interesting idea. It has the benefit of engaging members of the public in supporting communities and making them safer and clearer of criminality.

Annabel Goldie for the Tories said that we should increase security at our major ports, but that just takes us back to the New York argument. If we make it more difficult for people and things to come into this country through our major ports, they might just come in through our minor ports—or, indeed, through no port at all. A person has only to give one hour's notice, and does not need

any permission, before arriving anywhere in Scotland from anywhere in the European Union. That involves only customs; the person does not have to tell immigration. As a private pilot, I can land in any field in Scotland from any country in the European Union without telling immigration first. That is the legal position. I am required only to give customs one hour's notice, which I can give en route. I do not need permission.

Therefore, we cannot solve problems by hermetically sealing boundaries. That approach might lead to improvements, but it will not solve the problems. The key is international cooperation, reaching out beyond our boundaries to work with others of good will who want to tackle international crime.

I have learned something this week. It had slightly puzzled me that hoodies had become a big issue. I knew that farmers were always very concerned about hoodies at this time of year, because they pick out the eyes of newly born lambs and pick over the entrails of dead sheep. To me, a hoodie has always been a variety of crow, but I now realise that hoodies are regarded as a source of serious crime in some urban areas. Therefore, I have become more informed as a result of my preparation for this debate.

The debate reminds us that crime, in economic terms, is a perfect market. In other words, if trading conditions in one part of the criminal industry become more difficult, criminals will simply move to another part. That is why we welcome any efforts to beef up the agencies that deal with the very senior criminals who are responsible for so much misery in society.

Kenny MacAskill said that a lot of manufacturing of drugs takes place in the United States; it is just the raw material that comes from Colombia. I visited Colombia some years ago and it is a quite frightening place to be. I visited a friend who ran a textile manufacturing plant just outside Bogotá. He kept a loaded shotgun behind every door of his house, his wife was not allowed to answer the door on any occasion whatever and he had put barricades at all the corners of the building to prevent ram-raids. He was a person working in a very innocent industry, but his situation typified the fear and difficulties of ordinary people living in a country that has been captured by international crime.

We are capturing increasing amounts of the assets of the wholesalers in the drug industry, and that is welcome. However, if we consider Scottish banks and note that they have a turnover of between £20 trillion and £80 trillion a day but issue just over one thousand million banknotes, we see an obvious difference between the amount of the actual folding stuff that we are all familiar with and

the amount of stuff that goes through computers. I raised that issue in an earlier intervention.

Communication is changing in the modern world. When the Greeks sent ships out to their empire, it took three months to get an answer back. The Romans used hilltop signalling; they could exchange a message between London and Rome in a single day. Today we have the internet and we measure communication in milliseconds.

We on the side of good have to be as adept as the criminals at exploiting new technologies. For too long, they have set the agenda; now we must set it. All of us in the chamber must share responsibility and offer support for that.

#### 11:30

The Deputy Minister for Justice (Hugh Henry): This has been a good debate on a significant issue. Many members have outlined the serious threat that organised crime poses not just in some areas but in every Scottish community. We must ensure that our police and our law enforcement agencies are properly equipped to tackle the threat head on, and a number of members have mentioned our legislative and organisational proposals.

Tragically, serious and organised crime impacts on a number of levels. Yes, there are the international aspects, to which I will return; and yes, there is activity within the United Kingdom and across Scotland; but it is when serious and organised crime, operating across national boundaries, begins to impact on local communities that we see the devastating effects. Kenny MacAskill and others have described how things happening in Colombia and Afghanistan can have a direct impact on us.

Human traffickers are often engaged in a range of criminal activities. They deal not simply in the trafficking of humans; they also deal in prostitution, drugs, money laundering and other crimes. Pauline McNeill and Michael McMahon spoke about the human tragedy and the devastation that those activities can cause.

One of the most horrific articles that I have read in the past few years highlighted the problems of many young Albanian girls when they are trafficked into the major cities of Europe. Innocently and naively, sometimes girls had allowed themselves to be taken out of their country for what they had been persuaded would be a better life. But, horrifically, other young girls were being kidnapped and transported out of Albania. Not only were those young girls forced into prostitution in major cities across Europe, but their families back home were threatened. The girls were told what would happen to their families if they did not co-operate.

The article contained graphic and horrific details—for example, about a young girl who escaped and made her way back to Albania but was then re-abducted and sent back out. Punishment was inflicted on young women. So that the criminals could get their way, women had fingers cut off and were beaten and tortured. The article showed just how cruel, malicious and malevolent those criminals were when trying to protect the profits they earned from organised crime.

Stewart Stevenson and others have spoken about how sophisticated many international criminals are becoming. Every time there is a major technological or financial advance, we can be sure that the criminals are buying expertise in the technology to use it for their own advantage. As other members have highlighted, many criminals have front organisations—the so-called legitimate organisations—to hide the nefarious activities that are going on behind.

It is incumbent on us to ensure that we are equipped to deal with such criminal activities. We must ensure that we have the best available experts in financial scrutiny. As the Solicitor General said, we are doing that, not only for her department, but for the SDEA. We need access to the best accountants and lawyers; promotion and support for the best police experts; and the best electronic and surveillance equipment and computers to allow us to deal with the issues. However, we also need a legislative framework that supports that activity, which is why we have been determined to advance, slowly but surely, our work on the law. For example, in co-operation with our colleagues at Westminster, we have legislated on the proceeds of organised crime. We have also passed laws to protect victims, to ensure speedier access to justice in our court system and to ensure that we partnerships within Scotland and the United Kingdom to tackle serious and organised criminal activity.

We are addressing the matter seriously but, as several members including the minister have said, we cannot be complacent, because the criminals are determined that, every time that we make an advance, they will make a further advance in response.

Jeremy Purvis: Much high-tech crime is perpetrated against legitimate businesses. As the Solicitor General said, considerable expertise on security measures exists in the financial sector. Will the Executive ensure that it works closely with not only other security agencies, but the private sector, which in many cases is the victim of such crime?

**Hugh Henry:** Absolutely. Regular discussions are held with a number of organisations—we need

to learn from, support and co-operate with them. Anything that can be done to our mutual advantage will certainly be done.

I will pick up on some of the specific points that have been made. Jeremy Purvis's point relates to Kenny MacAskill's comment about accepting best practice, from wherever it comes. Kenny MacAskill went on to make a plea that we ensure the independence of chief constables. I fundamentally agree that local operational decisions should be left to the police. However, that slightly contradicts what Annabel Goldie was driving at when she suggested that politicians should decide how policing should be carried out locally. That would not be acceptable.

**Miss Goldie:** Will the minister take an intervention?

Hugh Henry: No, I do not have time.

In response to another question, the minister answered Annabel Goldie's question about how the SDEA will operate. I give the assurance that regular ministerial meetings have been and will continue to be held with colleagues at the Home Office. Annabel Goldie and other members, including Bill Butler, mentioned the work of the drug dealers don't care, do you? campaign, which had a significant buy-in from local communities—that was what made it successful. That shows that the public will respond if they are given the opportunity to do so.

Stewart Maxwell completely missed the point about the operation of the proposed serious organised crime agency and failed to answer the questions that were posed on that. He also made some spurious points about the proposed supreme court—we are not trampling over our unique court system. We have said clearly on the record on more than one occasion that SOCA may carry out activities in Scotland in relation to an offence that it suspects has been or is being committed only with the agreement of the Lord Advocate. The safeguard is built in.

We had a strange contribution from Bruce McFee when he intervened on Bill Butler. I know that there are big debates about the future of the SNP and independence, but Bruce McFee has taken that a step further.

**Mr McFee:** Will the minister take an intervention?

Hugh Henry: No.

Mr McFee criticised us for not introducing a Sewel motion in 2001 in relation to the regulation of the private security industry, but the reason why we did not do so was that we were consulting on a separate regulatory body for Scotland—obviously, Bruce McFee did not want that to come about. The reason why we later moved to a Sewel motion was

that our investigation showed that there was a case for a UK-wide regulatory body. There is a first time for everything.

The debate has been good and several interesting points have been raised. I welcome the broad commitment that members of all parties have made to reinforce and make progress on our determination to tackle serious and organised crime in Scotland.

## **Question Time**

### **SCOTTISH EXECUTIVE**

#### **General Questions**

11:40

#### **Auxiliary Fire Units**

1. Mary Scanlon (Highlands and Islands) (Con): To ask the Scottish Executive whether it supports the retention of auxiliary fire units. (S20-6729)

The Deputy Minister for Justice (Hugh Henry): The Scottish Executive greatly values the contribution that volunteer firefighters make to the protection of their communities. We have provided generous funding to the Highlands and Islands joint fire board to support its programme to develop many of its auxiliary units. However, the determination of the appropriate levels of fire cover is primarily a matter for the fire board.

Mary Scanlon: Will the minister ensure that any downgrading of or changes to local auxiliary fire units throughout the Highlands that relate to road traffic accidents, heather and moor fires and other community-safety issues are met by the support of the other emergency services and ministers? We must ensure public safety and we must recognise the commitment of volunteer firefighters and the time that they give to support and protect neighbours and other people in their communities.

Hugh Henry: I have already put on record our recognition of the contribution that volunteer firefighters make, but I repeat that decisions on the issue are for the local fire board. No one can doubt the Executive's commitment to the fire services in the Highlands and Islands. Between 2000-01 and 2003-04, the Highlands and Islands fire brigade received £8 million in capital consent from the Executive. In 2004-05, we provided a £1.8 million cash grant for general use on capital projects and a further £1.15 million for the board's buildings upgrade programme. This year, 2005-06, we will provide a further £1.8 million cash grant for general use and £0.75 million to assist with building upgrades. There has been a 50 per cent increase in grant-aided expenditure between 2000-01 and 2005-06. We are putting in the money, but how that money is used is a matter for the local fire board, although we expect the local decision makers to take into account the points that Mary Scanlon has raised to ensure public safety and security throughout the Highlands and Islands.

Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP): I recognise the excellent job

that is done by the local firemaster in the Highlands and Islands and by the fire board, which is led by Councillor Slack. However, does the minister accept in principle that it is absolutely essential that the auxiliary units continue to be able to combat outdoor fires in Scotland and that their work is vital to the communities that they serve? Does he also recognise the importance of the role of tackling road traffic incidents and that Newtonmore auxiliary unit should continue to perform that service? Will he urge the firemaster to consider that case once again?

Hugh Henry: That question is a bit like the one that Roseanna Cunningham asked me last week on the funding of local mediation services. The SNP needs to make up its mind on how it wants the relationship between the Parliament and local decision makers to operate. Does it want the power of subsidiarity, under which local decision makers make local decisions locally, or does it want the Scottish Government or the Scottish Parliament to make decisions and then dictate to the local services? When SNP members have cleared up their thinking on that issue, they should come back and tell us, but until such time they should let the local decision makers get on with it.

#### **Airport Rail Links**

2. Mr Adam Ingram (South of Scotland) (SNP): To ask the Scottish Executive what plans it has to improve rail links to Scottish airports. (S20-6740)

The Minister for Transport (Nicol Stephen): The Scottish Executive supports projects to deliver new rail links to both Glasgow and Edinburgh airports. We are also taking action to improve rail services to Glasgow Prestwick airport and we have established a Prestwick rail improvement group.

**Mr Ingram:** The minister will be aware of the dramatic and continuing success of Prestwick airport as a gateway for visitors to the country. Prestwick has a rail station but lacks an express service to Glasgow to satisfy demand. Given that the minister has established the Prestwick rail improvement group, will he give an undertaking to address sooner rather than later the infrastructure constraints that are preventing the development of an express service between Paisley Gilmour Street and Glasgow Central station, which will affect the Glasgow airport development?

**Nicol Stephen:** Yes. I am determined that the capacity issue should be tackled and that we should improve capacity not just for the rail link to Glasgow Prestwick airport, but for rail services to the whole of Ayrshire and down the coast. It is important that that work proceeds as quickly as possible. It is a key part of the Glasgow airport rail

link proposal and the work associated with it will allow for that additional capacity.

It is interesting that the transport spokesperson for the SNP—Fergus Ewing—described the Glasgow airport rail link proposals as a waste of money. It would be interesting to know the SNP's position on the issue, because the Glasgow airport rail link is about more than simply the link to the airport, important though that is. It is about improving the capacity on the line, which will bring significant benefits to Ayrshire and Prestwick airport.

Margaret Jamieson (Kilmarnock and Loudoun) (Lab): I welcome some of the minister's comments in response to Adam Ingram. Prestwick airport is a vital hub for Scotland, but, in relation to accessibility, my constituents in the Dunlop and Stewarton area are restricted to one train an hour. Will the review examine at long last the possibility of a dynamic loop that would link us to Glasgow as well as to Prestwick airport?

Nicol Stephen: The work of the airport working group will be targeted on the specific concerns of the airport users. The owner of the airport, the rail company, the Executive and some of the key carriers who operate out of Prestwick are involved in that work, but I would like to address wider issues than simply those to do with the airport. I mentioned the improvement of services from Glasgow to the south and the west. That is important to me. We have new rail powers and we will be considering a number of strategic projects to invest in over the next decade or so. That work will include the positive and constructive suggestions that Margaret Jamieson and others are making about new rail projects.

Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD): Given the proposals for the Edinburgh airport rail link and the progress on the Borders railway, does the minister agree that there is now the prospect that the heart of my constituency in the Borders will have a direct, fast and regular rail service to Edinburgh airport, which would make a big difference to the community that I represent?

**Nicol Stephen:** The detail of the services that will run on the new Borders line has still to be agreed, but we are determined that the line will be constructed. The great thing about the Edinburgh airport rail link is that it is a station on the main line, which will allow access to the airport from Glasgow, Inverness, Aberdeen, the east coast main line and, in due course when it is built, the Borders rail line. The opportunities for the future are exciting and will benefit all parts of Scotland, including the Borders.

The Deputy Presiding Officer (Murray Tosh): Question 3 is withdrawn.

#### **Community Ownership Programme**

**4. Mr Alasdair Morrison (Western Isles) (Lab):** To ask the Scottish Executive what progress is being made with the implementation of the community ownership housing programme. (S2O-6781)

The Minister for Communities (Malcolm Chisholm): Seven local authorities—Argyll and Bute, the Western Isles, Inverclyde, Renfrewshire, Stirling, Edinburgh and Highland—have joined the Executive's community ownership programme. Subject to the wishes of the tenants involved, the transfers will result in a further 80,000 homes transferring into community ownership.

Mr Morrison: I am sure that the minister will recall fondly his visit to the Western Isles in December, during which he visited one of two excellent new housing developments that are currently being completed in Stornoway incidentally, those houses would not have been built had it not been for the positive and direct intervention of the Scottish Executive. On community ownership, will he assure me that his department will continue to work with the committed and dedicated housing officials in the Western Isles, so that they can ensure that a ballot of tenants in the islands can progress as quickly as possible? When a positive result is secured, our communities can begin to address with urgency housing shortage issues in the Western Isles.

Malcolm Chisholm: I recall that visit fondly. Since then, I have taken a close interest in the matter and have been absolutely determined that some issues of detail should be resolved very soon. I guarantee that the ballot will go ahead in the not-too-distant future. That will be of enormous benefit to the Western Isles. When I went there, I announced the £15 million support package from the Executive, but over and above that will be the writing off of £38 million of historic housing debt. That is a splendid deal for the people of the Western Isles.

Linda Fabiani (Central Scotland) (SNP): To what extent have existing whole-stock transfer organisations met their business plan new-build completion targets?

Malcolm Chisholm: My answer referred to the local authorities that are new to the programme, but, as we know, there have been three others, from which we expect £2 billion-worth of investment over the next 10 years. I recently met representatives of Glasgow Housing Association, which I imagine Linda Fabiani has in mind. Last year, it delivered an investment programme of £110 million, including 10,252 new central heating systems, the internal upgrading of 3,300 homes and the external improvement of 4,400 homes.

This year, the investment programme will increase to £135 million.

### **Private Housing Development (Open Spaces)**

5. Cathie Craigie (Cumbernauld and Kilsyth) (Lab): To ask the Scottish Executive what action it can take to ensure that private housing developers put in place measures to guarantee that open spaces in private housing developments are adequately maintained. (S2O-6759)

The Deputy Minister for Justice (Hugh Henry): My understanding is that in many cases developers ensure that the title deeds of properties that they sell contain burdens that make provision for the maintenance of common areas. The development management scheme, which is to be introduced under the Title Conditions (Scotland) Act 2003, will give developers a model set of title conditions that they can adopt or adapt as necessary.

Cathie Craigie: I am sure that the legislation mentioned by the minister will make a difference in some areas, but I know from experience and from speaking to other members that the situation throughout Scotland is unsatisfactory. Many owners find out too late that they are tied into factoring arrangements that do not work but which are difficult to get out of. Some local authorities are arranging with developers to set up maintenance schemes. Will the minister examine the schemes that are operating in the North Lanarkshire Council area, for example, to see whether they can be implemented throughout Scotland?

**Hugh Henry:** I am sure that my ministerial colleagues who deal with planning matters will examine those examples closely. The commitment in the partnership agreement to

"review planning guidance to set strong minimum standards for including public open space in new developments"

will be taken forward through the review of national planning policy guideline 11, on sport, physical recreation and open space. A report is being finalised and we expect it to be published later in the summer.

Mary Scanlon (Highlands and Islands) (Con): Given that Highland Council charges 40 times the annual maintenance fee to adopt ground maintenance, may I just put on record my view that it would be helpful if details of ground maintenance charges and responsibilities were included in the purchasers information pack under the Housing (Scotland) Bill?

The Deputy Presiding Officer: I am not sure that that was a question, but I will allow the minister to answer if he wishes.

**Hugh Henry:** I am sure that my colleagues who are dealing with the Housing (Scotland) Bill will consider that suggestion. However, that cannot take away from the responsibility of those who buy houses to check the title deeds properly. There is an issue about what local authorities do, but, as I said in answer to an earlier question, local decisions are a matter for local decision makers.

Paul Martin (Glasgow Springburn) (Lab): Will the minister also take the opportunity to regulate the property factors who are responsible for maintaining many of the developments throughout Scotland to which Cathie Craigie referred?

**Hugh Henry:** We will look closely at the issue of property factors, some of which work better than others. Over the years, a number of worrying examples have been highlighted that warrant scrutiny. Careful consideration will be given to the matter.

## **Motorbikes (Underage Riders)**

**6. Brian Adam (Aberdeen North) (SNP):** To ask the Scottish Executive how many young people have been charged with riding motorbikes while under age in each of the last three years. (S2O-6731)

The Minister for Justice (Cathy Jamieson): In the years 2001 to 2003, the number of offences of driving a motor vehicle without a licence in which the offender was aged under 17 was 320, 460 and 395 respectively. Offences relating specifically to riding a motorbike while under age cannot be identified separately in the available statistical information.

**Brian Adam:** Will the minister tell us what action is planned to tackle the nuisance and danger that is caused in many communities by inappropriate use of motorbikes? What are the risks of that behaviour both to the riders and to the public?

Cathy Jamieson: The member will be aware that new powers under the Antisocial Behaviour etc (Scotland) Act 2004 can be used to deal with people who cause alarm, distress or annoyance to members of the public through antisocial use of vehicles on or off public roads. The first vehicle seizure, which involved a motorcycle, has taken place in Fife. I put on record my thanks to Fife constabulary for the hard work that it has done—it has issued in excess of 30 warning notices, which are the first step towards implementing the power of seizure. I understand that Grampian police have issued eight warning notices.

### Ferguson Shipbuilders

7. Mr Bruce McFee (West of Scotland) (SNP): To ask the Scottish Executive what action it has taken to help to secure the short-term future of Ferguson Shipbuilders, Port Glasgow. (S2O-6743)

The Deputy First Minister and Minister for Enterprise and Lifelong Learning (Mr Jim Wallace): Scottish Ministers are regularly apprised of the issues affecting Scottish shipbuilders and are regularly in contact with the industry and United Kingdom ministers to promote the interests of the Scottish industry. The Scottish marine steering group, which is chaired by Scottish Enterprise includes Glasgow, Ferguson Shipbuilders and meets to discuss matters affecting all Scottish shipbuilders and to promote Scottish Enterprise Glasgow's Scottish shipbuilding strategy. Support has been provided to Ferguson's through the enterprise agencies and has focused on skills training and business improvements. Ferguson's has benefited from publicly procured contracts in the past and is currently doing so through the vessel that is under construction for the Scottish Fisheries Protection Agency.

Mr McFee: I thank the minister for the action that he has described. At the moment, Polish shipyards have in excess of 3 million tonnes on their order books. Ferguson's is chasing a Scottish Fisheries Protection Agency order of less than 5,000 tonnes. That order is vital to the company's survival and to its workforce of 400, but is of no significance whatever to Poland. Is it not the case that the Executive has the power to place the work with Ferguson's and that all that is missing is the political will to do so?

**Mr Wallace:** I recognise the figures that Bruce McFee cites. However, he will understand that, under European Union procurement rules, Scottish ministers do not have the power to direct that he suggests that they have. He is doing a disservice to people by raising that possibility, which does not exist.

Trish Godman (West Renfrewshire) (Lab): I do not agree with the minister. I remind him that last week I handed the First Minister an open letter on the issue. The letter, which was passed to me by the senior shop stewards and workforce at Ferguson's, was signed by numerous local businessmen and churches. Why must that highly skilled workforce and management go down on its collected bended knee for orders to build Scottish ships, which will be crewed by Scots and patrol Scottish waters, and whose construction will be funded by Scottish Executive money? Let us have a positive decision for Ferguson's and stop demeaning its skilled workforce. We need some backbone here in our back yard.

**Mr Wallace:** There is no demeaning of the workforce, to which I pay tribute for the work that it has done. Trish Godman has engaged extensively with the issue and has expressed and pursued the interests of her constituents. I have already explained to Bruce McFee the position under EU

procurement rules. We are aware that allegations have been made that there is no level playing field and that unfair advantages have been given against EU rules. I assure the chamber that ministers have pursued all those allegations rigorously and will continue to do so.

### **First Minister's Question Time**

11:59

#### **Prime Minister (Meetings)**

**Nicola Sturgeon (Glasgow) (SNP):** I take a brief opportunity to congratulate an Edinburgh-based company, Ocean Power Delivery Limited, for having just won the world's first commercial wave energy contract, proving Scotland's potential in renewables technology. [Applause.]

To ask the First Minister when he will next meet the Prime Minister and what issues will be discussed. (S2F-1646)

The First Minister (Mr Jack McConnell): I am happy to concur with Ms Sturgeon's remarks, and I welcome her recognition of the considerable efforts that we in the coalition Government have made to support renewable energy development in Scotland. I hope that the success of Scottish companies will be testament to that.

I have no immediate plans for a meeting with the Prime Minister, although I expect to meet him in advance of the G8 summit in July.

I take the opportunity today to thank all members of staff in the Parliament and the Executive who helped to organise such a successful conference in the chamber on Monday. It reflected well on Scotland, and I hope that we will continue to have all-party support in the weeks ahead as we not only prepare for the G8 summit but, more important, seek to influence its decisions and be part of the movement to make poverty history.

#### Nicola Sturgeon: I echo those remarks.

In a similar vein, is the First Minister aware of a report in today's edition of *The Courier* that suggests that the cost of policing the G8 summit might be as high as £100 million? Will he tell us whether that is in any way an accurate estimate and, if not, will he confirm what the cost of policing the summit will be?

The First Minister: I can confirm absolutely—and I regret it if this was not done to *The Courier* yesterday by our offices—that the report in today's edition of *The Courier* is inaccurate. That cost is not true and unless circumstances change in an exceptional manner over the next few weeks, the cost of bringing the G8 summit to Scotland will be nowhere near £100 million.

**Nicola Sturgeon:** It is interesting that the First Minister did not answer the second part of my question. I asked him to confirm what the estimate of the cost will be. I know that he knows the answer to that question because the Executive's

website says:

"Executive officials ... have informed the Treasury as to how much they think the policing costs will be."

I ask the First Minister to share that information with taxpayers, who will be expected to foot the bill. What is the estimated cost of policing the G8 summit?

The First Minister: I think that I have explained this in the chamber before—I regret it if Ms Sturgeon has not understood fully the answers that I have given in the past—but I am happy to try to explain again. The final cost of bringing the G8 summit to Scotland will depend on the level of security that is required, given the assessment of the threat to the summit at that time. Basic costs obviously require to be met to ensure security around whichever airports are used and the transportation and accommodation of those supporting the delegations. Critically, there will be an assessment of the costs of both police and other security support for the summit. In total. those costs will be finalised around about the time of the summit. I am sure that they will be reported afterwards, and people will have the chance to assess that it was all-I hope-worth it.

**Nicola Sturgeon:** The First Minister still fails to answer the question. There is an estimate; that estimate has been given to the United Kingdom Treasury, so why cannot it be shared with Scottish taxpayers? It seems that he wants to dodge that question for reasons that are not immediately apparent to me or, I am sure, to anybody else.

However, will the First Minister answer the following question? I understand that the UK Treasury has agreed to contribute £20 million towards the policing costs. If it turns out that the cost is considerably higher than £20 million, as all the indications suggest, will he give an absolute assurance that council tax payers will not be left to foot part of the bill? In those circumstances, will he demand that the UK Treasury ups its contribution for what, after all, is a UK event?

The First Minister: Can I be absolutely clear that—[Interruption.]

# The Deputy Presiding Officer (Murray Tosh): Order.

The First Minister: There is a range of potential estimated costs for the organisation of the summit, some of which will be met directly by the United Kingdom Government and some of which will be met directly by the Scottish Executive. Within those costs, we will ensure not only that we make good use of the £20 million that has been promised by the UK Government in addition to the resources that we already have from it for such events, but that we will use those other resources that we have not had to use in Scotland in recent

years because of the consequentials that arise from the UK Government organising events of a similar nature in England. On this occasion, because of the exceptional nature of the G8 summit, we have received £20 million over and above the contribution that we receive each year in our budget from the UK Government for organising such events.

I state yet again in the chamber that, although we will not give any council in Scotland a blank cheque for expenditure in advance of an event, we will ensure that councils in Scotland are properly recompensed for costs that are associated with organising the summit and supporting those who attend it.

I have to say that, given the importance of the issues that will be debated at the summit and given the importance of bringing the world's top table to Scotland, the Scottish National Party's ability to revert to an introverted, insular and inward-looking position and to be concerned about any potential for the odd penny to go astray in Perth and Kinross Council or Angus Council is depressing for Scotland. Nationalist parties the world over would be delighted with the opportunity to have the world's leaders on their nation's doorstep. We in the Labour Party and the Liberal Democrat party—and maybe even members in the Conservative party—are delighted that those leaders are coming to Scotland: I wish only that the SNP, too, was delighted.

# Cabinet (Meetings)

2. David McLetchie (Edinburgh Pentlands) (Con): To ask the First Issue—[Laughter.] Sorry. For the first issue, I would like to ask the First Minister what issues will be discussed at the next meeting of the Scottish Executive's Cabinet. (S2F-1647)

The First Minister (Mr Jack McConnell): Because of my visit to Malawi, next week's meeting of the Cabinet will be chaired by the Deputy First Minister. I suspect that my colleagues will be delighted by that news because if I am not in the chair, the meeting might be shorter than usual.

**David McLetchie:** I thank the First Minister for his answer. I am sure that taking the helm again—perhaps for the last time—will be a useful swansong for the Deputy First Minister.

I suggest that the Cabinet could consider the issue of energy at its next meeting. As the First Minister knows, the Royal Society of Edinburgh has launched an inquiry into energy issues that affect Scotland. Given that nuclear power meets half of Scotland's electricity needs and makes a major contribution to reducing greenhouse gas emissions, how does he think that we can meet

both our future energy needs and the Government's own CO<sub>2</sub> emissions targets without making a commitment to, at the very least, maintaining current nuclear generating capacity?

The First Minister: As Ms Sturgeon herself pointed out, we have seen in Scotland our companies' increasing capacity to engage in the renewable energy market and the fact that renewable energy generation in Scotland is increasing year on year and is likely to increase substantially in the years to come. The Executive has not ruled out any future for nuclear power in Scotland; however, we have said quite clearly that any such future must be preceded by a clear decision on the management of radioactive waste. That position is reasonable and is in Scotland's best interests. In the long term, it allows us to keep our minds open, and in the short term, it sends out a very firm signal to the nuclear industry and the UK Government to deliver on the management of waste. At that stage, we will decide whether Scotland needs any more nuclear power.

**David McLetchie:** I suggest to the First Minister that, regardless of whether we build new nuclear power stations, the waste issue must be dealt with. He will be aware that the recent report of the House of Commons Select Committee on Scottish Affairs said:

"It is ... vital that decisions are taken now, to obviate the possibility of, quite literally, the lights going out in Scotland in the foreseeable future."

Why is the Scottish Executive pretending that the answer is large-scale wind farm developments that many local communities the length and breadth of Scotland are fiercely opposed to when local communities and local workforces at Torness, Hunterston and Chapelcross would welcome new developments on those sites?

The First Minister: We are not ruling out development on those sites. While the new Conservative shadow Secretary of State for Scotland, Mr James Gray, may wish to abolish the Parliament and replace our decisions with the decisions of Scottish members of Parliament, until he is in a position to carry out that threat, it is possible for this Parliament to take a different attitude, a different opinion and a different decision from those that might be preferred by the members of Parliament who sit on the Scottish Affairs Committee at Westminster. On this issue, we take a different attitude, and we believe that it would be wrong to make a decision that would add to the level of nuclear waste that exists in Scotland until a decision on the future management of that waste has been made to our satisfaction. We intend to maintain that policy.

Janis Hughes (Glasgow Rutherglen) (Lab): The First Minister will be aware of this week's sad announcement by the Hoover Candy group to

enter into consultation with staff over the future of the remaining 88 manufacturing jobs at the Hoover plant in Cambuslang. I am sure that he will agree that that announcement is a bitter blow to the loyal employees, past and present, who have worked tirelessly for Hoover Cambuslang for almost 60 years and who, ironically, have greatly increased production at the plant in recent months. Will he assure me that the Executive will do everything in its power to assist those manufacturing workers in Hoover, whose jobs are at risk?

The First Minister: We are extremely disappointed at the announcement. Executive ministers have worked hard in the past two years to secure the jobs that remained on site at Hoover in Cambuslang. It is disappointing to hear that a subsequent decision has been made to move that production elsewhere. We will continue not only to work with the company to secure the research, development and service jobs that remain important in Cambuslang, but to make available the considerable services that have been successfully employed elsewhere in Scotland to assist any workers who lose their jobs as a result of the announcement.

Alex Fergusson (Galloway and Upper Nithsdale) (Con): Will the First Minister join me in extending the condolences of the chamber to the families of those who lost their lives in the Solway Harvester tragedy in January 2000, in the light of the collapse of the trial against the owner of the vessel yesterday in the Isle of Man on the ground of insufficient evidence? Will he explore, perhaps with the Solicitor General, any possibilities that might still exist to assist those families in bringing about the closure on this tragic issue that they so desperately seek and which now appears to be denied them?

The First Minister: All ministers—and I am sure all members—would want to associate themselves with Alex Fergusson's remarks and to share the expression of condolences to those families, who are still grieving for the loss of their loved ones when the Solway Harvester went down those years ago. While it would be wrong of me to comment on the outcome of the trial, I would be happy for the Solicitor General to respond to any representations that Alex Fergusson may wish to put directly to her—that may be a better route than pursuing the matter through me. We are still awaiting publication of the report of the marine accident investigation branch and although the Executive and the Parliament do not have direct responsibility for vessel safety and safety at sea, we may want to make some observations when the report is published.

# Secretary of State for Scotland (Meetings)

**3. Colin Fox (Lothians) (SSP):** To ask the First Minister when he will next meet the Secretary of State for Scotland and what issues he intends to discuss. (S2F-1658)

The First Minister (Mr Jack McConnell): I have no immediate plans to meet formally with the Secretary of State for Scotland.

**Colin Fox:** On Monday, Bob Geldof stood here in Parliament and outlined the role the G8 plays in perpetuating poverty in Africa. [*Interruption.*] Bless you.

Does the First Minister agree that those Scots who believe that the G8 is

"a complete and utter disgrace"

and an affront to the human dignity of the peoples of Africa should be able to protest at the Gleneagles summit in July? Does he believe that it is right that the tens of thousands of Scots who share Bob Geldof's scepticism should be denied their democratic right to march in peaceful protest?

The First Minister: No one in Scotland—as long as they are not a threat to the security of the state, and I suspect that the people to whom Colin Fox refers could never be described as that—will be denied the right to demonstrate peacefully in advance of or during the G8 summit.

Colin Fox: The First Minister said "or during". A few weeks ago, the Parliament voted on a Scottish Socialist Party motion to reiterate its support for the democratic right to march in peaceful protest in Scotland, but decisions have been taken to set up road blocks and exclusion zones to prevent such a march from happening. The First Minister knows that that is the case. Who took those decisions, and does he agree that it is for the Parliament to decide on such matters in order to protect the right to march peacefully in Scotland? Does he further agree that the current position is the worst of all possible worlds, as the right to assemble has been granted but the right to march has not, which creates the possibility of a dangerous, frustrated and tense situation?

The First Minister: Colin Fox made an interesting remark at the end of his questions. I hope that it was not intended as a threat of dangerous activity—or activity that could at least be damaging to Scotland's reputation—around the summit. It is essential that people in Scotland, which is a democratic country, have the opportunity to assemble and march, but it is also absolutely right that we and all parties—including the Scottish Socialist Party—should be behind the summit and that we should respect and support the determinations of the chief constable and others on what is best for the safety and security

not only of those attending the summit, but of Scotland during the summit.

There will obviously be opportunities in advance of and during the summit for Scots and people from other nations to march and put their views to those who are attending the summit, but we in Scotland will also organise the summit in an orderly fashion. If Mr Fox had been listening on Monday, he would have heard Bob Geldof say that the best way to respect poverty, suffering and death in Africa is to respect the right to march peacefully, not to encourage or fail to condemn any violence, intimidation or dangerous activity.

## **Make Poverty History**

4. Des McNulty (Clydebank and Milngavie) (Lab): To ask the First Minister what contribution devolved nations like Scotland can make to the global effort to make poverty history. (S2F-1648)

The First Minister (Mr Jack McConnell): We can support the national and international efforts of the United Kingdom Government. We can help Scots and Scottish organisations to provide practical assistance to developing countries. We can also raise awareness while adding our voice to the legitimate call for worldwide action to make poverty history. We will do all of those.

**Des McNulty:** I agree with the First Minister that those are the issues. The genuine anger that Bob Geldof voiced in the Parliament on Monday should motivate us all to insist that the G8 address the problems of poverty, disease, debt and trade injustice that blight the lives of millions in Africa.

I ask the First Minister that, in the assistance that is to be given to Malawi, particular attention be given to supporting women's participation in economic, political and social activity, as advancing the cause of women is likely to be the most effective way of delivering change.

The First Minister: It is the view of Governments and many voluntary organisations throughout the world that women in Africa can play a particularly important role in strengthening governance and representation, improving the delivery of public services and growing local economies. That will be true not only in Malawi, but in other countries that will be affected by the decisions of the G8 summit that will take place later this summer.

The scale of the challenge that faces us in supporting those who live in Malawi is considerable. I hope that, as well as visiting next week and supporting the efforts of those who already work on the ground there, we will, in weeks to come, be able to turn our collective imagination to playing a part in supporting the improvement of Malawi's education services, health services and local economies and to doing

something to turn around the fact that the life expectancy of the average citizen of Malawi is almost exactly half that of the average citizen of Scotland. That statistic, which I learned this morning, should have an enormous impact on us all. It is a damning indictment of the 21<sup>st</sup> century and I hope that we will help to do something about it

Roseanna Cunningham (Perth) (SNP): Although I fervently hope that the people of Perthshire do not get caught in the middle of a row about finances—or, indeed, a row about a protest, which, if it happens, I hope is peaceful—those attending the G8 are indeed precisely the folk who can really make poverty history. I know that the First Minister will have listened carefully to what Bob Geldof said, and I congratulate the First Minister and the Presiding Officer on inviting Bob Geldof to this Parliament. How does the First Minister personally propose to lay down the challenge to the leaders of the G8 on Scotland's behalf?

The First Minister: I have been happy to be doing that since January and I will continue to do so increasingly in the weeks ahead. I think that I speak for the vast majority of members of this Parliament when I and others call for considerable and proper action from the G8 in supporting the efforts to make poverty history in Africa and elsewhere.

Both Mr Geldof and other speakers on Monday outlined the considerable challenge that faces not just Scotland but, more important, the UK Government, as president of the G8, in challenging and getting support from the other seven countries for the efforts that have been outlined. The issue definitely has more resonance and support in the United Kingdom than in any of the other G8 nations. The British Government is clearly ahead of the other G8 nations in its demands and support for action. Through international Scottish contacts as well as through our voice here in Scotland, I hope that we can help to raise awareness of the issue and ensure that, throughout the world, pressure is put on the other seven leaders to ensure that they support Tony Blair and the Government's efforts at Gleneagles hotel in July.

Margo MacDonald (Lothians) (Ind): Although I support the sentiments outlined by Des McNulty, the First Minister will be aware that I wrote to him a fortnight ago to say that although there is terrific support in Edinburgh for bringing the G8 here—for which I give my congratulations all round—there is a residual and legitimate concern, as voiced last night by Donald Anderson, the leader of the City of Edinburgh Council, that Edinburgh might have unfairly to pick up the tab. The council leader has said that the cost of barriers and of any clean-up—

which we hope will not be excessive, although that might occur—is not negotiable and he would like to know who is going to pay for it. Can the First Minister enlighten us?

The First Minister: As I said earlier, we will not write a blank cheque for any local authority that is involved. Even at this stage, we cannot properly assess the likely costs in Edinburgh because the final arrangements for what might take place in the days leading up to the summit have not been clarified by those who might be organising those events. However, we will provide proper compensation to local authorities for the relevant costs that they have to incur as a result not just of the G8 being in Scotland but of the events and activities that will undoubtedly happen in the runup to the event itself.

### The Queen's Speech

**5. Robert Brown (Glasgow) (LD):** To ask the First Minister what the implications of the Queen's speech are for Scotland and the Scottish Executive. (S2F-1655)

The First Minister (Mr Jack McConnell): Where the proposals outlined in the Queen's speech affect the responsibilities of this Parliament, ministers will outline the implications and our response to MSPs through the normal Parliamentary procedures.

Robert Brown: The First Minister will know of the proposed establishment of a commission for equality and human rights under the UK Equality Bill. Does he agree that the continuing practice of detaining children in Dungavel immigration removal centre is difficult to reconcile with any concept of human rights? Is he aware of the critical report on the practice that was published earlier this week by Her Majesty's inspectorate of prisons for England and Wales? Will he tell the Prime Minister that children who have committed no crime are entitled to the same rights and liberties as anyone else? Will he also tell the Prime Minister that he will put the full resources of the Scottish Executive at the disposal of HM Government in supporting any moves that it might want to make to end the detention of children behind high metal barriers in Dungavel?

The First Minister: It is important to recognise that since last summer, considerable progress has been made at Dungavel in reducing not just the number of children held there—there are none at the moment—but the length of time that any children are held there. That is to be welcomed, and I am sure that there is cross-party support for that

If there is no alternative and if children are being held at Dungavel—for a very short period of time—because their families are being held there, it is important that appropriate services and support are available to them. The report of HM chief inspector of prisons for England and Wales made it absolutely clear where the responsibility lies. She recognises that the support given through our agencies and by local authorities has been available at all times. Indeed, the United Kingdom Government's immigration agency must ensure that the appropriate support is used effectively in each and every case.

Alex Neil (Central Scotland) (SNP): I draw the First Minister's attention to the commitment in the Queen's speech to introduce a bill on behalf of Rhodri Morgan and the National Assembly for Wales to establish an old people's commissioner for Wales. In light of that, will the First Minister now commit the Scottish Executive to supporting my proposed member's bill to establish an old people's commissioner for Scotland?

The First Minister: As regards the care standards against which establishments and services can be measured, and given the establishment of the care commission itself, I hope that Alex Neil will recognise that we in Scotland were ahead of the rest of the United Kingdom in establishing proper investigatory procedures and standards for the care of old people in Scotland. I urge anyone with concerns about the care of individual older citizens to use the avenues that are available to them.

As Alex Neil knows, we are currently considering our response to his proposed member's bill. We need to consider our response alongside those other avenues that are currently available for older people in Scotland with respect to the establishment of standards and the investigation of complaints. We will of course inform Parliament, in the proper manner, when any decision has been made by ministers.

Patrick Harvie (Glasgow) (Green): I wish to ask the First Minister about an issue that, his ministers have told us, was awaiting the Queen's speech. Although it is clear that no Sewel motion will be required on the proposed identity cards bill, the First Minister will recall that the Parliament voted for a statement on the intended use of the database. We are familiar with the Executive's line on identity cards, but I am asking about the use of the database by the devolved institutions.

We were told that such a statement could not be made until the UK Government had made its position clear through the Queen's speech, but that has now happened. Therefore, can the First Minister tell us when his Executive will comply with the will of Parliament and, under rule 13.2 of standing orders, ask the Presiding Officer for permission to make such a statement?

The First Minister: I can confirm that, as

promised, Mr McCabe will make a statement on the identity cards bill and on the way in which it will affect the devolved Administrations, including the Scottish Parliament. He will do so before the summer recess.

Dr Sylvia Jackson (Stirling) (Lab): I welcome the indication in the Queen's speech that Westminster's regulation-making procedures will be examined. As the First Minister knows, the Scottish Parliament's Subordinate Legislation Committee is examining our procedures, and legislation will result from that work. Will he indicate how ministers at Westminster will liaise with the appropriate minister here to secure the best advantage for both Parliaments?

The First Minister: I have not been involved in those discussions directly, but I will be happy to ensure that the appropriate minister responds directly to Sylvia Jackson on that issue as soon as possible.

# **Working Time Directive Opt-out**

**6. Phil Gallie (South of Scotland) (Con):** To ask the First Minister how the ending of the European Union working time opt-out will affect the Scottish economy. (S2F-1651)

The First Minister (Mr Jack McConnell): The opt-out clause in the EU working time directive has not been abolished.

Phil Gallie: The First Minister will be aware that Labour and Liberal MEPs voted in the European Parliament to bring about the ending of the working time directive opt-out, despite the wishes of the Labour-controlled British Government. Will he accept my support for the United Kingdom Government on the issue? Will he commit his support to the UK Government on the issue today?

The First Minister: The British Government is perfectly capable of representing itself, but I am sure it will be delighted to have the support of Phil Gallie. Mr Gallie has already heard my views on the way in which European regulation can be too prescriptive, not just for the UK but for us here in Scotland.

There is a proper role for Europe-wide legislation in key areas but that legislation needs to take account of the fact that there are sometimes different circumstances in different parts of the Community or even within member states. I welcome the on-going negotiations and the fact that the European Parliament's decision earlier this month was not a final decision but is only part of the process. I hope, however, that Mr Gallie and others will not use the issue to bash the European Union—it is a serious issue that requires serious debate and which will have, I hope, a constructive conclusion. The EU remains

an important institution not just for mainland Europe but for us in the British Isles too.

John Farquhar Munro (Ross, Skye and Inverness West) (LD): On a related point, the First Minister will be aware of the many freight transport operators in the Highlands and Islands who cannot complete their journeys to central markets within the reduced working time limits, which will increase operational costs and considerably reduce profits. Will the First Minister argue for a relaxation of the EU directive in remote and rural areas of Scotland?

The First Minister: My understanding of the matter is that, in terms of the European Union's enforcement of obligations on member states, the UK Government eventually agreed to implement the directive at the stage at which it had little choice but to do so, but that the Secretary of State for Transport and Scotland confirmed to the Westminster Parliament that he would be prepared to review the situation after a year and make further representations to the European Union if that was required. I am not absolutely certain that that is his current position this week, but that was certainly the position when I last spoke to him about the matter. If that is the case, we will continue to pass on any representations or concerns that might exist here in Scotland about the rigid implementation of the position as it is outlined.

12:32

Meeting suspended until 14:15.

14:15

On resuming—

# **Question Time**

### SCOTTISH EXECUTIVE

# **Health and Community Care**

Free Prescriptions (Chronic Conditions)

1. Stewart Stevenson (Banff and Buchan) (SNP): To ask the Scottish Executive when the list of chronic conditions qualifying for free prescriptions will next be revised. (S2O-6752)

The Deputy Minister for Health and Community Care (Rhona Brankin): The partnership agreement review of prescription charges for people with chronic health conditions and young people in full-time education or training will provide an opportunity to review the current list.

**Stewart Stevenson:** I thank the minister for her reply and, indeed, for her helpful letter of 15 May, which I received after lodging the question.

Will she give particular consideration to including on the list people whose cancer has been eliminated following treatment, but who—because of damage to their immune system or for other reasons—retain a number of lifelong conditions that require them to remain on medication? Such people fall well outwith the boundaries of the present free prescription scheme. I would like to be able to assure the considerable number of constituents in that position who have approached me that they might have the opportunity to fall within the scheme's boundaries at some time in the not-too-distant future.

**Rhona Brankin:** I am delighted that the member was pleased to receive his response from me.

As the member knows, the medical conditions that confer exemption from prescription charges were selected on the basis that their treatment requires regular prescribed medication and that they are easily recognisable as being lifelong and life-threatening conditions. The same arrangements apply throughout the United Kingdom. Since the introduction of the list, there has been no consensus on the need to make changes to it.

As the member will know, we regularly receive representations from individuals and patient support groups that advocate the provision of free prescriptions for people who suffer from a variety of medical conditions, including cancer. Because of the number and diversity of the conditions involved, ministers have taken the view that they

cannot justify singling out a particular condition for addition to the list. However, in Scotland the arrangements for receiving free prescriptions on medical grounds are being re-examined under the terms of the Executive's review of NHS prescription charges.

Colin Fox (Lothians) (SSP): Is the minister aware that, last week, the Royal College of Nursing annual congress voted by 93 per cent to campaign for the outright abolition of prescription charges? I am sure that that gives the minister an idea of the strength of feeling on the issue. Is it not time that the Executive accepted the case for the outright abolition of prescription charges instead of extending the exemption categories and thereby leaving tens of thousands of people still unable to get their prescription medicine because of the £6.50 charge?

Rhona Brankin: I do not agree that there is widespread support for the abolition of prescription charges that Colin Fox's bill—the Abolition of NHS Prescription Charges (Scotland) Bill—proposes. The consultation that Colin Fox issued was sent to 85 organisations, of which 30 responded. In addition, responses were received from only one member of the public and one community pharmacy.

The vast majority of concerns about prescriptions that are expressed to the Executive relate not to the principle of charging, but-as Stewart Stevenson's question suggested—to calls from certain groups for a particular set of conditions to be added to the list of medical exemptions. It is notable that some of the responses to Colin Fox's consultation suggested that the categories of exemption and the list of medical conditions that confer exemption should be reviewed. The partnership agreement review will address those concerns and suggestions.

If prescription charges were completely abolished, we would lose some £45 million a year, which represents around 5 per cent of the cost of providing community pharmacy services. That would be offset by little more than £1 million in administrative savings. The abolition of prescription charges would have a significant effect on national health service resources, would put more pressure on general practitioners' time and might add to the cost of medicines, as patients who pay the charge at the moment might visit their GP more often to get free prescriptions.

**Dennis Canavan (Falkirk West) (Ind):** How on earth can the minister possibly justify a situation in which a chronically sick person can be charged more than £6 for a prescription, when a comparatively healthy person such as me gets free prescriptions just because I happen to be over the age of 60?

Rhona Brankin: As I said, we recognise that the current rules for medical exemption are perceived to be inequitable. That is why we are committed, under the partnership agreement, to reviewing prescription charges for people with chronic health conditions and young people in full-time education or training. As I said, the first phase of the review is already complete. We are now moving towards a full and wide-ranging consultation. I hope that the member will respond to it.

Let us not forget that the current arrangements are designed to protect people who have difficulty paying for their prescriptions. At present, 92 per cent of prescribed items are supplied to the patient free of charge and around 50 per cent of the population is entitled to free NHS prescriptions.

### **Health Care (Remote and Rural Areas)**

2. Rob Gibson (Highlands and Islands) (SNP): To ask the Scottish Executive how it is ensuring the improved delivery of health care in remote and rural areas. (S2O-6737)

The Deputy Minister for Health and Community Care (Rhona Brankin): When I speak to the hard-working professional staff in our health boards that serve rural areas, I am always impressed by their commitment, flexibility and innovation. I lived in a rural area myself for 25 years. It is right that boards and their staff take the lead in planning and delivering improved services to the people who live in their areas. The Executive is able to support those efforts by providing record levels of investment, which are allocated to boards using a formula that takes account of the effect of population sparsity on the cost of providing services.

The member may also be aware that Professor David Kerr's group, which is expected to report shortly, will examine specifically issues around the delivery of health care in remote and rural areas. I look forward to hearing his recommendations.

I will quickly give some current examples of service improvements. Telemedicine is being used to network local community hospitals with hospitals in Aberdeen and Elgin and to offer patients more convenient access to eating disorder clinics at community hospitals in Banff and Buchan with the support of expert staff in Aberdeen. It is also being used to link Stornoway, Benbecula and Inverness to provide a specialist dermatology service to patients. New and enhanced chemotherapy units are in operation at community hospitals in Moray, Orkney, Shetland and the Western Isles, and surgeons are travelling to Orkney and Shetland to provide convenient, local cataract surgery for residents. To help to save the lives of heart attack patients, ambulance paramedics are being equipped

echocardiogram machines and clot-busting drugs in the Grampian, Borders and Dumfries areas, and general practitioners are being trained to provide clot-busting drugs in Shetland and the Uists.

An important new initiative, which is aimed at developing new training courses, will help to prepare specialist doctors and nurses to work in remote parts of Scotland. The work will be led by Andrew Sim, who has just been appointed as the first professor of remote and rural medicine at the University of the Highlands and Islands Millennium Institute and is based in Stornoway. Professor Sim will take forward projects in education, training and research, which will include the development of courses that are aimed at—

The Deputy Presiding Officer (Trish Godman): Minister, I remind you that you are to give an answer to the question and not a statement.

**Rhona Brankin:** Yes. So, overall, our aim is to provide services in remote and rural areas that are as local as possible and as specialised as necessary.

**Rob Gibson:** I thank the minister for that rundown on the Executive's health policy.

I am sure that the minister will agree that, wherever possible, it is best to care for terminally ill patients near to their relatives and in their home communities. Not only is that humane but it also provides nursing care jobs where they are much needed. Therefore, to help remote areas such as the Isle of Barra, will the minister ensure that a definite start date is agreed for building the hospice unit that is proposed at the modernised St Brendan's hospital in Castlebay by 2008 at the latest?

Rhona Brankin: Obviously, the detail must be given by the local health board. That said, the provision of hospices is hugely important to people wherever they live in Scotland, and the Executive supports that. The member will have to get the information from the local health board. If it is at all helpful, I would be happy to give him some aid in getting it.

Mary Scanlon (Highlands and Islands) (Con): Given that Highland NHS Board benefited greatly from the Arbuthnott formula whereas Argyll and Clyde NHS Board did not, will the Executive reassess the per capita spend on patients in remote and island communities in Argyll as part of the consultation process to ensure that NHS Highland is not faced in future with the severe financial pressures that NHS Argyll and Clyde faces at the moment?

**Rhona Brankin:** As the minister announced this morning, the consultation over the next few months will consider boundaries. The member

may be aware that a new committee, the NHS Scotland resource allocation committee, has been formed under the chairmanship of Professor Karen Facey to improve and refine the formula. There is no intention to revisit the formula during the consultation on NHS Argyll and Clyde.

Mr John Swinney (North Tayside) (SNP): The minister will be aware of an innovative project in Pitlochry, in my constituency, to establish a combined facility incorporating a new community hospital, a nursing care home and a general practitioner surgery. Regrettably, the care home provider, the Church of Scotland, has withdrawn from the project at a very late stage. Will the minister assure the community that Tayside NHS Board intends to press ahead with the new community hospital, regardless of the care home provision issues that need to be addressed?

Rhona Brankin: I am aware of the Church of Scotland's recent decision not to proceed with the care home places in the new premises. However, I am encouraged by the fact that NHS Tayside has made it clear that the health care elements of the project will go ahead and that the people of Pitlochry and the surrounding area will have the new community hospital and GP premises that they have been promised in the past. I understand that, following the Church of Scotland's withdrawal, NHS Tayside is exploring with alternative providers the possibility of including care home places in the project.

Mr Duncan McNeil (Greenock and Inverclyde) (Lab): Is the minister aware that GP practices that serve the most rural and remote areas in Scotland receive four times as much additional payment per patient as do practices in the most deprived areas? That information was recently highlighted in a letter from Professor Graham Watt, professor of general practice at the University of Glasgow.

The minister will also be aware that six years ago, the Arbuthnott report "Fair Shares for All?" concluded that the Scottish Executive Health Department should make health care inequalities a priority with a view to formulating a modified model for resource distribution. Has any progress been made on the issue?

Rhona Brankin: As the member knows, the Arbuthnott formula takes account of the influence of deprivation and remoteness on health care needs and supports the broader aims of achieving social justice and tackling inequalities. Indeed, that was one of the reasons for setting up the Arbuthnott review. I have pointed out that the NHS Scotland resource allocation committee has been formed, under the chairmanship of Professor Karen Facey, to improve and refine the formula, although I repeat that the formula already takes account of the influence of both deprivation and remoteness on health care needs.

Maureen Macmillan (Highlands and Islands) (Lab): I note that, in her response to Rob Gibson, the minister mentioned the use of telemedicine, particularly with regard to the link between the islands and the dermatology department at Raigmore hospital in Inverness. I wonder whether the minister is aware of my meetings with the centre for rural health, which has expressed concern that telemedicine should play a greater part in delivering medical services to remote and rural areas. Are there any plans to roll out such services?

Rhona Brankin: As I said, we feel that telemedicine is hugely important. We expect that, when Professor Kerr reports later this week, he will make significant points about health care delivery in rural areas and might well touch on telemedicine.

A number of telemedicine initiatives have been set up in NHS Highland. For example, a precursor to a picture archiving system allows X-rays to be digitised and transmitted from a number of sites across NHS Highland to Raigmore hospital for review. Moreover, the computed tomography scanners at Belford hospital and the proposed CT scanner at Wick are to be linked back to Raigmore hospital.

Although I have mentioned teledermatology, I point out that a system of teleorthodontics has already been set up for Western Isles patients. Furthermore, a telepaediatrics system is being introduced that will link remote sites, Inverness and Glasgow to review paediatric patients who have cardiovascular problems.

### Autism

3. Mr Andrew Arbuckle (Mid Scotland and Fife) (LD): To ask the Scottish Executive what progress it is making in dealing with autism. (S20-6790)

The Deputy Minister for Health and Community Care (Rhona Brankin): The Scottish Executive is working to improve services across health, education and social care agencies for children and adults with autistic spectrum disorders. We are undertaking a programme of work that will improve awareness and understanding of autistic spectrum disorders among professionals and families and give people quicker access to diagnosis and interventions that are appropriate to individual needs.

**Mr Arbuckle:** Is the minister satisfied that sufficient specialised support is currently available for autistic youngsters? Provision of support among the various health boards appears to vary.

**Rhona Brankin:** Of course, the early and accurate diagnosis of autistic spectrum disorder is absolutely essential if children and their families

are to get access to the supports that they need. Currently, we are providing funding to NHS Education for Scotland to develop information and training for general practitioners and primary care staff. We are also providing funding to the Scottish Social Services Council for the development of autistic spectrum disorder skills qualifications for social care staff. It is hugely important that social care, education and medical staff work as part of an inter-agency team to support pupils with autistic spectrum disorder in schools. We believe that the Education (Additional Support for Learning) (Scotland) Act 2004 will provide that inter-agency working for youngsters who suffer from autistic spectrum disorder.

Mr Kenneth Macintosh (Eastwood) (Lab): Is the minister aware of the excellent work that is being done in our schools to improve services for young people with autism, which is being delivered by her ministerial colleagues with responsibility for education? Leaving aside the Education (Additional Support for Learning) (Scotland) Act 2004 and the code of practice on additional support for learning, which is currently before the Parliament, is she aware of the involvement of Her Majesty's Inspectorate of Education in inspecting services for young people with autistic spectrum disorder in education throughout Scotland? I think that an announcement was made last year, but work was due to start in April this year. Will she bring the Parliament up to date with progress on HMIE's inspection programme? In particular, will she comment on whether educational services such as speech and language therapy—which are delivered by health boards or health authorities and so come within her remit—are subject to inspection by HMIE as part of that welcome programme?

Rhona Brankin: As the member says, HMIE will carry out an inspection of educational provision for children and young people with autistic spectrum disorder throughout Scotland. He was accurate in saying that the programme started in April this year, and it will continue until March 2006.

The inspection will follow an integrated model and will build on current HMIE inspection work. It will include consideration of the full range of therapy services where they impinge on education, which is important, and will consider pre-school and training issues, how far children and young people with ASD are included and can engage with more socially equipped peers and how teachers and support staff are supported. HMIE will report in the summer of 2006.

# **National Breastfeeding Awareness Week**

**4. Elaine Smith (Coatbridge and Chryston) (Lab):** To ask the Scottish Executive what action was taken at a national level to promote

breastfeeding in Scotland during national breastfeeding awareness week. (S2O-6787)

**Deputy Minister for Health** and Community Care (Rhona Brankin): The Executive supported a number of activities during breastfeeding awareness week 2005. Through NHS Health Scotland, we ran the breastfeeding television campaign and circulated associated promotional posters to each national health service board for use in its local activities. Local activities were supported by the national breastfeeding adviser, who visited a range of boards during the week. I was delighted to visit Forth Park hospital in Fife, where I had the honour of presenting Fife NHS Board with its United Nations Children's Fund baby-friendly certificates and met and talked to health professionals and breastfeeding mothers.

Elaine Smith: I welcome the action that was taken last week. However, the minister knows that, despite significant progress in Scotland in recent years, the national breastfeeding target that was set more than 10 years ago has not been met. Will she say what action will now be taken to revise the target and the current breastfeeding strategies to galvanise future progress? Will raising awareness of the legal protection that mothers now have under the Breastfeeding etc (Scotland) Act 2005 form part of that strategy?

Rhona Brankin: As the member accurately says, the national target that was set in 1995 that 50 per cent of mothers should be breastfeeding at six weeks by 2005 has not been met. However, data that have been collected through the child health surveillance programme show that the rates rose between 1999 and 2004, although they did so much more slowly than they were expected to.

The member is right—we have much more to do. Given the fact that breastfeeding rates have not increased as much as had been expected, it is an opportune time for us to take a fresh look at our approach to supporting breastfeeding nationally and locally. I am keen to work closely with the member specifically on the information leaflet that sets out the legal requirements on people to ensure that they provide facilities to enable women to breastfeed, and I look forward to continuing that work.

Nora Radcliffe (Gordon) (LD): I ask the minister to comment on the importance of breastfeeding in the context of the Scottish Executive's wider policies on food and nutrition.

Rhona Brankin: We are completely committed to supporting and promoting breastfeeding as the most appropriate form of infant feeding in the early years. That links in with our wider policies on nutrition. We are developing a national infant

feeding strategy, which will involve a wider range of bodies in supporting that valuable health-promoting behaviour. We must ensure that it is an issue not just for mothers and health professionals, but for all family members, local authorities, schools and many other groups and individuals. We must work closely with the organisations that work with pregnant mothers and parenting groups to ensure that, in addition to breastfeeding, we have advice about healthy weaning and infant feeding.

# **Environment and Rural Development**

The Deputy Presiding Officer: We now move to questions on the environment and rural development. Richard Lochhead, who was to have asked question 1, is not here.

## Air Quality (European Union Directives)

2. Mr Kenny MacAskill (Lothians) (SNP): To ask the Scottish Executive what action is being taken to meet air quality obligations under EU directives. (S2O-6742)

The Deputy Minister for Environment and Rural Development (Lewis Macdonald): A great deal. The air quality strategy sets national objectives that are either equal to or more stringent than those that have been set by the European Community directives and which will be worked towards by the Executive in partnership with local authorities, the Scottish Environment Protection Agency and other interested parties.

Mr MacAskill: The minister will be aware that the directives will cause traffic management difficulties for local authorities in many urban areas, whether Shandwick Place in Edinburgh or Hope Street in Glasgow. The strategy is a national one that has been signed up to by the national Government. Will the Executive commit to financing and assisting local authorities that face the consequences of those decisions, desirable though they may be?

Lewis Macdonald: We work with local authorities on meeting their requirements under the air quality management areas. Mr MacAskill refers to two areas where those requirements might apply. Local authorities are required to develop air quality action plans only where there is an issue over whether they can meet the targets that have been set for them. They will be funded in the usual way for matters for which they have legal obligations and we expect that to continue. We also provide funding for other important aspects of the delivery of the policy, such as vehicle emissions testing and supporting the use of emission-reducing equipment.

## **Horse Passports**

3. Miss Annabel Goldie (West of Scotland) (Con): To ask the Scottish Executive what measures it has taken to ensure that all horse owners are aware of the procedures and timescales involved in obtaining a horse passport. (S2O-6730)

The Deputy Minister for Environment and Rural Development (Lewis Macdonald): The Scottish Executive Environment and Rural Affairs Department has engaged fully with equine organisations and interests since it first consulted in June 2000 on proposals to extend the requirement for horse passports to all equines. Several meetings have been held stakeholders, two further consultation exercises have been undertaken and publicity campaigns have been carried out. A news release was issued and public notices were placed in the national and local press to highlight the coming into force of the new regulations earlier this week.

Miss Goldie: The Environment and Rural Development Committee yesterday approved the regulations covering horse passports and related matters. Does the minister accept that the way in which the issue has been managed has placed many horse owners in Scotland under considerable anxiety and constraint regarding what their obligations are and has, frankly, given them a completely inadequate timetable within which to understand and comply with those obligations? Would it not have been better to defer the commencement of that Scottish statutory instrument?

Lewis Macdonald: I find that a quite extraordinary proposition. The horse-owning and operating community—those people with an interest in horses—has been aware of the intention to introduce horse passports in this format for some five years. I do not regard that as an inadequate period of time. Yesterday, the Conservatives sought—unsuccessfully, I am happy to say—to persuade the Parliament to take no further action on the implementation of the regulations. I hope that, in asking their question today, they have helped to advertise even more widely to the readers of Scottish newspapers the fact that the regulations are now in place.

Dr Sylvia Jackson (Stirling) (Lab): As the minister is aware, the horse passport regulations have been widely discussed by the cross-party group on animal welfare and we welcome the efforts of the Scottish Executive and Ross Finnie in particular to examine the issue in depth. I have to say that the member who asked the question on this subject has not been to any of those meetings. Will the minister consider any issues that might arise because of any differences in the

implementation of the EU directive on either side of the border and write to me about them?

Lewis Macdonald: There are some differences and Ross Finnie or I will write to Sylvia Jackson on that matter. However, the essential point to make is that horse passports are part of a regime that is common across not only the United Kingdom but the European Union. It is designed as a public health measure and will be given full effect in accordance with the regulations that have been approved by the Scottish Parliament following the debate in the Environment and Rural Development Committee yesterday. Of course, there has to be recognition of the fact that horses will travel from Scotland to the UK and other parts of the EU, which is why the application of those measures across the EU as well as the UK is essential.

# **Recycling Facilities (West Lothian)**

**4. Mrs Mary Mulligan (Linlithgow) (Lab):** To ask the Scottish Executive what investment it is making in the provision of recycling facilities in West Lothian. (S2O-6783)

The Minister for Environment and Rural Development (Ross Finnie): West Lothian Council has been awarded more than £33 million in the period up to 2020 for recycling and composting infrastructure.

Mrs Mulligan: I welcome the minister's answer but want to take him a step further. West Lothian Council has developed a programme for recycling along with other councils in the Lothian and Borders area, as the Executive's policy suggests that it should do. It has identified an appropriate site with planning permission and its waste contracts end in 2007. Given that West Lothian Council is ready to proceed, is the minister prepared to consider West Lothian Council's application for funding from the waste strategy fund, based on best value, rather than making it wait until the other local authorities are ready?

Ross Finnie: There is a difficulty with that. The member must understand that, when the Executive prepared its national waste strategy, it did so on the basis of having area waste strategies. The intention behind that was to avoid having unnecessary duplication of facilities and also to ensure that individual taxpayers in each local authority would achieve best value. Although I congratulate West Lothian Council on getting ahead, I do not think that the principle of ensuring that area waste groups work together to secure best value would be served by following the course that the member suggests.

# Paisley Road West Busway (Environmental Impact)

**5. Gordon Jackson (Glasgow Govan) (Lab):** To ask the Scottish Executive what the

environmental impact will be of the Paisley Road West busway. (S2O-6767)

The Minister for Environment and Rural Development (Ross Finnie): The measures that are being delivered by Glasgow City Council for the Paisley Road West to Balmore Road quality bus corridor are intended to reduce bus journey time, make the bus service more reliable and ease traffic congestion. That should encourage modal shift from private car to public transport and therefore have a positive environmental impact through a reduction in air and noise pollution.

**Gordon Jackson:** I appreciate the minister's point, but he will realise that there is a great deal of local concern about the provision of the appropriate services and the effect on local businesses. I want an assurance that the minister will co-operate with the Minister for Transport and others to ensure that there is an across-the-board consideration of the issue so that all the factors are taken into account at the same time.

Ross Finnie: I will be happy to co-ordinate with the Minister for Transport on that matter. I hope that the member is already aware that Glasgow City Council carried out extensive public consultation to address concerns about the introduction of the quality bus corridor.

Tommy Sheridan (Glasgow) (SSP): As a resident of Paisley Road West, I can tell the minister that, following the consultation that the council carried out, the original plan for a bus lane was changed to a bus corridor, such was the worry that had been expressed about the effect on small businesses. Can the minister give us an assurance that there will not be further closures of small businesses in Paisley Road West, as the communities rely on those small businesses rather than the large and hard-to-get-to shopping centres?

Ross Finnie: I am unable to give Tommy Sheridan an absolute positive assurance on that. However, I am grateful for his acknowledgement that the extensive consultation that was carried out by the council resulted in an alteration to the plan. I am sure that the council is cognisant of the need to achieve a balance between making environmental improvements and sustaining businesses in its communities.

### **Waste (Importation for Disposal)**

**6.** Chris Ballance (South of Scotland) (Green): To ask the Scottish Executive whether it encourages the import of waste into Scotland for disposal. (S2O-6804)

The Minister for Environment and Rural Development (Ross Finnie): I certainly give no encouragement to the importation of waste, but the member should be aware that the import and

export of waste from outwith the United Kingdom, as with other trade-related matters, are reserved to Westminster. There is no restriction on the movement of properly notified wastes among the countries of the UK.

Chris Ballance: The minister will be aware that residents at Straid farm in South Ayrshire are saying that companies that are not properly reported—companies that are not on the Scottish Environment Protection Agency's list—have been dumping waste there. He will also be aware of allegations of criminal gangs from the Republic of Ireland smuggling controlled waste across the border into Northern Ireland for subsequent illegal disposal in Ayrshire. What is the minister doing to ensure the effective implementation of the Scottish waste strategy in Ayrshire?

Ross Finnie: We are aware of the allegations that waste might be being illegally imported, with respect to the landfill site at Straid farm in particular. That matter is being investigated. The member spoke about persons acting illegally. He will be aware that a trial is being held in Enniskillen of persons who are accused of doing that. The trial is adjourned until 6 June and it would be inappropriate for me to comment on those criminal proceedings.

Alasdair Morgan (South of Scotland) (SNP): Do the various regulatory bodies or planning authorities have powers to place restrictions on such sites, so that the waste that is dealt with there is brought only a certain distance before arriving and, in particular, so that it does not arrive from another country?

Ross Finnie: If the waste is transported within the UK, that movement still requires to be properly authorised. We try as far as possible to observe the proximity principle in such matters. That is our approach for intra-UK waste. We give no encouragement to the importation of waste, as I said in response to Chris Ballance. The licensing of such operations comes under the control of SEPA, which imposes regulations. Unfortunately, and particularly in relation to the two cases that Chris Ballance raised, people are clearly seeking to obviate the law. That is a matter for the criminal authorities to address.

Ms Rosemary Byrne (South of Scotland) (SSP): The matter of waste disposal is extremely important for communities all over Scotland and for the Scottish environment. It appears also to be important for the Scottish Executive. Will the minister press for all legislation regarding waste, such as the Transfrontier Shipment of Waste Regulations 1994, to be fully devolved to the Scottish Parliament? If not, why not?

Ross Finnie: I think that we have the controls in place. The cases that members are raising are,

sadly, those in which people are clearly trying to obviate the existing legislation. Whether that legislation is in the hands of this Parliament or the Westminster Parliament, it is highly regrettable whenever people seek to obviate the law. However, that is a matter for the criminal authorities, which have the powers to pursue and prosecute such offenders.

### **Energy Efficiency (Carbon Dioxide Pollution)**

7. Patrick Harvie (Glasgow) (Green): To ask the Scottish Executive how many tonnes of carbon dioxide pollution, that would otherwise contribute to climate change, it estimates will be prevented over the next five years as a result of its policies in respect of making the use of energy more efficient. (S2O-6806)

The Minister for Environment and Rural Development (Ross Finnie): In support of the review of the Scottish climate change programme, the Scottish Executive has commissioned consultants to calculate the level of carbon savings that are expected in Scotland by 2010 from a range of energy efficiency measures. The research is nearing completion and we expect to publish the results during the review period.

Patrick Harvie: I am sure that the minister is already familiar with the report that the Environment and Rural Development Committee published yesterday, which urges the Executive to take radical action on climate change because Scotland lags behind the rest of the United Kingdom in reducing emission levels. How does the minister respond to the report's recommendation that the energy efficiency strategy that is expected from the Executive must include sectoral targets? Will he give an assurance that it will include such targets?

Ross Finnie: The proper thing for me, as Minister for Environment and Rural Development, to do is to read the comprehensive report that the committee has prepared and give it my full consideration. Although I have managed to scan through it and I am familiar with some of its major recommendations, I have certainly not been able to give it the detailed consideration that it merits. When I have done so, I will respond to the committee according to normal parliamentary procedure.

Phil Gallie (South of Scotland) (Con): One report that is available is on the electricity generation figures for the past 10 to 15 years. Is the minister aware that, despite all the energy saving measures that have been taken, consumption of electricity in Scotland has risen year by year? Can he confirm whether it is the case that, since the early 1980s, Scotland's emissions from power stations and whatever have been among the cleanest in Europe?

Ross Finnie: There are two separate questions. I suspect that it is because of the concerns that the committee has noted, which are shared by many of us in the chamber, that the climate change programme must be revised and that we must give urgent attention to having a more comprehensive energy efficiency measure. One of the key elements is that we must take serious steps to reduce the amount of energy that is consumed.

On the second question, which was about the lack of emissions from our energy production, it is certainly true that there have been reductions and that, because of our mix of energy production, we compare favourably with other countries. However, there is no room for complacency on the matter. We must seriously address climate change and the Executive is committed to doing that. I welcome the publication of the committee's report, which will contribute hugely to that process.

# Queen Margaret University College (Environmental Sustainability)

8. Susan Deacon (Edinburgh East and Musselburgh) (Lab): To ask the Scottish Executive what input its Environment and Rural Affairs Department has had into discussions with Queen Margaret University College regarding environmental sustainability to support the college in its aim of achieving standards of excellence for sustainability in its new campus development. (S2O-6760)

The Minister for Environment and Rural Development (Ross Finnie): There have been no specific contacts with the Environment and Rural Affairs Department, but we welcome the moves by Queen Margaret University College to make its new development sustainable. The Executive's guidance to the funding councils asks them

"to have regard to the ... principles of sustainable development"

### and it states:

"When developing capital infrastructure projects, institutions should be encouraged to make use of identified best practice in areas such as procurement, energy efficiency and waste management."

**Susan Deacon:** I thank the minister for that informative answer. Is he aware that Queen Margaret University College wishes to install biomass heating at its new campus in support of its key objective for the new campus of environmental sustainability? Will he join me in saying that that is exactly the sort of project that we want to see taking place in new-build developments? Will he, in liaison with his colleagues, ensure that the Executive works with the college to ensure that the project proceeds?

Ross Finnie: I am happy to give that support. It is clear that the aims and ambitions of the project

on which Queen Margaret University College has embarked more than meet the guidance that we give. The project is to be encouraged and I am happy to back it. I am sure that members of my department are also keen to give support, where possible, to the college.

**The Deputy Presiding Officer:** That ends questions to ministers.

Richard Lochhead (North East Scotland) (SNP): On a point of order, Presiding Officer. As I was inadvertently delayed earlier, I was two minutes late in reaching the chamber and missed the time to ask my question, for which I apologise to you, to other members and to the Minister for Environment and Rural Development.

The Deputy Presiding Officer: Thank you.

Tricia Marwick (Mid Scotland and Fife) (SNP): On a point of order, Presiding Officer. During health and community care questions, we reached only question 4 before the time was up. That was due in no small part to the fact that the first two questions took 14 and a half minutes and in large part to the Deputy Minister for Health and Community Care's lengthy answers. Will you remind the minister that this is question time, not answer time? Question time is members' one opportunity to hold ministers to account. We are clearly being prevented from doing so if we reach only question 4.

Phil Gallie (South of Scotland) (Con): Further to that point of order, Presiding Officer. I congratulate you on taking the minister to task. In my memory, that is the first time in the Parliament's history that a Presiding Officer has done that. I would like to believe that all Presiding Officers will follow your example in the future.

**The Deputy Presiding Officer:** I am not absolutely sure how to take that.

How long ministers take to answer questions is a matter for them, but the other Presiding Officers and I note the time that is taken. I took five supplementaries to health and community care question 2. I try to fit in as many back benchers as possible, but what Tricia Marwick said has been noted.

# Voluntary Sector and the Social Economy

The Deputy Presiding Officer (Trish Godman): The next item of business is a debate on motion S2M-2825, in the name of Malcolm Chisholm, on the voluntary sector and the social economy.

14:57

The Deputy Minister for Communities (Johann Lamont): I am often intimidated when the Deputy Presiding Officer is in the chair; I am even more so after that last exchange, so I shall try to be on my best behaviour.

The challenge of the debate on the voluntary sector is that it poses a question for us all: How do we debate the voluntary sector without being cosy, precious or patronising and without focusing merely on the funding issues that face voluntary organisations? I hope that we will identify what the voluntary sector crucial and challenging, that we will consider how it can be nourished and sustained and that we will discuss how we can develop the broader dynamic of the social economy. The challenge is to capture the sector's essence and to develop it. We must acknowledge that it does not fit easily in any box. As I have said, that is the joy of the sector and what makes it interesting. In underpinning all our work with the voluntary sector and broader social economy organisations, I hope that we do not squeeze out of them what makes them different and gives them the goodness that we all recognise.

The Executive intends to support Mark Ballard's amendment and to oppose Linda Fabiani's amendment while acknowledging the important issues that both amendments raise.

The voluntary sector matters because it undertakes tasks that we cannot always undertake, especially locally, such as their grassroots services that reach individuals in their communities. The sector is much more than another service-delivery vehicle for the Executive or anyone else; it provides the opportunity to test new initiatives and to develop partnerships between agencies. The sector tells us what needs to be done and what we must be more aware of.

I appreciate that challenges arise from always looking for new initiatives and innovation, but we know that central to the voluntary sector is the opportunity that it presents to test measures, to consider exciting developments and to understand better what need is. For example, the sector provides vital services to people who have become dispossessed. It could be argued that a

homeless person is much more likely to accept and seek help from a voluntary sector worker than from someone who is seen as being more official. The sector challenges us to think about matters in a new way, and to tackle issues that are sometimes difficult to talk about. We all understand and recognise the role of local housing providers not just in shaping housing to meet need, but in shaping our understanding of how homelessness and other housing needs are expressed.

We want to support the sector in a way that promotes sustainability for organisations and which helps them to become better at the things that they already do so well. I think that there is some consensus on that.

My feeling is that the voluntary sector is at its best when it is built from the ground up, with a focus on a community-based desire to do things differently in order to improve life chances, services and opportunities. Sometimes those things grow and sometimes they do not, but that is not the key issue. Organisations do not need to be big to make a tangible difference to people's lives.

The voluntary sector is at its best when it moves towards and achieves self-reliance, with its own income, progressively less reliance Government funding, efficiency of organisation and sufficient robustness to be able to offer independent views. An interesting interface can perhaps be seen in the co-operative movement. which is arguably a fitting example of what I am talking about, although not all co-operatives grew from voluntary organisations. Organisations such as local soap companies and Cafe Direct, which operates nationally, are examples of well-known and well-run organisations that make tangible differences to our society.

The best voluntary organisations are forward looking; indeed, they often drive government's vision by challenging us and by focusing debate on how we can create a better world in the future. A compelling feature of the best voluntary organisations is their dogged determination to turn things round and never to give up on the issues that they think matter. By focusing on their vision and by keeping at it whatever the odds, they try to make others understand the issues that they find so compelling. They campaign tirelessly to raise awareness.

Organisations such as Child Poverty Action Group, Barnardo's and Help the Aged are among the many groups that have a long history and which continue to go from strength to strength. Their campaigning drives them towards providing vital services and, through that delivery, they help to shape broader policy by providing an understanding of how such services ought to look across the community and across society. We

need to build on that by ensuring that we encourage the best organisations to do better, and that we help those that want to take more action.

Clearly, the social economy overlaps with the voluntary sector and social enterprises make a positive contribution, as the amendment in the name of Mark Ballard identifies. Social economy organisations add value to delivery of public services and are flexible and able to innovate. The social economy is becoming more what some people might call business-like in its approach to service delivery. As we know, some organisations generate significant surpluses. Such more-than-profit organisations invest in the communities that they serve and play diverse roles in addressing regeneration and in developing their communities.

Mr David Davidson (North East Scotland) (Con): I know that the minister does not have much time to speak, but will she comment on the voluntary organisations that deliver policy, such as health care policy, on behalf of the Executive?

Johann Lamont: I may not be able to address that issue in detail, but I acknowledge that such organisations are crucial and that they perhaps epitomise the social economy and voluntary sector. I may develop some such points later, but the fundamental point is that such organisations exist not just to deliver services on behalf of the state. The organisations themselves should determine what those services should look like. A far more powerful message than simply handing over resources only for organisations to do what we want them to do is that the organisations share understanding of what needs to be done.

We need to understand the diversity of the sector. We need a clear vision of a vibrant, sustainable, strong and independent voluntary and social economy sector so that organisations can, from a position of strength in our communities, choose when to work in partnership with government and when to challenge us to do things differently. Clearly, achieving that vision presents challenges to the Executive and the voluntary sector. As we look to the future, we must ensure that we develop policies that help the sector to play to its strengths, and which build its independent voice and capacity to deliver. That is why I want to work with the sector as we develop the detail of how we will implement that vision.

Within the Executive, we are already starting to look at where and how we work with the sector, when that works best and how we can build on and develop that. From letters that I have received and from conversations that I have had, I know that voluntary organisations face a number of challenges. Some organisations are thwarted in their delivery of services because they must continually chase funding and some are drowned in paperwork from the people who provide the

funding, which I will deal with in a moment. In realising our vision for the sector's future, we will consider what the big issues are, consider how we can tackle them and then take action.

We have moved forward in three main areas: securing funding and sustainability; providing the best possible frameworks and processes for the sector; and on volunteers, who are the lifeblood of the sector. On funding and sustainability, the Scottish Executive's funding of the voluntary sector is substantial. Our financial commitment to the sector now stands at more than £400 million each year. Funding is available from all parts of the Scottish Executive, its agencies and non-departmental bodies.

Our review of the social economy explicitly recognised that social economy organisations can deliver quality public services, and it recognised the barriers to growth of such organisations, which challenges the lazy and false misunderstanding of where the public sector is and where the private sector is. It is possible to understand that services that are not directly delivered by government can still be seen as a crucial part of delivering public services.

We have sought to develop a package of support measures for the social economy, in order to contribute to the further development of the sector. A key element is futurebuilders Scotland, which is investing some £18 million in the social economy sector until 2007. Already, almost £3 million has been awarded to more than 80 organisations.

Christine Grahame (South of Scotland) (SNP): The Scottish Council for Voluntary Organisations is asking for a review of the effectiveness of futurebuilders as a way to increase the contribution of the voluntary sector and it would welcome the minister's view on that. Will she tell us her view?

**Johann Lamont:** It will certainly be essential to review the effectiveness of the futurebuilders initiative. The underlying commitment to building the social economy through futurebuilders is well stated. We must ensure that that programme fulfils our aspirations for the sector.

A key criterion for all applications to futurebuilders is that they must play a part in closing the opportunity gap. One Plus in Glasgow has been awarded funding to secure the long-term sustainability of its organisation through the purchase of its central Glasgow premises.

We have come a long way in understanding the opportunities that the sector has developed in meeting needs such as child care, which was once not even understood as a policy. We have a strategy for the futurebuilders fund that understands the need to give children the best

start and which provides opportunities for parents, particularly women, to go to work. It also provides work and training opportunities for people who are far from the labour market. That is an underpinning of our commitment to closing the opportunity gap.

Our investments mean that organisations can begin to generate income through trade, or can build and expand on early successes. For example, FEAT Enterprises in Fife has developed a social enterprise known as Green Team. Investment from futurebuilders Scotland will enable FEAT Enterprises to develop the Green Team business considerably, providing muchneeded employment and development opportunities for the individuals that it works with.

Our investment will help to build a strong and sustainable social economy that is capable of delivering excellent public services. Co-operatives have a particular contribution to make in economic and social development in a number of ways. They provide an attractive start-up option for people whose capital, experience or confidence is limited. By pooling their resources and experience, people can share responsibilities and risks that might make self-employed working unviable. Co-operatives secure prosperity for communities and, crucially, they have a democratic component that ensures greater accountability, understanding and knowledge.

John Scott (Ayr) (Con): Will the minister take an intervention?

**Johann Lamont:** I cannot take any more interventions.

I welcome the undertaking to establish a cooperative development agency, and I understand the crossover into social enterprises. It is a longheld commitment of mine and other Labour and Co-operative party members to support a sector that people have often not understood. A social economy advisory board is to be set up. Through that board, the sector will have an important opportunity to make significant input to the work of the Executive in developing the social economy and in sustaining dialogue with the diversity of that sector. There will be a challenge in developing such opportunities as the CDA develops its role.

The strategic funding review will address the points that Linda Fabiani will perhaps raise. It is important to say that the Executive, local authorities and the voluntary sector are working together to conduct a strategic funding review to address and highlight the problems. We know that the SCVO and other organisations have made surprisingly positive briefing contributions to the debate and we welcome the opportunity to harness their energy. The voluntary sector sometimes takes on with great relish the role of

scrutinising and challenging the Executive and government at every level; that is a powerful thing that is not to be resisted.

I believe that the debate is central to understanding not only how our social and community experience can be developed, but how our economy and enterprise approaches can be developed. We often say that we celebrate the voluntary sector, but the challenge will be for us to act to ensure that the sector is vibrant, sustainable, strong and independent, that it works with government and with local authorities and that it works with all those who are committed to a strong and supportive Scotland where everyone has equal opportunities.

### I move,

That the Parliament recognises the contribution that the voluntary sector and social economy make to Scotland; supports the Scotlish Executive's continued commitment to developing them through Futurebuilders Scotland, the Volunteering Strategy and Project Scotland and the development and promotion of legislation on charities; supports the Strategic Funding Review being undertaken with SCVO and COSLA; welcomes the establishment of a Social Economy Advisory Board, and supports the Executive in developing a detailed strategy, in partnership with the voluntary sector, for the sector's future.

### 15:09

Linda Fabiani (Central Scotland) (SNP): I admire the minister's attempt to display psychic ability, but I have to say that she got it wrong. Although I will move the SNP amendment, I will also be consensual; there is nothing in the Executive's motion with which the SNP disagrees.

We are discussing a huge sector and I appreciated the minister's comments about how we can have a debate such as this without its sounding cuddly. We have to recognise the importance of the social economy to the general economy of the country. After all, according to Communities Scotland—which heads up futurebuilders Scotland—the social economy is worth about £2.2 billion to the Scotlish economy and employs about 100,000 people. It also involves 700,000 volunteers in more than 50,000 organisations.

One issue is that we must recognise what the social economy is. The Executive has acknowledged that by feeling the need to clarify in its motion the contribution that the voluntary sector and the social economy make. Folk in the voluntary sector sometimes do not recognise themselves as being part of the social economy, which is a measure of how diverse the voluntary sector is. The sector ranges from the one person who helps out in a buddy scheme as a befriender or who cares for someone, to the people who work in social enterprises.

Social enterprises often emerge from the traditional voluntary sector and often share the values and some of the characteristics of voluntary organisations, but there is a difference between the two. Social enterprises are different from traditional voluntary work and small-scale voluntary organisations because, as is stated by the Scottish Social Enterprise Coalition, social enterprise is about the

"integration of business aims, methodologies and behaviours into their organisations"

and social enterprises seek to create profits that are ploughed back in to communities. Not all voluntary organisations look to create profit: the raison d'être of some is to provide services, so profit does not come into it.

The Executive's motion mentions quite a few good on-going initiatives, such as futurebuilders Scotland. I have followed the futurebuilders strategy and I ask the minister to say how progress is going, because it seems to me that futurebuilders got off the ground a bit more slowly than was intended. At first it was said that it would run from 2004 to 2006, but now everyone is talking about 2007. Will futurebuilders go beyond that? Key aspects of making such initiatives work are their development and their sustainability. Too often, initiatives are stopped before their full value becomes apparent.

One of the main aims of futurebuilders is regeneration of disadvantaged areas. I am concerned that we are not placing enough emphasis on people and that we are not giving sufficient recognition to the fact that many smaller voluntary organisations that are not social enterprises contribute to regeneration throughout the country by operating in the voluntary sector and by making quality of life better for many people in terms of their physical, mental and emotional health. I suggest that that leads to the ability to create wealth. If health is not included in such measures to start with, communities will not be able to move on and create wealth.

As I said, I would appreciate a statement about how the futurebuilders Scotland investment is progressing. I know that the first stage of applications for the first range of projects has now closed. When will the process be opened up again for stage two?

The volunteering strategy is also mentioned in the motion. We are talking about social enterprises, but they start with volunteers. I was interested to read a submission from Community Enterprise in Strathclyde. Although we hear good things from Communities Scotland and have heard good things from the minister today, there is still scepticism about how futurebuilders is working. Community Enterprise states:

"It has become, almost by default, yet another timelimited grant scheme that will no doubt support some interesting organisations and activities, but will not shift either the social economy or the public sector very far towards embracing a culture of investment instead of dependency."

I would appreciate the minister's views on that, because obviously not everyone in the sector is convinced by what is happening.

Project Scotland is a good idea. We always welcome initiatives that help young people to become involved in their communities. I hope that the initiative will be expanded into other areas in which the Executive is involved. When I read the press release about the scheme, I wondered whether projects could be tied in with our international strategy in order to allow our young people to find out what life is like on the other side of the world. Let us use the Scotland-Malawi partnership that we are all talking about to help people in both places.

The Executive is talking about allowing volunteers who are on placements to continue to receive benefits. That is important, but we could go further. The reality is that most people who take up voluntary placements can do so with the comfort of knowing that when they come home they can slot back into their job, family or support network. It is difficult for a person who is homeless and who has no support network to go away to volunteer and then come back. I ask the Executive to address that, too.

The Deputy Presiding Officer (Murray Tosh): You have one minute left.

**Linda Fabiani:** I wanted to mention more good stuff, but as I have only one minute left I had better skip much of what I was going to say—I bet that Johann Lamont is glad about that.

I do not understand why the Executive does not support the Scottish National Party amendment. We all know that, over and over again, voluntary organisations ask for core funding that will allow continue their activities. them to organisations provide huge services to local authorities and to the Executive, but much of the time and effort that could be spent on providing services is spent on running around daft, looking for a scheme that might give them money. Organisations that provide services on behalf of local authorities and which accord with the Scottish Executive's aims and policies should be core funded so that they can provide those services properly. Such organisations are part of the social economy and if we do not value their contribution we do a disservice to the volunteers who work in them.

I cannot support the Green amendment and I am surprised that the Executive supports it. The

Executive always talks about finding Scottish solutions for Scottish problems, but the approach that that amendment calls for could create more delays by adding another layer and tying our strategy in with that of the Department of Trade and Industry. Let us just get on and do something for Scotland. We can start by telling voluntary organisations, "Yes, you're valued. We'll give you the core funding that will allow you to work with us to deliver what is required."

I move amendment S2M-2825.1, to insert at end:

"to include measures to ensure continued and stable core funding for voluntary organisations that are expected to deliver ministerial and local government policy objectives."

**The Deputy Presiding Officer:** I call Mark Ballard, to speak to and move amendment S2M-2825.2.

Patrick Harvie (Glasgow) (Green): Presiding Officer, I indicated that I would speak to and move the amendment.

The Deputy Presiding Officer: Yes, okay. Will Mr Ballard close?

Patrick Harvie: Yes.

The Deputy Presiding Officer: That is fine.

15:17

Patrick Harvie (Glasgow) (Green): This is a welcome opportunity to discuss the social economy. The term, "social economy" is sometimes difficult to pin down. We use it to define much that lies between the purely public realm and the purely private realm in which the only objective is profit. However, "social economy" is not a synonym of "voluntary sector". That is reflected in the Executive motion. The social economy includes the formal voluntary sector and many charitable organisations, but it should also be understood to include the domestic economy and the social enterprise sector, on which the Green amendment focuses. That is not to undermine the significance of the traditional voluntary sector. I am a former employee of that sector and am delighted to endorse the warm words about its value to society that we heard from the minister and Linda Fabiani. However, the not-for-profit organisations with which we are all familiar, which are often grant funded and project oriented, are just part of the wider social economy, which also includes organisations that choose to be the more-than-profit organisations that are known as social enterprises.

Social enterprises trade in markets and make use of grants and subsidies in a way that is similar to the approach of commercial small and mediumsized enterprises. They make profit, but they do so in order to ensure their long-term sustainability. They do not distribute profit to private shareholders or seek always to maximise profit, because their approach to markets is based on a social purpose or a public good. The in-built profit element enables organisations to grow and to make long-term plans. Voluntary organisations can become locked into dependence on grant funding, which gives them little incentive to innovate and become self-sustaining.

Part of the confusion surrounding the social economy is that, although traditional voluntary organisations and new social enterprises share certain values and organisational features, they do not always take the same approach to sustainability, to markets, to enterprise and to entrepreneurship. The best social enterprises combine the ethos of the voluntary sector with the entrepreneurship of the private sector.

Social enterprises take a wide variety of forms. They can be co-operatives, development trusts or companies limited by guarantee, and community interest companies will no doubt emerge, too. However, the legal status of an organisation should not be taken as being its defining feature. What unites all such enterprises is social purpose and a commitment to objectives that go beyond a return on capital.

A strategy for the social economy as a whole should not focus only on the needs of the traditional voluntary organisations or charities, or on any other single form of organisation. A successful strategy will be highly differentiated and will recognise the complexity of the social economy. No one assumes that the private sector requires a single policy—one instrument or one toolkit from the Executive's Enterprise, Transport and Lifelong Learning Department. Large amounts Government resources are directed at development agencies and at national, regional and local strategies. That reflects the complexity and the diverse needs of the private sector, but the social economy requires similar thinking and the deputy minister's words showed that the Executive understands that type of thinking. The recent announcement on the social investment Scotland futurebuilders plus fund showed that further steps were being taken in the right direction.

A cross-departmental approach to the social economy is required. The natural policy environment for not-for-profit organisations should remain with the Executive department responsible for communities, but it is clear that social enterprises need to have a strategic position within the department that is responsible for enterprise.

Some people compare the social economy to a family. Like family members, organisations in the social economy may look a bit like one another and may share certain characteristics. However, they sometimes have very different personalities and, despite their similarities, there are differences. One difference is the extent to which they lean towards public sector or private sector methodologies and behaviours. Social enterprises tend to come from one side of the family, but so far, policy development in Scotland has revolved around the other side of the family. I hope that that will change and I think I am justified in expecting that it might.

I apologise because I am unable to remain for the whole debate.

I move amendment S2M-2825.2, to insert at end:

"recognises the breadth of the social economy in Scotland; further recognises the distinctive contribution that co-operatives and social enterprises make to the social economy; recommends the development of a differentiated strategy to meet the specific needs of the social enterprise sector of the social economy, and further recommends that such a strategy be developed in partnership with social enterprises and their networks beyond the voluntary sector, be aligned with the development of the Co-operative Development Agency and be aligned with the Department of Trade and Industry's strategy to support social enterprise across the rest of the United Kingdom."

### 15:22

Mary Scanlon (Highlands and Islands) (Con): I am pleased to speak in the debate, both as an MSP and—like many others here today—as a former volunteer in organisations ranging from Child Support Agency tribunals to citizens advice bureaux.

There is no doubt about the value that volunteers bring to a service, or of the enormous personal benefit that volunteers can gain from volunteering. Scottish Conservatives support the principles and the commitment in the motion, just as we support the broad measures in the Charities and Trustee Investment (Scotland) Bill. However, like others, I will be raising some issues at stage 3 of that bill.

I cannot claim to be an expert on the voluntary sector. However, I note that in recent years we have had the volunteer strategy, the Scottish compact, the United Kingdom-wide millennium volunteers and the project Scotland partnerships, among other initiatives. Today, we heard about the development of a detailed strategy. I welcome this mother of all strategies and I hope that it will give us one point of reference, because we all know that mothers know best. We also support the encouragement of people from all backgrounds—disabled people, young people, pensioners—to participate in volunteering.

Voluntary sector funding is always a problem, which was highlighted in the briefing that we have

received from Barnardo's Scotland, so I support the principles in Linda Fabiani's amendment. The briefing from Barnardo's states:

"Short term funding packages, and the continual need to look towards the next reviews and applications, constantly undermine the good work of voluntary sector service providers."

I find it difficult to understand why an organisation such as the citizens advice bureau in Inverness has to struggle and penny pinch to provide its excellent and first-class services on debt counselling, support, benefits reviews and a wide range of other issues. This is happening at a time when the Scottish Council for Voluntary Organisations has been given more than £1 million to purchase plush new offices on a greenfield site on the outskirts of Inverness. I am sure that the minister can clarify such funding issues.

Cathy Peattie (Falkirk East) (Lab): Does the member agree that it is important that voluntary organisations have good premises and that they should not always have to work up a stair in an old building? Does she welcome that new development?

Mary Scanlon: I would welcome it, if the member would let me develop my point. I am trying to point out the difference between the funding for front-line services and funding for organisations that make policy. I am sure that the minister will clarify why we have a funding situation whereby the part of the voluntary sector that provides much-needed front-line services is strapped for cash, while the part that determines policies has no such worries.

I highlight the high cost of regulation and inspection by the Scottish Commission for the Regulation of Care for organisations such as Crossroads, which has about eight groups in the Highlands and Islands, each of which pays more than £2,000 to the care commission. In some cases, that is more than the groups can raise in a year. The organisation is considering the issue to see how it can be dealt with in the future.

I commend the futurebuilders plus initiative, on which my colleagues will expand, and I acknowledge the commitment to the social economy. One of the best examples of the social economy in the area that I represent must be the Shetland Soap Company, which I note from the briefing papers has received further funding from the Executive to fit out its new shop in Orkney, to develop new products and a new furniture recycling unit and to establish markets in Europe. The company confirms Patrick Harvie's point about the importance of organisations' business initiatives as well as their social responsibilities. I helped the company to get its products into our Parliament shop, which has added to its success.

The Shetland Soap Company does not just make a good product; it employs people who have disabilities, which promotes social inclusion, self-confidence and independence and helps take people off benefits and reduce dependency. The company provides jobs in which such people are valued and supported for their contribution. In other words, social firms can help people to help themselves. We support the Executive's motion.

15:27

Donald Gorrie (Central Scotland) (LD): I will begin by dealing with the voluntary sector and the social economy, after which I will mention disclosure and explain why I think that we are going about the subject in the wrong way.

The voluntary sector and the social economy must come together more. In the past, there has been a division between the voluntary sector, in which people have put up their hands for grants, and the social economy, in which people have created businesses. We must bring the two sectors together, because they both try to improve communities, albeit in different ways. The increase in the social economy is important.

Now that I have studied the amendments with more care than I had time to do before, I do not see why the Executive cannot accept Linda Fabiani's amendment. There may be a problem with terminology, but the intention behind the amendment and its wording seem to be right on the target. Perhaps the minister will explain why he does not accept it.

Christine Grahame: I thank Donald Gorrie for his kind words. Does he agree that, when we were on the Justice 1 Committee together, we heard of many wonderful rehabilitation courses and throughcare schemes for prisoners that hit the buffers because they had to fight for streams of funding? That is an example of what our amendment aims at.

Donald Gorrie: All members who have dealings with the voluntary sector constantly hear the refrain that short-term funding that is tied to a particular project, even for three years, is no good, because it does not allow people to deliver as well as they could do. We need more money in the system anyway, but we could use our existing moneys much better if we set up a system of guaranteed grants. So long as an organisation delivers activities that the council, the Government and the community want, its funding should be secure.

We should explore the idea of the Executive getting together with the national lottery—which I know is looking at the issue—to set up local boards at council or some other suitable level. The boards should bring together people from the

council, the business community, the voluntary sector and the social enterprise community, who could say, "This is a good organisation and you should keep on funding it." They could also support new social enterprises with start-up money, for example. We need to have a local focus and involve councils without giving them exclusive control. If we sort out funding and help social enterprises by, for example, improving the fairness of councils' and other organisations' procurement policies, we could give them a fair start in life, which would be a great step forward.

The second issue that I wish to raise is disclosure. We have created a monster. The intention is good and obviously we have to have rules, but the rules and their interpretation are totally ridiculous and over the top. We have got into the state of mind that Scotland had in the 17<sup>th</sup> century, when there was a witch-hunting mania. Things have gone beyond the level of common sense. We have to treat disclosure more sensibly, because the system is seriously harming the voluntary sector. We could have a system involving a kind of credit card, so that once people had been disclosured they could just show their card; they would not have to be repeatedly disclosured for each job.

Karen Whitefield (Airdrie and Shotts) (Lab): I appreciate Donald Gorrie's concerns. It is important that we do not impede volunteers from going into the voluntary sector. However, the safety of vulnerable adults and children is paramount. We must ensure that we protect our volunteers and the people with whom they work. What is Donald Gorrie's alternative, if we are not constantly to ensure that people are suitable to work with individuals and organisations?

**Donald Gorrie:** It is totally ludicrous that one's disclosure is out of date the day after it is received. The rule that a sports coach who helps a lot of different clubs has to be disclosured by each club is mad. We should not be producing mad systems. The system is well intentioned and I accept that we have to have one, but we have to sort it out. The current scheme is the Parliament's fault—the Parliament imposed it on the Executive, which wanted a more limited scheme.

We have spent 20, 30 or 40 years trying to help our poorer communities in entirely the wrong way. People like me have invented schemes such as urban aid—that was the name many years ago—and money has been put in, but the net result has been nil. The same areas have the same problems and there is the same gulf between richer areas and poorer areas. The same areas have the highest offending rates, the lowest educational standards, the lowest health standards and the greatest housing problems, for example.

I am all for putting money into areas to improve housing and physical arrangements, but to help the community we must help the people in the community to help themselves. In the parable of the talents, the boss man did not say, "Here is some money. Each of you go away and plant some vines." He said, "Here's some money. Get on with what you want to do." Some of the people had failures, but some had great success. That is how to progress. If we help people in communities to help themselves and to start from scratch, we will do much better. Inventing nice schemes, projects and national funds has proved a failure and we should give it up.

### 15:34

Marilyn Livingstone (Kirkcaldy) (Lab): I am pleased to have the opportunity to contribute to this afternoon's important debate on the voluntary sector and the social economy. As the minister has said, volunteering is crucial to our agenda of closing the opportunity gap and building stronger communities. Volunteering helps in the fight against poverty by providing projects that are focused on our most deprived communities with valuable manpower and resources.

I take the opportunity to thank the Council for Voluntary Service Fife and all the organisations and individuals who provide a wide range of support in my area. Those bodies include the local organisation for survivors of childhood sexual abuse and the biggest furniture charity in the kingdom of Fife—Furniture Plus Ltd—which is based in my home town and which makes a positive contribution to my community. I thank all those organisations for making my constituency a better place to live in.

The SCVO welcomes the focus on the social economy, but points out that our understanding of that economy should not be restricted to enterprises that typically use a business model to deliver services, even though they form an important part of it.

Although much progress is being made through the strategic funding review, I believe that a strategic approach to funding is long overdue, as the minister said. The voluntary sector needs to concentrate on delivery rather than on the continued uncertainty that short-term, project-based funding brings. The sector feels the need continually to reinvent itself in order to attract funding streams. I welcome the minister's commitment to addressing those significant issues.

I welcome, too, this week's announcement about the national youth voluntary programme, which I believe will help to remove the barriers that volunteers—especially young volunteers—face and to improve the volunteering experience. It will also give 16 to 25-year-olds a chance to get involved in, and to contribute to, their communities and will be important in helping them to gain experience and make informed choices about their future. The national youth voluntary programme is a unique partnership between the public, private and voluntary sectors and I very much welcome the £8 million investment in the initiative.

The briefing note with which Volunteer Development Scotland provided MSPs in preparation for today's debate calls on us to acknowledge the valuable contribution that volunteers make to Scotland's social economy, which other members have highlighted. Volunteer Development Scotland asks us to support action that will enable volunteers to continue to improve their input to the development of the social economy. In her speech, the minister met that request.

An exemplar of best practice exists in my The Fife constituency. social economy partnership, which was established in 2004. includes representation from Fife Council, Fife Enterprise, Communities Scotland and the voluntary sector. The group has made it clear that any strategy for Fife must not only address the development of individual organisations, but take a strategic approach to the growth of the social economy sector. A major aim of the sector is to consider the market within which enterprises operate.

Like the minister, I am a Labour and Cooperative member and I believe that it is important to recognise the contribution that the social enterprise sector—in which co-operatives play an important role—makes. The co-operative model has a good track record and offers sustainability. A co-operative development agency will play a key role in the creation, promotion and development of sustainable co-operative businesses in local communities and will provide much-needed support, advice and training to encourage and enable those who seek to improve the growth of co-operatives within our community. I look forward to the setting up of such an agency, as I believe that it will offer a way of achieving better synergy the enterprise and communities between portfolios.

Concerns have been expressed about the role of Scottish Enterprise and whether it should act as a private business development agency rather than as an economic development agency. We must discuss that seriously.

In conclusion, I welcome the opportunity that the debate provides to congratulate on their work the voluntary sector in Scotland and the individuals who give up so much of their time to support their local communities. I believe that the motion in the

name of the minister allows us to show our appreciation of the sector and to make our commitment to it. I support the motion and the Green party amendment.

### 15:40

Jim Mather (Highlands and Islands) (SNP): From what we have heard today, it is self-evident that volunteers, the social economy and community enterprises are increasingly important to Scotland. I recognise that they all play an important role in bolstering the overall macroeconomy.

Service provision in communities across the country is benefiting from the role that self-motivated people are playing in finding, creating and involving themselves in a wide variety of worthwhile projects. Volunteers are helping local areas to become more attractive to investors and to potential new residents.

Today, I will skew my comments towards the Highlands and Islands and rural Scotland. In doing so, I recognise that volunteering and involvement in community and social enterprises are pervasive, necessary and successful across the country. I join the chamber in congratulating those who give their time and limit their earning potential by taking part in such ventures.

I believe that the number of social enterprises per head of population is greater in the Highlands and Islands than elsewhere in the country. That is an indicator not only of the get-up-and-go attitude that is pervasive in the Highlands and Islands, but of the fact that many local people are willing and see the need to fill gaps in service provision and to take positive steps to promote long-term economic and service-level recovery.

That is happening in spite of problems that frequently make involvement more difficult, such as population sparsity, greater distances and lower average incomes. I am also thinking of issues such as the shortage of fellow volunteers with whom to share the workload, income sacrifice and the personal cost of participation. I am proud to applaud the efforts of those people who participate. I am also keen to see that those involved are held up as role models and helped so that their ventures can be taken to more sustainable and even more valuable levels.

There is a long tradition of social ventures in the Highlands and Islands. I remember reading a book called, I think, "After the '45", which I thought would be all about redcoats and Highlanders. It was about nothing of the kind; it was about economic recovery. It talked about the expatriate Scots in the London coffee houses of the 1750s, subscribing money to fund the building of west coast fishing villages and thereby saving people from destitution.

One of the founders—a particularly wealthy individual—came to the same conclusion that many people have reached subsequently: a person cannot be truly happy until he or she gives themselves and their assets over to beneficence, which is defined as doing good for other people. That was what latterly motivated Carnegie and, indeed, what motivates most people who volunteer today.

However, volunteers need more than job satisfaction; they also need support and guidance. I recognise that the Executive is improving the provision of both. Nevertheless, it is important that the sector is kept under review. We need to ensure that the good projects that deliver local Executive and government policy developments are fairly funded. We also need to ensure that the projects that work well elsewhere and that are cash positive are transferred to the communities that would benefit from them and that capable people on worthwhile projects continue to be helped to navigate funding and compliance issues.

Ideally, the Executive should answer the SCVO's call for a strategic approach to voluntary sector funding. Such an approach could also lead to the increased involvement of the social economy in the provision of public services—social enterprises would be value-for-money, quality, responsive and local-fulfilment vehicles to improve services and to keep more money in the local economy. Moreover, that approach could offer a route by which the sector can genuinely contribute towards fulfilling the aspirations for efficient government. That will need a mature debate and the acceptance of the SNP amendment.

Because many social enterprises are successful, the lessons that can be learned from them can permeate mainstream business in Scotland. I note, by way of endorsement, that some stock market analysts have said that, in general, companies that have a high level of financial participation by management and employees outperform competitors who exclude employees from sharing directly in company success.

I also note the increased incidence of universities in the United States of America spinning out their technology and bright people into not-for-profit organisations, which are much more likely to be rooted in place—or, in the case of the USA, in state. Indeed, one of the great benefits that Scottish social and community ventures deliver to the Scottish economy and our rural economy is that they are rooted in place. They can therefore boost local living standards, create local jobs, improve the quality of life and—much more important—encourage people to stay in and come to the area.

Mark Ballard (Lothians) (Green): Although I acknowledge the importance of not-for-profit enterprises, I wonder whether Jim Mather agrees that it is also important that we consider more-than-profit organisations, which combine profit with a social mission.

Jim Mather: I look forward to seeing a diverse economy in which everything has its place. A nice development in the US has occurred downstream from not-for-profit organisations, with the introduction of commercial not-for-profit companies that keep much of the wealth in local areas and generate more.

Such criteria are important with regard to the credit union movement in Scotland. I draw the Executive's attention to a motion that Fergus Ewing has lodged today. It welcomes the recent European Commission ruling that will effectively remove the cap on Government funding for credit unions, which is set at £68,000 over three years. We must acknowledge that one in 10 Scottish households still lacks basic financial products. Credit unions can play a huge part in that area. I hope that the motion will get widespread support.

I also hope that the Executive will eventually go the extra mile and ensure that social enterprises are funded fairly; I hope that it will strengthen the links and build trust and mutual respect between social enterprises and the public sector. In that context, I support Linda Fabiani's amendment.

15:46

Des McNulty (Clydebank and Milngavie) (Lab): I am not sure what the differences are between Fergus Ewing's motion and the motion that Jackie Baillie lodged earlier this week. I know that many of us have signed Jackie Baillie's motion and strongly support the role that credit unions play.

At this point, I must declare an interest: I have been a board member of the Wise Group for 10 years. I should also point out that, about 10 years ago, I was a member of the Kemp commission on the future of voluntary sector organisations, which was instrumental in developing some of the arguments about the need for charity law reform. I am glad that we have achieved legislation that addresses such reform.

The Kemp commission report also highlighted the need for sustainable long-term funding for proper development of voluntary sector organisations. Donald Gorrie made several points with which I did not agree, but I must pick up his reference to urban aid money. The problem with such funding was that it was for a limited period; it came to an end and could not be continued. Any approach to voluntary sector organisations, particularly not-for-profit organisations, should look

beyond a limited one-year or two-year timeframe towards assisting the organisations to develop a business growth strategy that will keep them sustainable for many years.

Although I welcome the development of both the futurebuilders strategy and the social economy strategy, we need to take a wider look to ensure that the Executive's overall housing strategy, its broad economic strategy, its approach to local government and the rest of its policies are considered in terms of their impact on voluntary sector and social economy organisations. If, as I believe, we want a strong social economy sectorindeed, I feel that the sector is particularly strong in Scotland-we must acknowledge its existence and nurture and sustain it. It cannot be an afterthought or something that has to fit in with everything else that is happening. We must give careful consideration to the ways in which policy impacts on such organisations.

One of the myths of dealing with poor communities or communities in which many people are unemployed or have particular needs is that the people who live in those communities are somehow different from everyone else and that what they really need is the opportunity to gather together and discuss their problems. I suppose that that could be called the African village approach. People in poor communities very often need exactly the same things as everyone else—for example, they need resources, assistance and chances to move forward into employment.

Our social economy organisations have provided such things—they have moved beyond not knowing what to do and trying to help in some nebulous way towards providing practical forms of assistance. The Wise Group, One Plus, which the minister mentioned, and Barnardo's certainly do that effectively. We have some great social economy organisations.

The Executive's priority must be to consider where organisations can contribute to a delivery agenda that not only fits in with the Executive's delivery agenda, but suits the community's social needs. I am talking about organisations that are not narrow and specific to particular circumstances, but that can bring innovation and expertise to a range of circumstances and can make a positive contribution to the development of our society.

I am concerned by the idea that the strategic futures discussion will be led by the Convention of Scottish Local Authorities and the SCVO. Those are representative organisations and must, in a sense, satisfy a whole range of different interests. However, in constructing a strategy, we cannot satisfy every interest. We must move beyond the particular and make a clear decision about what the objectives are, even though not everyone will be happy with that decision.

I urge ministers to ensure that, in considering how to take the process forward, they do not get bogged down in the square-off between the SCVO and COSLA and in ensuring that everybody is content. If that happens, there will be endless discussions and a posh version of the African village—instead of poor people talking about the future, employed people will be talking about it, and that future will be their future. If we want to progress the social economy, we must be sure about who is delivering, what is being delivered, how things can be sustained and how things fit in with our overall objectives. Those must be ministers' priorities.

### 15:52

John Scott (Ayr) (Con): I, too, must declare an interest and refer members to the register of interests. I am chairman of two co-operatives and I am a credit union member.

It is tempting to say, "Another day, another launch, another programme, another strategy and another initiative," and to ask whether a difference will be made. Cynics among us would suggest that no difference will be made—indeed, Donald Gorrie suggested that. Despite my five years in politics indeed, perhaps because of them-I am more than ever convinced of the voluntary sector's importance and of the good work that it does. Apparently, only 25 per cent of Scotland's population are volunteers, but the figure for Ayrshire and the Ayr constituency is much higher, at well over 40 per cent. I applaud the huge number of my constituents who give their time freely and selflessly to supporting volunteering in Ayrshire and the Ayr constituency.

Mentioning specific groups is always invidious, groups that egually commendation can be left out. However, with the Presiding Officer's indulgence, I would like to commend to members the good work of a few groups in South Ayrshire. I begin with Victim Support in South Ayrshire, which is chaired by Bob Leitch and backed up by Janie Mortimer and her team. That group's workload has grown enormously in recent years. Volunteers provide a valuable service to the victims of crime in our community. Cathy Jamieson and I will attend the group's annual general meeting in Ayr tonight.

Also invaluable to our communities is the local Chest, Heart and Stroke Scotland group, which is led by Sheila Cameron and Linda Allan. Their teams of volunteers do much to help people who suffer from strokes and heart attacks in Ayrshire. It was my pleasure to welcome volunteers from that group to the Parliament recently.

Another group is the Ayr branch of the National Osteoporosis Society, which is led locally by Liz

Morland and nationally by Anne Simpson. I declare an interest as the patron of the Ayr branch and commend its work and commitment to relieving pain and providing support to its members.

I am a new board member of the South Ayrshire rape crisis centre and commend the difficult work that it has undertaken. The group is led by Jean Sloan and helps the 1,800 to 1,900 victims of sexual abuse that there are annually in Ayrshire.

All those people and those in groups such as the cancer support groups, multiple sclerosis support groups and WRVS deserve our warmest thanks and support. As a result, we cannot do anything other than support the launch of project Scotland on Tuesday.

In youth work, I commend the good work of the midnight footballers, supported by the Scottish Football Association and the Bank of Scotland, and the volunteer coaches who run the scheme, which I visited recently, for our young people in Ayr. Another youth organisation that I commend to the Parliament, as an ambassador for it, is Girlguiding Scotland in Ayrshire, under the leadership of Frances Henderson and the two county commissioners. Equally, the Scout Association depends on volunteers for the development of our young men. Those are just a few of our voluntary youth organisations, but there are many more.

One issue for today's debate is the fact that volunteers are becoming harder to find, due—in part, at least—to the difficulties and timescales that are involved in getting clearance for volunteers from Disclosure Scotland. Donald Gorrie mentioned that problem, of which the minister is well aware. Although we all agree with the concept, we must be aware that the process and timescales discourage many people who would otherwise have much to give to their communities.

Another point to consider is the fact that the Charities and Trustee Investment (Scotland) Bill must not in any way make it more difficult for voluntary organisations to exist or carry out their work. Less red tape and bureaucracy rather than more should be one of the objectives and outcomes of the bill. We must not presume on the good will of the 50,000 or so voluntary organisations throughout Scotland that want to get on with their work rather than fill in forms, which is so often a consequence of new legislation.

Finally, I mention the tenants and residents groups, community forums and community councils that thrive particularly in my constituency. It is important to encourage such groups because of all the work that they do in building and strengthening the communities that they

represent, especially in north Ayr, where I live. None of those grassroots organisations finds its work easy and there is never enough funding to support groups' aspirations in either the short or the long term. Nevertheless, there is a spirit and a sense of humour in adversity and in the face of vandalism, crime and drug abuse that keep these people going. They do more for the self-esteem and confidence of their communities than is often recognised or acknowledged.

Although the Conservatives will support the Executive's motion and both amendments, we believe, as a point of principle, that there ought to be less Government interference in and more independence for the voluntary sector, as Des McNulty said. I hope that the minister will reflect on that view and I look forward to his response.

### 15:57

Karen Whitefield (Airdrie and Shotts) (Lab): The motion recognises the value of the contribution that is made by the voluntary sector in Scotland, as it has been recognised by members in numerous debates since 1999. We all accept the value of volunteering, in terms of both the benefit to the community of an increase in services and the benefit to the personal development of people who are involved in volunteering. From food co-ops to credit unions; from the Scout Association to the Girls Brigade and the Boys Brigade; from tenants associations and residents associations to meals on wheels, the efforts of volunteers help to make our communities better places in which to live.

The value of our voluntary sector to the Scottish economy has become evident over the past few years and has been pointed out by many members. The voluntary sector is a major employer in Scotland, and its activities help to keep money within some of our poorest communities. However, the benefits to our society of a vibrant and growing social economy go even wider than those that I have mentioned. In his book "Bowling Alone: The Collapse and Revival of American Community", Professor Robert Putnam describes what he and others have termed "social capital". In simple terms, social capital refers to the collective value of all social networks and the inclinations that arise from those for people to do things for one another-what Putnam terms the "norms of reciprocity".

Examples of social capital include most of the activities that we are debating today, such as community groups and church groups. They also include friendship and solidarity groups and groups of common interest, such as trade unions and clubs. Through extensive research in the United States, Putnam finds that increased levels of social capital have a wide-ranging, positive

impact on a society and on the individuals within that society. Where strong social networks exist and where people take time to do things for others, we find improved levels of general health, improved education levels, lower crime rates and increased satisfaction with life.

Putnam's conclusions are quite startling. Volunteering and becoming active in one's community are not only altruistic actions but help to make individuals healthier and happier. His work shows how social bonds are the most powerful predictor of life satisfaction. For example, he reports that, in terms of personal satisfaction, getting married is the equivalent to quadrupling one's income but that attending a club meeting regularly is the equivalent of doubling one's income.

Linda Fabiani: I would rather join a club.

**Karen Whitefield:** Perhaps Linda Fabiani should join a couple of clubs and forget about marriage.

In contrast, Putnam goes on to describe the impact of the decline of social capital in the United States of America in the past 20 years, which has led to increased health problems, increased personal discontent and increased crime levels. He blames a number of modern pressures on that reduction in social capital and highlights the need for each of us to reconnect our communities.

That is why I believe that we need a range of measures to stimulate and nurture social capital. We need to become more active in our communities and encourage others to do so. We also need to ensure that the Government provides the range of support and measures that are required to encourage volunteering and to remove any barriers to community participation. That is why I welcome the steps that are being taken by the Scottish Executive to support volunteering and to encourage more young people to volunteer. For example, the volunteering strategy that was launched in May 2004 aims to remove barriers to volunteering and improve volunteering experiences, and project Scotland aims to involve more young people between the ages of 16 and 25 in volunteering activities. That new and exciting project will provide young people with allowances and expenses that will enable them to volunteer for a period of between three and 12 months.

A wonderful example of building social capital in my constituency is the work that is carried out by the young people in the just youth project, who have worked with residents in a local sheltered housing complex to break down intergenerational barriers and build trust between young and old. They have learned to live with one another, to work together and to support one another. That has been a positive experience for the community.

Volunteering and the voluntary sector have been among the most frequently debated subjects since the birth of this Parliament, which is as it should be. Given the impact that volunteering has and its potential to change Scotland for the better, we must ensure that we in this Parliament do everything in our power to increase the level of volunteering in Scotland. We must seek to build connections and bonds within our communities both directly, through our own efforts, and indirectly, through the creation of policies and legislation that support that endeavour.

# Putnam says:

"like cookies dropped into a cookie jar, each of these encounters is a tiny investment in social capital."

I support that sentiment and the Executive's motion.

#### 16:03

John Farquhar Munro (Ross, Skye and Inverness West) (LD): We are proud of our voluntary sector, and I would like to congratulate everyone who is involved in the sector. It goes without saying that they are a vital resource in any community and that the vast majority of them are not paid to do the work that they do.

It is interesting to note that there are 50,000 voluntary organisations in Scotland, with more than 1.2 million volunteers. They are driven not by profit but by a desire to help society and their community. Those numbers are encouraging in a world that increasingly seems to be driven by a cynical profit motive.

Many communities throughout Scotland are nearly wholly reliant on volunteers to provide help to the elderly and to disabled people, old and young. It must be remembered that, although most of those volunteers are not paid for their services, significant costs are attached to the services that they deliver. In rural areas, including my constituency, there are significant additional costs associated with expenses for travel between isolated communities.

A large proportion of volunteers are not professionally trained, yet many of them have developed a great deal of expertise, which we agree is a vital resource in society. Whatever the nature of volunteers' expertise, the ability to raise money is necessary for all volunteering. The voluntary sector raised more than £2 billion last year—a vast amount of money. Nearly half of that had to be self-generated. I would argue that much of the time spent raising that money would have people been better spent caring for I am sure volunteers communities. that themselves would agree with that sentiment.

Small rural volunteering organisations in the Highlands are being crippled on a daily basis by

escalating costs. The care commission charges those organisations between £2,000 and £3,000 for registration. That is a huge amount of money for an organisation that might be run by only a handful of volunteers. In addition to those charges, organisations must also meet the additional costs of property rates, electricity bills, telephone charges and travel expenses, as well as the increased expense of water and sewerage charges.

Although the Government donates a proportion of the income received by voluntary organisations, it tends to give with one hand and take away with the other. I refer in particular to the charges imposed by the care commission. At the same time as the care commission is under the wing of the Government, it is also an arm of Government. It should be encouraged to look again at its charge levels.

The Scottish Executive would do well to remember that it would be almost impossible to measure the financial cost of delivering voluntary services. I hope that it will always keep that in mind, especially in relation to the care commission charges that I have just mentioned. There are further additional costs that have to be met by small voluntary organisations. There is no doubt that, if we lose our volunteers in society, it will be impossible for the Government to fill the breach, nor could it provide anything like the excellent service that is currently available to those in need.

I suggest that we must all collectively ensure that the voluntary sector's finances are assured and are sufficient to meet the ever-increasing demands on its services. We would be the poorer without those services in our communities. I support the motion, and I suggest that core funding be a major topic of debate in support of our voluntary services in the months ahead.

### 16:08

Elaine Smith (Coatbridge and Chryston) (Lab): I am pleased to support the Executive's motion. Earlier this year, I took part in an enterprise culture debate, in which I argued for more investment in the social economy as a means of closing the opportunity gap and thus contributing to community regeneration and strengthening the wider Scottish economy.

The social economy in Scotland has enormous potential, as we have heard in a number of speeches. Be it in financial services, in child care or in retail, the social enterprise sector has the ability to make lasting changes in communities throughout Scotland. We need only consider the growth of credit unions and the difference that they have made to the lives of countless individuals to appreciate the potential and the demand for such enterprises and services.

If I am correct in recalling this, I think that it was the Executive that made the case in Europe to which Jim Mather referred earlier. I am sure that the minister will pick up that point when he winds up.

The social economy is frequently at the forefront of developing innovative new ways to do business, to create wealth and jobs and to promote change. The volunteering opportunities that are presented by the sector often create a valuable route to permanent employment for volunteers, and provide worthwhile and fulfilling opportunities for others.

In my constituency, there is a range of social enterprises that provide valuable services to the community. The Deputy Minister for Communities mentioned child care services in her opening speech, and it is important to mention Lanarkshire Childcare Services, which provides a range of child care options for families, including breakfast clubs, after-school care and holiday play schemes. I suppose that I should declare an interest, in that my son participates in that organisation's activities.

**Linda Fabiani:** Does the member agree that where such organisations provide services and deliver ministerial and local government policy objectives, they should be adequately core funded?

Elaine Smith: It is certainly important to explore that, but I am not sure that Linda Fabiani's amendment is the right way forward. I will be interested to hear what the Minister for Communities has to say on the points that have been made about the amendment. There is certainly no doubt that such organisations need funding to continue. They provide an important service in the community.

Another enterprise that has had considerable success is the North Lanarkshire Federation of Food Co-operatives, which operates as a small company limited by guarantee and runs 11 co-ops throughout North Lanarkshire on a not-for-profit basis. The co-ops are community centred and driven and provide low-cost, high-quality produce and groceries. The federation has grown in strength since its inception in 1989 and regularly works in partnership with Lanarkshire NHS Board and North Lanarkshire Council as well as with national agencies such as the Scottish community diet project. Central to the success of the federation is the considerable support and recognition that it has been given by North Lanarkshire Council. The federation regularly supplies nurseries, playgroups and schools with produce for educational initiatives. Donald Gorrie referred to such work in his speech.

Most recently, the federation has been in talks with North Lanarkshire Council to secure a

service-level agreement to provide fruit for the 5,000 children who are set to benefit from the council's initiative to provide free fruit to nurseries. That partnership agreement will enable the federation not only to double its capacity and potentially extend its workforce but to consolidate its role in helping to deliver national priorities at a local level. The federation's local co-ops, a number of which serve some of the poorest communities in North Lanarkshire, report year-on-year growth in the sale of fruit and vegetables, with one co-op reporting a turnover of £500 per day on fruit and vegetables alone.

Not only are food co-ops making a difference in economic terms by reducing the household food bills of local families, but they are playing a key role in promoting and improving access to healthier dietary choices for people in key communities. I think that that is the type of work that Linda Fabiani is referring to in her amendment, but I want to hear what the minister has to say about it. The North Lanarkshire Federation of Food Co-operatives provides an excellent example of the way in which social enterprises can offer the Government a range of solutions to meet its goals, whether on health improvement priorities, sustainable economic development or aiding public service delivery.

I agree with Des McNulty's comments on awareness raising. In order fully to harness the potential of the social enterprise sector we need to increase promotion of it as a viable option for major service providers such as local authorities and health boards. We also need to encourage greater recognition of social enterprises among grant-making bodies and foster a culture of social enterprise within communities.

I am sure that members throughout the chamber agree that the Scottish Executive has made a significant commitment to developing the social economy in Scotland. The £18 futurebuilders programme has awarded some £3 million to 80 organisations in the social economy £150,000 to 85 individual entrepreneurs, and that is just since December. As we heard today, the Executive has also made a commitment towards establishing a co-operative development agency, which will, I hope, work further to galvanise and promote the sector. I understand that an announcement on that is expected soon, and I wonder whether the Minister can comment on it in his closing remarks.

In closing, I congratulate the Scottish Executive on its willingness to support the voluntary sector and the development of our social economy. I welcome the commitment that has been shown by local authorities such as North Lanarkshire Council and other service providers to invest in local social enterprises. Most of all, I commend the

many thousands of individuals who work in the social enterprise sector in Scotland, both the paid and the unpaid.

### 16:14

Stewart Stevenson (Banff and Buchan) (SNP): The Parliament should be one place that has an intimate and deep understanding of volunteering. I hope that none of us was elected to this place without undertaking at least some voluntary work for our respective political parties before qualifying for selection as a candidate. If the Parliament is not the place for an informed debate about volunteering, it would be hard to find such a place. If we leave entirely aside relatively minor differences about the motion and the amendments, we all point broadly in the same direction and bring our experience and contribution to the debate.

I volunteer far too often. This is my 197<sup>th</sup> parliamentary speech—that might be too many for members and for me, too.

We have had a bit of a hang-up in the debate about definitions. An important point about definitions is that they can be walls that constrain a subject. If something does not fall inside the walls, it does not fall inside the definition. It would be better for us to think of definitions as scaffolding that enables us to navigate to different points in a topic. I hope that we will take such an approach.

For example, when Patrick Harvie was here, he talked about profit. My view about profit is slightly different from his—I do not measure profit just by the folding stuff in my hip pocket. Profit concerns what is delivered back. That may be measured in money, in lives that have been saved or in the personal development of individuals.

Mark Ballard: I will speak for Patrick Harvie, who apologised for having to leave. Does Stewart Stevenson agree that profit is key for many social enterprises? If they are funded only for project work, they have no opportunity to develop reserves, to innovate and to go beyond the work that they have been asked to do. Profit is the key to allowing them flexibility and sustainability.

**Stewart Stevenson:** I suspect that I do not really disagree, although I would not call money profit in that context. It is interesting that the Greens take a more fundamentalist view of money than I do, which is slightly unexpected. However, we will not worry about that, because we do not really disagree.

A slightly different expression of the sector's financial value is that it has £1,000 of assets per head of population in Scotland, which amounts to £5 billion. That is an effective and real measure of what is going on.

The Charities and Trustee Investment (Scotland) Bill that is going through Parliament gives us another insight. As part of my research, I found more than 500 charities with addresses in my constituency. I know that others are active in my constituency but for legal reasons happen to have their head offices in Aberdeen, so they fell through my filter. The number of charities is huge.

What the voluntary sector does is extremely diverse. SCVO figures show that arts and sports account for 17 per cent of activity, that work with children and families accounts for 18 per cent and that community development and social enterprise account for 13 per cent. The SCVO has provided excellent information for us.

We cannot run organisations without income, of which trading, rents and investments provide nearly half—45 per cent. I will consider the sources of funding for the SCVO's panel. I commend the Scottish Executive for increasing its funding by 8 per cent from 2003-04, but we should put that in context. Local authorities did better and increased their funding by 10 per cent. The percentage of household expenditure on donations is only part of the funding but is nonetheless interesting. It rose from 1.5 per cent in 1998 to 2000 to 2 per cent in 2001 to 2003, which is a 33 per cent increase. Well as the Executive is doing, it is clear that it can do more.

The Executive is considering its position on the Big Lottery Fund. From an entirely personal point of view—this is not my party's position—I deeply regret the fact that so many organisations rely on what I regard as the immoral industry of gambling. Furthermore, much of that gambling money is taken from our poorest communities. On a practical level, I am far from convinced that the lottery is of any real benefit.

Volunteer Development Scotland makes the interesting point that it wants volunteers to be properly supported in their management and leadership roles. When we volunteer, we gain a great deal. As John Farquhar Munro said, we become well-trained. However, having looked through the 951 Scottish vocational qualifications, I see that no SVQ relates directly to volunteering. Perhaps we could encourage more young people to make a contribution if they could also gain that benefit. Volunteering can become a habit—an absolutely excellent habit.

Let me end by commending a slightly unusual organisation. The Mozilla Foundation is a worldwide organisation that develops software for public use at no cost. It is a tremendous thing. I have discarded all Bill Gates's rubbish and I now use Mozilla for browsing the web and for word processing. Some 50 million copies of the Mozilla internet browser have just been delivered to people around the world at no cost. Volunteers

can do big things as well as small things; we must support them to do both.

The Deputy Presiding Officer (Trish Godman): We move to wind-up speeches.

16:21

Mark Ballard (Lothians) (Green): Today's debate has given us an opportunity to celebrate the social economy in all its diversity, but the key issue is how to build a sustainable social economy. As the Deputy Minister for Communities rightly said, sustainability is achieved when organisations have a sufficiently broad base to be self-reliant. We need to consider how we can build that kind of strong, self-reliant voluntary sector and social enterprise sector.

As the minister said, organisations must determine what services look like. It must also be up to organisations to determine when to work in partnership with the state and when to take a different tack. As Patrick Harvie argued in his opening speech, the social enterprise sector is key because it provides a model for organisations that combines the ethos of the voluntary sector with the entrepreneurship of the private sector.

Both Jim Mather and Des McNulty mentioned the potential role for social enterprises in delivering public services that were previously delivered by the state. That is an important concept that we should discuss. It presents a challenge to the idea that only the state can deliver such services. We need to consider how social enterprises might take on that kind of role.

Linda Fabiani: On the delivery of public services, if social enterprises are to become part of the economy, they must be able to develop by tendering for public services. Does the member share my concern that, according to the Scottish social enterprise coalition, social enterprises face a series of barriers in competing for public contracts because of risk aversion and because of contracts being scaled up in a way that favours large organisations? Does he agree that social enterprises should be able to get involved in that market?

Mark Ballard: I very much agree with Linda Fabiani and the Scottish social enterprise coalition. All too often, the possibility of best-value procurement is mere rhetoric rather than reality. We do not get the best possible value because social enterprises are not given the opportunity to tender for the delivery of public services. Social enterprises also compete with—

**Christine Grahame:** On a point of order, Presiding Officer. I apologise for interrupting Mark Ballard, but I point out that there is no minister on the front bench to listen to his speech.

The Deputy Presiding Officer: Carry on, Mr Ballard.

Mark Ballard: I do not mind.

There is also a role for social enterprises in competing with private enterprise to deliver goods and services that are every bit as good as those delivered by the private sector but which have a wider social or environmental vision on top of that. I have been incredibly heartened by the growth of the fair trade movement, which is a really good example of social enterprise. Coffee in the form of Café Direct is every bit as good as the coffee on the rest of the supermarket shelves, but with the social and environmental guarantee of sustainability and responsibility.

We should recognise that subsidy of social enterprises that are performing useful social functions is not the same as grants or funding. Virgin Trains gets a huge subsidy from the state for providing a public service in the form of transport. If we are talking about social enterprises, we should be talking about subsidising social enterprises for the services that they deliver to wider society, not merely about funding.

Like Patrick Harvie, I am a former employee of the voluntary sector. I share the concerns about three-year funding and about the reinvention that is required to meet the need to be innovative at the end of the three-year funding period. We must recognise that there can be very unhealthy relationships between voluntary organisations and the state that funds them. All too often, sustainability simply means that a voluntary sector organisation must follow the lead given by the state as grant-giver. If they can, voluntary sector organisations should look to grow into social enterprises in the way that the deputy minister described in her opening speech and to be broader and more sustainable. We should recognise that there will always be a role for purely not-for-profit organisations, but there must also be encouragement for voluntary sector organisations to move into revenue-raising activities and social enterprises if they can. That would be a much healthier model.

We ought to talk about what can be done. Coops have been mentioned, and they provide an attractive model for many voluntary organisations that are looking to become social enterprises. Marilyn Livingstone quite rightly recognised the advantage of that model, which has a long history and, thanks to the co-operative development agency, a bright future.

We should recognise that social enterprises should have, as Patrick Harvie said, a strategic focus within the Enterprise, Transport and Lifelong Learning Department. That will be important in

developing the enterprise role of social enterprises. Chambers of commerce, local enterprise companies and universities colleges should be encouraged to promote social enterprises. That is where, in response to the SNP comments, we can look at what is happening in the DTI. We can examine the role of the social enterprise unit within the small business service at the DTI and we can learn from what it is doing, and from what the phoenix development fund is doing. I do not think that we should be shy about looking at models from England and Wales if those models are successful and could be of benefit to us. That is why I am disappointed that the SNP seems unable to support the Green amendment, which simply encourages us to look at the models that are proving successful in other parts of the United Kingdom.

There is a huge challenge for the social enterprise sector. It has huge benefits and huge potential advantages to society, but it has to accept that there are winners and losers and that there are mergers and closures in enterprise. Meeting that challenge of being real enterprises with a social mission can bring huge benefits to Scotland, and that is why I am pleased that there has been support for our amendment, which I hope will start to take that process forward.

# 16:28

Robert Brown (Glasgow) (LD): There have been a number of strands in this interesting debate. The voluntary sector strand and the social economy strand have shot off in slightly different directions during the debate, but we keep returning to the linkages between them. I was interested to hear Mark Ballard, in closing for the Greens, talking about the delivery of public services. It struck me that one thing that happens in the voluntary sector and social economy is not so much the delivery of existing public services as the identification of new public services and new needs that fall between the cracks of what the public sector is able to deliver. That is one of the most important aspects of the debate. Des McNulty talked about the Wise Group, which falls very much into that category, as do housing associations and a number of other organisations of that sort.

The previous debates that we have had on similar subjects, of which there have been many, do not lessen in the slightest the importance of debating the social economy and the voluntary sector, because of their importance to the fabric of our society. To imagine Scotland without the voluntary sector and the social economy would be to envisage something that is very much poorer than the current set-up. There would be no sports clubs, drug projects, scouts or guides. There

would be no parent-teacher associations, Royal National Institute of the Blind, CABx, housing associations, Remploy or Wise Group. The list is endless. There are 50,000 such organisations. I think that the figure has gone up since the Parliament was established, because I am sure that the figure that we used to cite back in 1999 was 44,000. Scotland would be immeasurably poorer without those organisations.

We heard about the number of adult volunteers, the number of paid staff—another growth area—and the amount of money that is raised: about £2.6 billion a year. I sometimes wonder who counts up some of those figures. It must be Stewart Stevenson or his like, who lurk in the background in a statistics department in the voluntary sector. The Scottish Executive has a good record for supporting capacity building in the social economy and the voluntary sector generally. Obviously, the establishment of the co-operative development agency, futurebuilders Scotland and the national youth voluntary programme will all play their part.

Many problems arise at the local level. I will address one or two key points that have been touched on by other members. First, core funding is central—there are no two ways about that. It is an on-going thorn in the side, but the issue is often at local council rather than ministerial level. We must find ways to ensure that, as a minimum, three-year guaranteed rolling core funding is made available to many more organisations. Frankly, some councils are significantly better than others at doing that, but there is significantly less progress than there ought to be. There is sometimes an empire-building mentality that causes councils to say that a particular thing must be done in the public sector and that the voluntary sector will not be allowed an opportunity. That affects funding decisions.

**Linda Fabiani:** I share Robert Brown's concern and he makes a very good point.

I was also concerned to read today a press release from the SCVO about research by the University of Strathclyde. The research found that councils were insisting on cuts to conditions and pay among the employees of voluntary sector service providers, so that the council's costs would be kept down when they bought in the services. Does Robert Brown share that concern? Annie Gunner states:

"When providers complain about this, they are told that they are in a market, and this is how markets work, which I would have thought is a scarcely credible position for a government committed to social justice."

We should consider that issue.

**Robert Brown:** I share Linda Fabiani's concern. That has been an issue throughout the history of

the voluntary sector. In fairness, the point is now more widely recognised than it was, but it is still an issue.

Fluctuating funding is an issue. We have talked about urban aid and the need that councils have had to make up the loss of funding when urban aid funding, lottery funding or whatever stops. When I visited some Glasgow schools with the Education Committee I came across the issue of European structural funding that supported school-college links. That is not in the voluntary sector, but the same point arises. We must be careful to ensure that there are sustainable sources of funding.

To a degree, I challenge the idea that every voluntary sector and social economy project must move towards self-sustainability. Many projects cannot do that and we must recognise the need for core funding. Some very good projects, such as the Castlemilk wind farm project, can become self-sustaining. That project could exist in the social economy once it gets off the ground and it ought to produce a substantial input of voluntary sector seedcorn funding that will help other organisations in the area. If that model is successful it should be built on, but the theory that voluntary sector projects can always be made self-sustaining is fallacious. There is a need for independent funding.

Mark Ballard: Will the member give way?

**Robert Brown:** No. I cannot take any more interventions.

It is not easy to provide sustainable and effective independent funding. The Big Lottery Fund, which has been mentioned, is probably the nearest thing to an independent voluntary sector funder in Scotland. It should be left as free as it can be to do that effectively.

There is a need to recognise the burdens that new regulation places on the voluntary sector. I agree with Donald Gorrie's point, which was wrongly understood by the chamber. Whether it be houses in multiple occupation regulations that affect Abbeyfield, the requirements of the Scottish Commission for the Regulation of Care or the pressures of the disclosure regime, they all impose a burden of compliance and training on organisations. That burden is neither adequately recognised nor resourced.

We must either re-examine the regulations and consider whether they are necessary in their present form or identify and properly fund their training and administration implications. It is short-sighted to talk about the importance of giving young people opportunities to take part in interesting activities and outdoor events while imposing new, unfunded burdens on the voluntary organisations that do the business on the ground. There is a suggestion that 15 per cent

administration costs should be taken on board throughout the voluntary sector, but there should be particular support for training in that context.

Such issues must be tackled effectively in partnership with the voluntary sector and through the strategic funding review. I hope that the minister will take on board the point that was made about COSLA's slight conflict of interest in relation to the review. The proposed approach is not necessarily the right way forward. I support the motion.

16:35

Mr David Davidson (North East Scotland) (Con): To the annoyance of Robert Brown, I will mention a statistic that I often cite. Service delivery by the voluntary and social enterprise sector is equivalent to 25 per cent of the Scottish Executive's budget. We must explain figures of such magnitude simply, so that people can understand the value of the sector.

John Farquhar Munro made an important observation when he said that people volunteer because they desire to serve their communities. That is a major principle of the matter that we are considering.

The minister welcomed the diversity of the sector. She talked about its sustainability and admired its determination. She also said that she acknowledged that the sector should set its own agenda and have its own focus and ways of doing things. She must therefore agree with the Conservatives in wanting light government, minimal, simplified regulation and simplified processes for applying for funding. The complexity of the different funding streams that are currently available is such that people almost have to be experts in finding funding before they can do anything. The minister talked about futurebuilders and projects that will involve partnerships with the banks. It is excellent that the private sector is involved, but people will need help in applying for grants and in running their audit and management systems to the appropriate standards.

Linda Fabiani talked about social enterprise and reinvesting profit and I welcome her comments about wealth creation. Of course, an enterprise-friendly environment would benefit Scotland's social enterprise sector as well as the commercial sector. If we agree on that, we might get the benefits, because the increasing costs on businesses—water charges, rates and so on—are a huge burden. There are other burdens—

Linda Fabiani: Will the member give way?

**Mr Davidson:** I was just going to say that we support the Scottish National Party amendment. It is common sense that an organisation that

delivers a service on behalf of a council, a health board or the Executive should receive the support that the amendment calls for, as long as it is performing to the right standard.

**Linda Fabiani:** Does the member agree that organisations that put money aside because they want to build capacity, buy equipment or increase their asset base are disadvantaged, because local authorities often cut the funding of organisations that have money in the bank, which means that there is no incentive to be prudent?

**Mr Davidson:** Yes. I witnessed that happening when I was in local government.

Many good points were made in the debate. My colleague Mary Scanlon talked about the personal benefits of volunteering. She was one of the first members to mention funding problems and the effort that is required by organisations to keep grinding on if they are to survive until they receive the next bit of support. She was also the first of many members to talk about the Scottish Commission for the Regulation of Care's charges. I have talked to people at the care commission who are frankly embarrassed by the charges that they are obliged to levy because of how the commission was set up. The sooner the care commission's costing and funding package is reviewed the better, because the current system offers a sledgehammer to crack a nut and prevents people performing their duties.

Mary Scanlon talked about helping individuals or communities to help themselves and she was not the only one to make that point. The objective should be to give people back their pride in their community.

John Scott talked about community councils. I was the founding chairman of the association of community councils. There were good community councils and there were poor ones; it depended on the quality of the volunteers and on the treatment they received from their local authorities. That treatment could often be a very negative influence.

Robert Brown made an important point when he said that councils appeared to be taking things inhouse. That appears to be the view of the voluntary sector itself.

I agree with some of what Donald Gorrie said. Why can councils not procure services from the social sector? What about contracting? Many people are going on and on about Disclosure Scotland. The timescales are getting better but they are not exactly brilliant. That is a huge hurdle. I accept the need for a system of review because we have to have safe communities, but we really do not need the present heavy-handed approach that means that if someone works for three different organisations they need three clearances. That is overkill.

Because they are strapped for cash, health boards are closing down their funding for many care charities.

In conclusion, I repeat that we need less interference from the Executive. We need lighter government. We have to simplify the number of funds and reduce the number of hoops that people have to go through. Otherwise, too many people will just give up.

16:41

Christine Grahame (South of Scotland) (SNP): I know that I am not always the best behaved member in this chamber, as the frowns from the Presiding Officers often tell me. However, and even though I may be making a noose for my own neck, I detect a trend. Increasingly, members who have taken part in a debate are not present for the wind-up speeches. I appreciate that members may have other commitments, but their absence can be inappropriate when those winding up answer points that they have raised or perhaps even compliment them.

Johann Lamont: Compliment me?

**Christine Grahame:** Not yet, minister, although I think that there will be tiny compliments later.

I should say that I am a member of a credit union—although that is not in the register of members' interests—and I worked for a long time as a volunteer solicitor at a citizens advice bureau. Like everybody else here, I have done bits and pieces.

I welcome the minister's initial comment that we should not be patronising about the voluntary sector. If all we do is talk about motherhood and apple pie, we do a huge disservice to the voluntary sector. The sector is dynamic and robust, and it deals with difficult issues—sometimes too difficult.

It was also appropriate that the minister celebrated diversity—the volunteers range from individuals to mega-organisations. She also touched on the provision of vital services. Our amendment relates to that, and I will come to it later. She also touched on homelessness. One thinks of the work of Shelter Scotland to address policy on homelessness and one thinks of "The Big Issue", which has taken the stigma away from being homeless. "The Big Issue" is a major and inyour-face operation; people coming out of supermarkets meet people who are homeless and can buy a magazine that is worth buying.

Shelter and "The Big Issue" are major contributors but there are also small ones. I thought that John Scott was reading out the charities in his constituency from "Yellow Pages". As he spoke, I could see press releases growing like fruit on the trees—but why not, John, why not?

I am going to talk about Homestart, which does not operate in my constituency; I just happened to meet some people who work for it. The organisation has a £25,000 budget for different areas. Using that money, it supports families in difficulty that have children under five years of age.

**John Scott:** Will the member take an intervention?

Christine Grahame: He fell for the bait, and no wonder.

**John Scott:** Will the member be putting out a press release about her speech?

Christine Grahame: Absolutely not.

I was talking about Homestart, which spends only about £5,000 on each family. We could consider the example of a mother who has postnatal depression and is not coping. With that little bit of money, the family can stay together and the children can avoid health problems. The children will also not stop attending school.

Stewart Stevenson pointed out that the benefit of the voluntary sector is not always monetary but can be something else that is hard to weigh.

Linda Fabiani was right to say that social enterprises emerged from the voluntary sector. She was also correct that there are too many funding strands for voluntary sector organisations, which is a point with which many members have sympathy—I sense that there could be support for the SNP amendment, although it will not get it, except from the Conservatives and perhaps from the Greens. Funding does not always begin and end at the same time, so an organisation might have three-year funding from one stream and another that starts at a different time, which creates difficulties.

That brings me to Stewart Stevenson's mixed metaphor, which was the glory of the debate and a joy to hear. He talked about using scaffolding to allow us to navigate. I wonder how we would get on, navigating the seas of life with scaffolding round us, but there we are—that shows that I was listening to his speech. The serious issue is the importance of continuity of funding. The issue is not simply about providing a blank cheque. Our amendment mentions

"measures to ensure continued and stable core funding",

which of course would be put in place after discussion with the voluntary sector. That could mean audit trails or assessment, but surely once a project is established it should not have to fight for funding from the various sources, such as the Lloyds TSB Foundation for Scotland and lottery funding. I agree with Stewart Stevenson—in fact, I think that it is party policy—that we should have a

national lottery fund. I regard the lottery as a voluntary tax on the poor that is then applied to people who are poor.

Mary Scanlon's points about the citizens advice bureaux were correct—they almost have the role of solicitors and they have concerns about their funding. I do not always enjoy Donald Gorrie's speeches, but I enjoyed today's. I agree with him local control, fairness in procurement and the need for sustained core funding. We saw that need in the Justice 1 Committee when we considered throughcare provision for prisoners. I concur completely with Donald Gorrie's points on disclosure. The present system uses a hammer to crack a walnut, or whatever the metaphor is-I am drowning in metaphors-and gives rise to unfairness. If somebody has a complaint made against them and the police make a charge but the case is not prosecuted, the matter remains on the disclosure form, even though there has been no test of the evidence and the person has had no chance to clear their name.

I understood Jim Mather's speech, although I do not always understand his language. He had a delicious phrase about navigating financial and compliance issues. We are doing a lot of navigating in this part of the chamber—perhaps Jim will need some of Stewart Stevenson's scaffolding. Jim Mather also talked about a local fulfilment vehicle, which I think means a charity or a voluntary organisation. I do not mean to be spiteful; he is really good on such matters and he taught economics, but sometimes I am at a loss. He made a serious point about the role of volunteers in making areas more attractive to investors and businesses and the knock-on effect of that. I agree with Karen Whitefield that volunteering is good for the volunteer-that is selfevident-and John Farguhar Munro was right about the increased costs for people who volunteer in rural areas.

We will vote against the Green amendment, because the suggestion is too complicated and the issue is already too complicated—it is a quagmire. We thank the Conservatives for their support for our amendment. As the Executive will accept the Green amendment, we have no choice but to abstain on the Executive's motion. The issue of core funding is essential because if small, medium and large voluntary sector organisations stopped tomorrow, basic services would also stop.

16:48

The Minister for Communities (Malcolm Chisholm): The strength and value of the voluntary sector have been referred to many times in the debate, but I repeat and reinforce that point. I acknowledge the extraordinary breadth and

depth of the work of the voluntary sector and pay tribute to the thousands of paid workers and volunteers who make up that growing third sector, which is a major service provider and agent of change that contributes to economic and social objectives. I particularly value the sector's independence, its frequent emphasis on community action from the ground up and the many ways in which it provides help and support to those who are in need.

I was conscious of that in my previous portfolio. For example, I was aware of various organisations that improve mental health services throughout Scotland-such as the Scottish Association for Mental Health—the food co-ops to which Elaine Smith referred and the many patient support groups for particular illnesses. It is the same, of course, in my new portfolio. For example, I am conscious of groups that are working around domestic abuse, such as Scottish Women's Aid. I also conscious of credit unions and organisations that are working regeneration. Such groups are fashioning programmes of improvement from below, and are working with people to help them take greater control, which is supported by Donald Gorrie, Christine Grahame and others.

We are already committed to supporting the voluntary sector in a number of ways, by providing funding, by improving regulatory frameworks and by setting out our strategy to increase the quality and quantity of volunteers. We shall now build on the considerable progress that we have made.

Funding has been a major issue in this debate, and was emphasised by Christine Grahame in her wind-up speech and by Donald Gorrie and others earlier in the debate. Scottish Executive funding for the voluntary sector is substantial. Our financial commitment to the sector now stands at more than £400 million each year. Even so, funding is a persistent concern. Too often, funding is awarded on a short-term basis, with the result that organisations spend a large proportion of their time chasing new funding sources and reapplying for grants. That can mean stopping and starting projects on the ground, which can lead to the disruption of services that often support the most vulnerable in our communities.

We want to make it easier for voluntary organisations to do what they do best by focusing on service delivery. The Executive is committed to providing a rolling programme of three-year funding. We want continuity of funding for outcomes, so that good projects on the ground are not threatened with closure because of short-term funding crises. To that end, I am delighted that with our partners, SCVO and COSLA, we have managed to agree some principles for taking forward the strategic funding review. Through that,

we aim to move towards an investment culture in which funding decisions are made on the basis of working together to deliver the best services for the people of Scotland.

SCVO, COSLA and the Executive are committed to taking forward those principles, including a move towards full cost recovery. Some issues relating to the impact that full cost recovery might have on the voluntary and public sectors are still to be resolved, but the principle of full cost recovery is widely accepted. We need to work on how we will apply that principle across Government, local authorities and the voluntary sector. We will shortly undertake a piece of work to examine the benefits, risks and costs of implementing full cost recovery, and to inform a realistic and manageable way forward.

Good progress on funding has been made in the strategic funding review, but the language of the SNP tries to take us backwards. The current distinction between core and project funding is regarded by all the partners, including SCVO, as unhelpful. It can lead to organisations artificially splitting costs between those two categories, and can lead to a focus on processes and outputs, as opposed to the valuable outcomes that we are all working towards. This is all about continuity of funding for outcomes, which is why we will not support the SNP amendment.

**Linda Fabiani:** I welcome what the minister says about the measures that he is taking, but I fundamentally disagree that core funding is a move backwards. I suggest that the vast majority of volunteers who are trying to run small organisations on shoestrings would agree with the SNP position.

Malcolm Chisholm: That is not the position that has been adopted by the partners in the strategic funding review. The important issue is continuity of funding. We are trying to get beyond the distinction between core and project funding, and the SCVO accepts that.

Linda Fabiani asked about how futurebuilders programme is progressing. It is now up and running and starting to issue a considerable number of investments that will make a difference. It has been a popular programme. She also asked whether grant-aided time-limited funding was adequate in itself. Of course more must be done. On Monday I visited Almond Valley Heritage Trust in Livingston, where I launched social investment Scotland's new £6 million loan fund to complement futurebuilders—£3 million was provided by the Executive, which was matched with a further £3 million from the Bank of Scotland. The new fund, called futurebuilders plus, will provide loan finance to support the activities of social economy organisations that are seeking assistance from the futurebuilders Scotland

investment fund, and will enable the continuation of the lending activities undertaken by social investment Scotland.

Jim Mather and Mary Scanlon mentioned specific social economy organisations with approval.

Patrick Harvie: Will the minister give way?

Malcolm Chisholm: I have no time, I am sorry.

Mary Scanlon mentioned the Shetland Soap Company, which has developed with futurebuilders support. I visited a similar soap company in Edinburgh recently and met people with mental health problems who are doing real jobs for a high-quality commercial soap production enterprise. That is a working model of opportunity, equality and fairness for everyone who lives in Scotland and it is what our investment in the social economy is all about.

I say to Elaine Smith that an announcement about the co-operative development agency will be made very soon.

Mary Scanlon also mentioned the compact. We recently published a revised strengthened compact to reinforce the relationship between the Executive and the voluntary sector. Within the compact, the independence of the voluntary sector is celebrated and I believe that its responsibility to work with us and challenge us contributes to the effective and development and delivery of policy across all policy areas. I am pleased that local compacts are developing. For example, Edinburgh has an innovative compact that shows commitment to increasing the role of the voluntary sector in policy development, decision making and service delivery at all levels in the city.

There are a number of other points to which I want to respond, but first I will deal with the substantive issue of volunteers, about which Marilyn Livingstone and Karen Whitefield—among others-talked eloquently. Scotland needs a steady supply of volunteers and organisations that have the skills to get the best out of them. Our volunteering strategy shows how we can get such a supply and we provide the innovation, commitment and resources to back it up. We have relaunched the millennium volunteer programme, which will receive more than £1.6 million over the next two years. We are stimulating the supply of volunteers through project Scotland, which the Scottish Executive will provide with more than £11 million of funding over the next three years. On Tuesday, the First Minister launched project Scotland and opened it for business. Getting the programme off the ground has been a truly remarkable achievement. The Russell committee report, which was published in March, concluded that more needed to be done to engage young people and get them involved. It identified a range of barriers to volunteering, including tax and benefits concerns, which we are taking up with the Department for Work and Pensions.

Project Scotland is addressing the other issues and delivering on the ground something concrete that the young people of Scotland today can regard as an important opportunity. It is already acting as a model for full-time youth volunteering elsewhere in the UK. Over the next year, we will think about how to develop project Scotland, especially its international element. Investment in such programmes reaps benefits, not just in the form of an improved supply of volunteers for voluntary organisations, but in the form of the lifechanging impact that volunteering can have on volunteers.

I think that I have time for a few more replies before I wind up. Mary Scanlon mentioned the money that was spent on a building in Inverness, but that building is not just for the SCVO-it will house a range of voluntary organisations. I understand that one of the organisations that is in discussions with the SCVO is the Inverness CAB. to which Mary Scanlon referred. A broad range of community organisations will benefit from the new building. Mary Scanlon suggested that money was being spent on that building rather than on money advice, but I remind her of the millions of pounds that are being spent on money advice and of the forthcoming financial action plan, which will inject another £5 million into money advice and related services, such as those that are provided by credit unions.

Donald Gorrie made some points about the operation of the disclosure system, but I agree with Karen Whitefield that the safety of Scottish children is paramount and that we need to protect our volunteers. I acknowledge that there have been difficulties with the system and, for that reason, we are working closely with Disclosure Scotland to improve its operational efficiency.

I had better move to my conclusion. We have covered a great deal of ground in the debate and I want to restate the importance that we attach to working with the sector to develop further our vision for the future. I am looking forward to launching the new process of engagement between the Executive and the sector at our away day in Edinburgh next Wednesday. I want us to explore new areas of growth and potential within the voluntary sector. We will consider the continued increase in the number and diversity of ways in which individuals can contribute to society, whether through charities, social enterprises, cooperatives, self-help groups or campaigning organisations. We will think about new ways for voluntary organisations to deliver public services that add value to those that are provided by the

state. Other issues that we will explore are the continued growth in community-focused organisations, which allow us to come together to take part in arts and sports, to learn new skills, to support our children and young people and to care for our older people, and the value and potential of the sector's policy development and campaigning role, through which it challenges us all to do things better.

The voluntary sector is playing a growing role in the big issues of tackling poverty, fighting crime and improving health. Voluntary organisations that are grounded in local communities are uniquely well placed to create the social capital that Karen Whitefield spoke about at great length and with great insight. The Executive is therefore strongly committed to supporting a growing third sector that is valued for its ingenuity, independence and for the vital role that it plays in building social capital, delivering services and supporting those in need.

I commend the motion in my name, along with the Green amendment.

# **Business Motion**

17:00

The Deputy Presiding Officer (Trish Godman): The next item of business is consideration of business motion S2M-2831, in the name of Margaret Curran, on behalf of the Parliamentary Bureau, setting out a business programme.

Motion moved,

That the Parliament agrees the following programme of business—

Wednesday 25 May 2005

2.30 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Ministerial Statement: Building a

Health Service Fit for the Future

followed by Executive Debate: 3rd Meeting,

World Youth Congress

followed by Business Motion

followed by Parliamentary Bureau Motions

5.00 pm Decision Time followed by Members' Business

Thursday 26 May 2005

9.15 am Parliamentary Bureau Motionsfollowed by Scottish National Party Business

11.40 am General Question Time

12 noon First Minister's Question Time

2.15 pm Themed Question Time—

Enterprise, Lifelong Learning and

Transport;

Justice and Law Officers

2.55 pm Stage 3 Proceedings: Prohibition of

Female Genital Mutilation (Scotland)

Bill

followed by Parliamentary Bureau Motions

5.00 pm Decision Time followed by Members' Business

Wednesday 1 June 2005

2.30 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Preliminary Stage Debate: The Baird

Trust Reorganisation Bill

followed by Local Government and Transport

Committee Debate: 4th Report 2005, Inquiry into issues arising from the

Transport (Scotland) Act 2001

followed by Business Motion

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Thursday 2 June 2005

9.15 am Parliamentary Bureau Motions

followed by Executive Business11.40 am General Question Time

12 noon First Minister's Question Time

2.15 pm Themed Question Time—

Education and Young People,

Tourism, Culture and Sport;

Finance and Public Services and

Communities

followed by Stage 3 Proceedings: Protection of

Children and Prevention of Sexual

Offences (Scotland) Bill

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business—[Ms Margaret

Curran.]

Motion agreed to.

# **Parliamentary Bureau Motions**

17:00

The Deputy Presiding Officer (Trish Godman): The next item of business is consideration of five Parliamentary Bureau motions. I ask Margaret Curran to move motions S2M-2826 and S2M-2827, on membership of committees and motions S2M-2828 to S2M-2830, on approval of Scottish statutory instruments.

Motions moved.

That the Parliament agrees that Mr Jamie Stone be appointed to replace Mike Pringle on the Enterprise and Culture Committee.

That the Parliament agrees that Mike Pringle be appointed to replace Mr Jamie Stone on the Justice 1 Committee.

That the Parliament agrees that the draft Fire (Scotland) Act 2005 (Relevant Premises) Regulations 2005 be approved.

That the Parliament agrees that the draft Mental Health (Medical treatment subject to safeguards) (Section 234) (Scotland) Regulations 2005 be approved.

That the Parliament agrees that the draft Mental Health (Medical treatment subject to safeguards) (Section 237) (Scotland) Regulations 2005 be approved.—[Ms Margaret Curran.]

# **Decision Time**

17:01

Deputy The Presiding Officer (Trish Godman): There are eight questions to be put as a result of today's business. The first question is, that amendment S2M-2824.1, in the name of Kenny MacAskill, which seeks to amend motion S2M-2824, in the name of Cathy Jamieson, on tackling serious organised crime and developing strategic partnerships, be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

Adam, Brian (Aberdeen North) (SNP) Baird, Shiona (North East Scotland) (Green) Ballance, Chris (South of Scotland) (Green) Ballard, Mark (Lothians) (Green) Byrne, Ms Rosemary (South of Scotland) (SSP) Canavan, Dennis (Falkirk West) (Ind) Crawford, Bruce (Mid Scotland and Fife) (SNP) Cunningham, Roseanna (Perth) (SNP) Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP) Fabiani, Linda (Central Scotland) (SNP) Fox, Colin (Lothians) (SSP) Gibson, Rob (Highlands and Islands) (SNP) Grahame, Christine (South of Scotland) (SNP) Harvie, Patrick (Glasgow) (Green) Hyslop, Fiona (Lothians) (SNP) 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) Maxwell, Mr Stewart (West of Scotland) (SNP) McFee, Mr Bruce (West of Scotland) (SNP) Morgan, Alasdair (South of Scotland) (SNP) Neil, Alex (Central Scotland) (SNP) Robison, Shona (Dundee East) (SNP) Ruskell, Mr Mark (Mid Scotland and Fife) (Green) Scott, Eleanor (Highlands and Islands) (Green)

#### **AGAINST**

Alexander, Ms Wendy (Paisley North) (Lab) Arbuckle, Mr Andrew (Mid Scotland and Fife) (LD) 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) Chisholm, Malcolm (Edinburgh North and Leith) (Lab) Curran, Ms Margaret (Glasgow Baillieston) (Lab)

Sheridan, Tommy (Glasgow) (SSP)

Sturgeon, Nicola (Glasgow) (SNP)

Welsh, Mr Andrew (Angus) (SNP)

White, Ms Sandra (Glasgow) (SNP)

Stevenson, Stewart (Banff and Buchan) (SNP)

Swinburne, John (Central Scotland) (SSCUP)

Swinney, Mr John (North Tayside) (SNP)

Ferguson, Patricia (Glasgow Maryhill) (Lab) Finnie, Ross (West of Scotland) (LD) Glen, Marlyn (North East Scotland) (Lab) Gorrie, Donald (Central Scotland) (LD) Henry, Hugh (Paisley South) (Lab) Home Robertson, 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) Jamieson, Margaret (Kilmarnock and Loudoun) (Lab) Lamont, Johann (Glasgow Pollok) (Lab) Livingstone, Marilyn (Kirkcaldy) (Lab) Lyon, George (Argyll and Bute) (LD) Macdonald, Lewis (Aberdeen Central) (Lab) Macintosh, Mr Kenneth (Eastwood) (Lab) Maclean, Kate (Dundee West) (Lab) Macmillan, Maureen (Highlands and Islands) (Lab) 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) 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 Farguhar (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) 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) Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD) Watson, Mike (Glasgow Cathcart) (Lab) Whitefield, Karen (Airdrie and Shotts) (Lab)

Deacon, Susan (Edinburgh East and Musselburgh) (Lab)

Eadie, Helen (Dunfermline East) (Lab)

**ABSTENTIONS** Aitken, Bill (Glasgow) (Con) Brocklebank, Mr Ted (Mid Scotland and Fife) (Con) Davidson, Mr David (North East Scotland) (Con) Douglas-Hamilton, Lord James (Lothians) (Con) Fergusson, Alex (Galloway and Upper Nithsdale) (Con) 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) 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) Scanlon, Mary (Highlands and Islands) (Con) Scott, John (Ayr) (Con)

Tosh, Murray (West of Scotland) (Con)

The Deputy Presiding Officer: The result of the division is: For 36, Against 61, Abstentions 16.

Amendment disagreed to.

The Deputy Presiding Officer: The second question is, that amendment S2M-2824.2, in the name of Annabel Goldie, which seeks to amend motion S2M-2824, in the name of Cathy Jamieson, on tackling serious organised crime and developing strategic partnerships, be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

#### For

Aitken, Bill (Glasgow) (Con) Brocklebank, Mr Ted (Mid Scotland and Fife) (Con) Davidson, Mr David (North East Scotland) (Con) Douglas-Hamilton, Lord James (Lothians) (Con) Fergusson, Alex (Galloway and Upper Nithsdale) (Con) 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) McGrigor, Mr Jamie (Highlands and Islands) (Con) 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) Scanlon, Mary (Highlands and Islands) (Con) Scott, John (Ayr) (Con) Tosh, Murray (West of Scotland) (Con)

#### AGAINST

Alexander, Ms Wendy (Paisley North) (Lab) Arbuckle, Mr Andrew (Mid Scotland and Fife) (LD) 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) Byrne, Ms Rosemary (South of Scotland) (SSP) Canavan, Dennis (Falkirk West) (Ind) Chisholm, Malcolm (Edinburgh North and Leith) (Lab) Curran, Ms Margaret (Glasgow Baillieston) (Lab) Deacon, Susan (Edinburgh East and Musselburgh) (Lab) Eadie, Helen (Dunfermline East) (Lab) Fabiani, Linda (Central Scotland) (SNP) Ferguson, Patricia (Glasgow Maryhill) (Lab) Finnie, Ross (West of Scotland) (LD) Fox, Colin (Lothians) (SSP) Glen, Marlyn (North East Scotland) (Lab) Gorrie, Donald (Central Scotland) (LD) Grahame, Christine (South of Scotland) (SNP) Henry, Hugh (Paisley South) (Lab) Home Robertson, 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) Jamieson, Margaret (Kilmarnock and Loudoun) (Lab) Kane, Rosie (Glasgow) (SSP) Lamont, Johann (Glasgow Pollok) (Lab) Leckie, Carolyn (Central Scotland) (SSP)

Macdonald, Lewis (Aberdeen Central) (Lab) Macintosh, Mr Kenneth (Eastwood) (Lab) Maclean, Kate (Dundee West) (Lab) Macmillan, Maureen (Highlands and Islands) (Lab) Martin, Campbell (West of Scotland) (Ind) 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) 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) Robson, Euan (Roxburgh and Berwickshire) (LD) Rumbles, Mike (West Aberdeenshire and Kincardine) (LD) Scott, Tavish (Shetland) (LD) Sheridan, Tommy (Glasgow) (SSP) Smith, Elaine (Coatbridge and Chryston) (Lab) Smith, Iain (North East Fife) (LD) Smith, Margaret (Edinburgh West) (LD) Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) Swinburne, John (Central Scotland) (SSCUP) Watson, Mike (Glasgow Cathcart) (Lab) Whitefield, Karen (Airdrie and Shotts) (Lab) **ABSTENTIONS** 

Livingstone, Marilyn (Kirkcaldy) (Lab)

Lyon, George (Argyll and Bute) (LD)

Adam, Brian (Aberdeen North) (SNP) Baird, Shiona (North East Scotland) (Green) Ballance, Chris (South of Scotland) (Green) Ballard, Mark (Lothians) (Green) Crawford, Bruce (Mid Scotland and Fife) (SNP) Cunningham, Roseanna (Perth) (SNP) Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP) Gibson, Rob (Highlands and Islands) (SNP) Harvie, Patrick (Glasgow) (Green) Hyslop, Fiona (Lothians) (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) Maxwell, Mr Stewart (West of Scotland) (SNP) McFee, Mr Bruce (West of Scotland) (SNP) Morgan, Alasdair (South of Scotland) (SNP) Neil, Alex (Central Scotland) (SNP) Robison, Shona (Dundee East) (SNP) Ruskell, Mr Mark (Mid Scotland and Fife) (Green) Scott, Eleanor (Highlands and Islands) (Green) Stevenson, Stewart (Banff and Buchan) (SNP) Sturgeon, Nicola (Glasgow) (SNP) Swinney, Mr John (North Tayside) (SNP) Welsh, Mr Andrew (Angus) (SNP) White, Ms Sandra (Glasgow) (SNP)

**The Deputy Presiding Officer:** The result of the division is: For 17, Against 70, Abstentions 27.

## Amendment disagreed to.

The Deputy Presiding Officer: The third question is, that motion S2M-2824, in the name of Cathy Jamieson, on tackling serious organised crime and developing strategic partnerships, be agreed to.

#### Motion agreed to.

That the Parliament believes that tackling serious organised crime is key to a safer Scotland; recognises that criminal networks operate across local, national and international boundaries; commends the achievements of those responsible in Scotland for bringing to justice those engaged in serious organised crime; supports the Scottish Executive's actions to achieve speedy and efficient court processes, its efforts to ensure greater co-operation with European and international criminal justice agencies and its plans to strengthen the status of the Scottish Drug Enforcement Agency; commends the success of the Crown Office in recovering £5.4 million since the introduction of the Proceeds Of Crime Act 2002, and will continue to support the sustained efforts of all those involved in disrupting and destroying the criminal networks which profit from inflicting violence and misery on communities in Scotland.

The Deputy Presiding Officer: The fourth question is, that amendment S2M-2825.1, in the name of Linda Fabiani, which seeks to amend motion S2M-2825, in the name of Malcolm Chisholm, on the voluntary sector and the social economy, be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

## FOR

Adam, Brian (Aberdeen North) (SNP) Aitken, Bill (Glasgow) (Con) 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) Davidson, Mr David (North East Scotland) (Con) Douglas-Hamilton, Lord James (Lothians) (Con) Ewing, Fergus (Inverness East, Nairn and Lochaber) (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) Hyslop, Fiona (Lothians) (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) Martin, Campbell (West of Scotland) (Ind) Marwick, Tricia (Mid Scotland and Fife) (SNP) Mather, Jim (Highlands and Islands) (SNP) Matheson, Michael (Central Scotland) (SNP) Maxwell, Mr Stewart (West of Scotland) (SNP) McFee, Mr Bruce (West of Scotland) (SNP)

McGrigor, Mr Jamie (Highlands and Islands) (Con)

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) Neil, Alex (Central Scotland) (SNP) Robison, Shona (Dundee East) (SNP) Scanlon, Mary (Highlands and Islands) (Con) Scott, John (Ayr) (Con) Sheridan, Tommy (Glasgow) (SSP) Stevenson, Stewart (Banff and Buchan) (SNP) Sturgeon, Nicola (Glasgow) (SNP) Swinburne, John (Central Scotland) (SSCUP) Swinney, Mr John (North Tayside) (SNP) Tosh, Murray (West of Scotland) (Con) Welsh, Mr Andrew (Angus) (SNP) White, Ms Sandra (Glasgow) (SNP)

AGAINST Alexander, Ms Wendy (Paisley North) (Lab) Arbuckle, Mr Andrew (Mid Scotland and Fife) (LD) 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) Chisholm, Malcolm (Edinburgh North and Leith) (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) Glen, Marlyn (North East Scotland) (Lab) Gorrie, Donald (Central Scotland) (LD) Henry, Hugh (Paisley South) (Lab) Home Robertson, 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) Jamieson, Margaret (Kilmarnock and Loudoun) (Lab) Lamont, Johann (Glasgow Pollok) (Lab) Livingstone, Marilyn (Kirkcaldy) (Lab) Lyon, George (Argyll and Bute) (LD) Macdonald, Lewis (Aberdeen Central) (Lab) Macintosh, Mr Kenneth (Eastwood) (Lab) Maclean, Kate (Dundee West) (Lab) Macmillan, Maureen (Highlands and Islands) (Lab) 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) 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 Farguhar (Ross, Skye and Inverness West) (LD) Murray, Dr Elaine (Dumfries) (Lab) Oldfather, Irene (Cunninghame South) (Lab)

Peacock, Peter (Highlands and Islands) (Lab)

Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)

Peattie, Cathy (Falkirk East) (Lab)

Radcliffe, Nora (Gordon) (LD)

Pringle, Mike (Edinburgh South) (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)

Stone, Mr Jamie (Caithness, Sutherland and Easter Ross)

Watson, Mike (Glasgow Cathcart) (Lab)

Whitefield, Karen (Airdrie and Shotts) (Lab)

#### **ABSTENTIONS**

Baird, Shiona (North East Scotland) (Green)

Ballance, Chris (South of Scotland) (Green) Ballard, Mark (Lothians) (Green)

Harvie, Patrick (Glasgow) (Green)

Ruskell, Mr Mark (Mid Scotland and Fife) (Green)

Scott, Eleanor (Highlands and Islands) (Green)

The Deputy Presiding Officer: The result of the division is: For 48, Against 60, Abstentions 6.

Amendment disagreed to.

The Deputy Presiding Officer: The fifth question is, that amendment S2M-2825.2, in the name of Mark Ballard, which seeks to amend motion S2M-2825, in the name of Malcolm Chisholm, on the voluntary sector and the social economy, be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

## For

Aitken, Bill (Glasgow) (Con)

Alexander, Ms Wendy (Paisley North) (Lab)

Arbuckle, Mr Andrew (Mid Scotland and Fife) (LD)

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)

Brocklebank, Mr Ted (Mid Scotland and Fife) (Con)

Brown, Robert (Glasgow) (LD)

Butler, Bill (Glasgow Anniesland) (Lab)

Canavan, Dennis (Falkirk West) (Ind)

Chisholm, Malcolm (Edinburgh North and Leith) (Lab)

Curran, Ms Margaret (Glasgow Baillieston) (Lab)

Davidson, Mr David (North East Scotland) (Con)

Deacon, Susan (Edinburgh East and Musselburgh) (Lab)

Douglas-Hamilton, Lord James (Lothians) (Con)

Eadie, Helen (Dunfermline East) (Lab)

Ferguson, Patricia (Glasgow Maryhill) (Lab)

Fergusson, Alex (Galloway and Upper Nithsdale) (Con)

Finnie, Ross (West of Scotland) (LD)

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

Gallie, Phil (South of Scotland) (Con)

Glen, Marlyn (North East Scotland) (Lab)

Goldie, Miss Annabel (West of Scotland) (Con)

Gorrie, Donald (Central Scotland) (LD)

Harvie, Patrick (Glasgow) (Green)

Henry, Hugh (Paisley South) (Lab)

Home Robertson, 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)

Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)

Johnstone, Alex (North East Scotland) (Con)

Lamont, Johann (Glasgow Pollok) (Lab)

Livingstone, Marilyn (Kirkcaldy) (Lab)

Lyon, George (Argyll and Bute) (LD)

Macdonald, Lewis (Aberdeen Central) (Lab)

Macintosh, Mr Kenneth (Eastwood) (Lab)

Maclean, Kate (Dundee West) (Lab)

Macmillan, Maureen (Highlands and Islands) (Lab)

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)

McLetchie, David (Edinburgh Pentlands) (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)

Milne, Mrs Nanette (North East Scotland) (Con)

Mitchell, Margaret (Central Scotland) (Con)

Monteith, Mr Brian (Mid Scotland and Fife) (Con)

Morrison, Mr Alasdair (Western Isles) (Lab)

Muldoon, Bristow (Livingston) (Lab)

Mulligan, Mrs Mary (Linlithgow) (Lab)

Munro, John Farguhar (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)

Robson, Euan (Roxburgh and Berwickshire) (LD)

Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)

Ruskell, Mr Mark (Mid Scotland and Fife) (Green)

Scanlon, Mary (Highlands and Islands) (Con) Scott, Eleanor (Highlands and Islands) (Green)

Scott, John (Ayr) (Con)

Scott, Tavish (Shetland) (LD)

Smith, Elaine (Coatbridge and Chryston) (Lab)

Smith, Iain (North East Fife) (LD)

Smith, Margaret (Edinburgh West) (LD)

Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)

Tosh, Murray (West of Scotland) (Con)

Watson, Mike (Glasgow Cathcart) (Lab)

Whitefield, Karen (Airdrie and Shotts) (Lab)

# **AGAINST**

Adam, Brian (Aberdeen North) (SNP)

Crawford, Bruce (Mid Scotland and Fife) (SNP)

Cunningham, Roseanna (Perth) (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)

Hyslop, Fiona (Lothians) (SNP)

Lochhead, Richard (North East Scotland) (SNP)

Marwick, Tricia (Mid Scotland and Fife) (SNP)

Mather, Jim (Highlands and Islands) (SNP)

Matheson, Michael (Central Scotland) (SNP)

Maxwell, Mr Stewart (West of Scotland) (SNP)

McFee, Mr Bruce (West of 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) White, Ms Sandra (Glasgow) (SNP)

#### **ABSTENTIONS**

Fox, Colin (Lothians) (SSP) Kane, Rosie (Glasgow) (SSP) Leckie, Carolyn (Central Scotland) (SSP) MacAskill, Mr Kenny (Lothians) (SNP) Martin, Campbell (West of Scotland) (Ind)

The Deputy Presiding Officer: The result of the division is: For 84, Against 22, Abstentions 5.

Amendment agreed to.

The Deputy Presiding Officer: The sixth question is, that motion S2M-2825, in the name of Malcolm Chisholm, on the voluntary sector and the social economy, as amended, be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

#### **FOR**

Aitken, Bill (Glasgow) (Con)

Alexander, Ms Wendy (Paisley North) (Lab)

Arbuckle, Mr Andrew (Mid Scotland and Fife) (LD)

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)

Brocklebank, Mr Ted (Mid Scotland and Fife) (Con)

Brown, Robert (Glasgow) (LD)

Butler, Bill (Glasgow Anniesland) (Lab)

Canavan, Dennis (Falkirk West) (Ind)

Chisholm, Malcolm (Edinburgh North and Leith) (Lab)

Curran, Ms Margaret (Glasgow Baillieston) (Lab)

Davidson, Mr David (North East Scotland) (Con)

Deacon, Susan (Edinburgh East and Musselburgh) (Lab)

Douglas-Hamilton, Lord James (Lothians) (Con)

Eadie, Helen (Dunfermline East) (Lab)

Ferguson, Patricia (Glasgow Maryhill) (Lab)

Fergusson, Alex (Galloway and Upper Nithsdale) (Con)

Finnie, Ross (West of Scotland) (LD)

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

Gallie, Phil (South of Scotland) (Con)

Glen, Marlyn (North East Scotland) (Lab)

Goldie, Miss Annabel (West of Scotland) (Con)

Gorrie, Donald (Central Scotland) (LD)

Harvie, Patrick (Glasgow) (Green)

Henry, Hugh (Paisley South) (Lab)

Home Robertson, 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)

Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)

Johnstone, Alex (North East Scotland) (Con)

Lamont, Johann (Glasgow Pollok) (Lab)

Livingstone, Marilyn (Kirkcaldy) (Lab)

Lyon, George (Argyll and Bute) (LD)

Macdonald, Lewis (Aberdeen Central) (Lab)

Macintosh, Mr Kenneth (Eastwood) (Lab)

Maclean, Kate (Dundee West) (Lab)

Macmillan, Maureen (Highlands and Islands) (Lab)

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)

McLetchie, David (Edinburgh Pentlands) (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) Milne, Mrs Nanette (North East Scotland) (Con)

Mitchell, Margaret (Central Scotland) (Con)

Monteith, Mr Brian (Mid Scotland and Fife) (Con)

Morrison, Mr Alasdair (Western Isles) (Lab)

Muldoon, Bristow (Livingston) (Lab)

Mulligan, Mrs Mary (Linlithgow) (Lab) Munro, John Farquhar (Ross, Skye and Inverness West)

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)

Robson, Euan (Roxburgh and Berwickshire) (LD)

Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)

Ruskell, Mr Mark (Mid Scotland and Fife) (Green)

Scanlon, Mary (Highlands and Islands) (Con)

Scott, Eleanor (Highlands and Islands) (Green)

Scott, John (Ayr) (Con)

Scott, Tavish (Shetland) (LD)

Smith, Elaine (Coatbridge and Chryston) (Lab)

Smith, Iain (North East Fife) (LD)

Smith, Margaret (Edinburgh West) (LD)

Stone, Mr Jamie (Caithness, Sutherland and Easter Ross)

Tosh, Murray (West of Scotland) (Con)

Watson, Mike (Glasgow Cathcart) (Lab)

Whitefield, Karen (Airdrie and Shotts) (Lab)

#### **ABSTENTIONS**

Adam, Brian (Aberdeen North) (SNP)

Crawford, Bruce (Mid Scotland and Fife) (SNP)

Cunningham, Roseanna (Perth) (SNP)

Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)

Fabiani, Linda (Central Scotland) (SNP)

Fox, Colin (Lothians) (SSP)

Gibson, Rob (Highlands and Islands) (SNP)

Grahame, Christine (South of Scotland) (SNP)

Hyslop, Fiona (Lothians) (SNP) Kane, Rosie (Glasgow) (SSP)

Leckie, Carolyn (Central Scotland) (SSP)

Lochhead, Richard (North East Scotland) (SNP)

MacAskill, Mr Kenny (Lothians) (SNP)

Martin, Campbell (West of Scotland) (Ind)

Marwick, Tricia (Mid Scotland and Fife) (SNP)

Mather, Jim (Highlands and Islands) (SNP)

Matheson, Michael (Central Scotland) (SNP)

Maxwell, Mr Stewart (West of Scotland) (SNP)

McFee, Mr Bruce (West of 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)

White, Ms Sandra (Glasgow) (SNP)

**The Deputy Presiding Officer:** The result of the division is: For 84, Against 0, Abstentions 27.

Motion, as amended, agreed to.

#### Resolved.

That the Parliament recognises the contribution that the voluntary sector and social economy make to Scotland; supports the Scottish Executive's continued commitment to developing them through Futurebuilders Scotland, the Volunteering Strategy and Project Scotland and the development and promotion of legislation on charities; supports the Strategic Funding Review being undertaken with SCVO and COSLA; welcomes the establishment of a Social Economy Advisory Board, and supports the Executive in developing a detailed strategy, in partnership with the voluntary sector, for the sector's future; recognises the breadth of the social economy in Scotland; further recognises the distinctive contribution that co-operatives and social enterprises make to the social economy; recommends the development of a differentiated strategy to meet the specific needs of the social enterprise sector of the social economy, and further recommends that such a strategy be developed in partnership with social enterprises and their networks beyond the voluntary sector, be aligned with the development of the Co-operative Development Agency and be aligned with the Department of Trade and Industry's strategy to support social enterprise across the rest of the United Kingdom.

The Deputy Presiding Officer: I intend to take the questions on committee membership together and those on Scottish statutory instruments together.

The seventh question is, that motions S2M-2826 and S2M-2827, in the name of Margaret Curran, on membership of committees, be agreed to.

#### Motions agreed to.

That the Parliament agrees that Mr Jamie Stone be appointed to replace Mike Pringle on the Enterprise and Culture Committee.

That the Parliament agrees that Mike Pringle be appointed to replace Mr Jamie Stone on the Justice 1 Committee.

**The Deputy Presiding Officer:** The eighth question is, that motions S2M-2828 to S2M-2830, in the name of Margaret Curran, on the approval of SSIs, be agreed to.

#### Motions agreed to.

That the Parliament agrees that the draft Fire (Scotland) Act 2005 (Relevant Premises) Regulations 2005 be approved.

That the Parliament agrees that the draft Mental Health (Medical treatment subject to safeguards) (Section 234) (Scotland) Regulations 2005 be approved.

That the Parliament agrees that the draft Mental Health (Medical treatment subject to safeguards) (Section 237) (Scotland) Regulations 2005 be approved.

# **Beavers**

# The Deputy Presiding Officer (Murray Tosh): The final item of business is a members' business debate on motion S2M-2502, in the name of Nora Radcliffe, on the trial reintroduction of the European beaver. The debate will be concluded without any question being put.

#### Motion debated,

That the Parliament notes Scottish Natural Heritage's proposal for a trial reintroduction of the European beaver, a proposal which follows the successful reintroduction of the species in 24 other countries, and considers that the Scottish Executive should give serious consideration to issuing a licence for the trial so that it can be determined, in a controlled and properly monitored way, whether the benefits to the environment and tourism observed after previous reintroductions elsewhere can be replicated in a Scottish context without significant adverse effects on existing land uses.

#### 17:09

Nora Radcliffe (Gordon) (LD): I am very pleased that my motion has been selected for debate this evening; it is very timely. I thank all the colleagues who signed it, especially those who have stayed for the debate.

The Eurasian beaver was—not surprisingly—once widespread throughout much of Europe and Asia. Although the historical evidence suggests that the beaver was widely distributed throughout mainland Scotland, it had been hunted to extinction by the 16<sup>th</sup> century. For anyone who is interested, the review of the literature and historical evidence that Conroy and Kitchener carried out for Scottish Natural Heritage makes fascinating reading.

There have been previous attempts at reintroduction. Four Canadian beavers were introduced into Bute in 1874 by the Marquis of Bute. Apparently, the first attempt was unsuccessful, but a further seven beavers were added the following year and they settled in and started to build dams. Despite that apparent success, the colony seems to have died out again by 1890.

SNH's current application proposes the reintroduction of European beavers, not Canadian beavers, which is important for two reasons. First, any reintroduced species should be as close as possible to the original stock. Secondly, unlike the Canadian beaver, the European beaver is not a prolific tree feller, so the threat of potential damage to forestry and surrounding woodland is not such an issue.

Historical reintroductions are interesting, but are not much help in determining the pros and cons of a reintroduction now. However, we can learn from more recent reintroductions in Europe. I think that most members will have received a letter from the chief executive of the Royal Zoological Society of Scotland that points out that the current application was made after the study of evidence that was gathered about a number of reintroductions in Europe. Some 24 countries have reintroduced beavers, and it appears that reintroductions to nearly all the countries in which beavers were formerly present have been successful and that the beavers have survived and prospered. From the wider socioeconomic perspective, the reintroductions have been judged to be either successful or, at worst, neutral.

Where there has been local detriment to agriculture or forestry, it has been minimal and confined to areas that are close to the watercourse. Beavers will feed within 50m of the water's edge, but most of their activity will be much closer and largely within 5m of it. Their grazing activities are generally considered to be beneficial. They control scrub and prevent the development of very large trees, which can destabilise banks and contribute to erosion. Some flooding of areas that are close to the watercourse will be caused by beavers' dams, but that is unlikely to cause major difficulties. One benefit that is derived from beavers' dams is that sediment will be trapped, which will reduce pollution further downstream. It has been suggested that beavers could usefully be used to reduce soil erosion in areas with ploughed, agricultural soils. That has been a recorded benefit in Russia and improved water quality has been attributed to beaver activity in Estonia.

However, such issues are for the future in Scotland. In the meantime, the question is whether a closely monitored trial reintroduction of European beavers should be licensed to proceed in Knapdale in Argyll. A great deal of preparatory work has been done on the proposal, to the point at which only by proceeding with the trial can it be demonstrated that the expected outcomes that have been predicted from available evidence elsewhere will be the actual outcomes in Scotland.

There has been widespread local and national consultation on the proposals, which has demonstrated that the proposals have public and professional support. George Lyon—who is the local member—will say more about local reaction and how local concerns have been addressed, but I know that he has satisfied himself that an effective exit strategy is available if pulling the plug at any time is deemed to be necessary. In the light of his local interest and local knowledge, if he is happy, I am happy too.

Professional support has been demonstrated by the range of bodies with relevant expertise that have backed the project. Those bodies include, as far as I can see, all the environmental nongovernmental organisations and the Royal Zoological Society of Scotland. Yesterday, I received a supportive e-mail from David Hetherington of the University of Aberdeen's department of zoology, who expressed dismay at the delay in granting the licence.

It seems to me that there are many positive reasons for proceeding. I will start with the more pragmatic reasons. Much has been learned from European examples, but from what I have read, the trial in question will be more useful than many of those examples from a scientific point of view as a result of the initial benchmarking of the area that will be used and the detailed monitoring of natural, hydrological, public health and land use impacts over the seven-year period of the project. The precautionary principle has been adopted so that, if everything goes horribly wrong or even if there are unforeseen consequences short of disaster, the situation will be retrievable if necessary. There is an exit strategy.

On the environmental front, the trial will be an enormously important contribution to the biodiversity of Scotland, restoring a native species that our forebears hunted to extinction. It will cause—if I may use an appropriately aquatic figure of speech—widening ripples of biodiversity by creating improved water and wetland habitat for an astonishing range of other mammals, birds, fish, amphibians, invertebrates and plants. Beaver activity can provide tangible benefits for the human population, too, in reducing run-off sediment in watercourses, in mitigating flooding during spates, and in storing water that is released during dry spells to maintain a water flow.

Tourism is a major contributor to the Scottish economy, and we see in the ospreys at Loch Garten and the red kites at North Kessock the tangible benefits to the economy of wildlife tourism relating to reintroduced species. Whether we proceed to the point at which those benefits can be utilised will depend on what is learned from the trial, and I believe that the argument for proceeding with the trial is persuasive. A decision now would allow arrangements to be made for beavers to be brought over from Norway in time to complete their quarantine before next springspring being the optimum time for release. The proposal is for three family groups to be introduced, each comprising an adult pair and their young from this year and last year, which would total up to 18 beavers being released on site. If any of the released females were to become pregnant, little Scottish beavers could be running about in Knapdale next year. I would be delighted to hear from the minister that he proposes to grant the necessary licence soon.

17:16

Rob Gibson (Highlands and Islands) (SNP): I thank Nora Radcliffe for winning the right to discuss this subject. It seems that there has been a long delay in Government circles in assessing this whole matter. Much scientific work has been done, and the beaver has been reintroduced in 24 countries. To our knowledge, those reintroductions have been successful. It is beholden on the minister to tell us why Scotland is different from so many other European countries and why our biodiversity should not be increased.

The Deputy Minister for Environment and Rural Development (Lewis Macdonald): I hesitate to offer information. Perhaps Mr Gibson can tell us at what stage and to what degree he believes that there has been a delay on the part of ministers.

Rob Gibson: As far as I can see, the debate has been going on for years, and the Government has not taken a lead by saying that it thinks that the reintroduction of the beaver is a good idea. Indeed, we wonder whether the minister is going to give a positive message tonight. I certainly hope that he is. Every moment of delay brings us closer to putting the reintroduction back another year, which is the problem of timescale that we are talking about.

The reintroduction of the beaver is probably a little more dramatic than the growing of deciduous trees along Loch Garry, which led to the Loch Garry tree project; nevertheless, that project altered the habitat in the area enormously—indeed, for the better. From the evidence that we have, we believe that the reintroduction of beavers could do the same for wildlife in this country. We are talking about a biodiversity strategy that fits in with the forestry strategy, which I have asked questions about and in which I take a close interest as a member of the Environment and Rural Development Committee. It is up to the Parliament to give such experiments a fair wind.

I have not yet heard arguments from land users who are opposed to the reintroduction of beavers. We are talking about Knapdale in Argyll, and it will be interesting to see whether there are any objections from people in that area who think that the reintroduction would be detrimental. Scottish Natural Heritage's consultation has been widespread.

We have an opportunity to increase the diversity of species in this country. Other species have been reinforced or reintroduced. Who can say whether the red deer that we have in this country are native? Reintroduction can only aid biodiversity, just as reinforcement of the red deer with stock from the continent did about 100 years ago.

The Scottish Parliament will be interested to hear what the minister has to say about the reintroduction of the beaver, but I am surprised that it has required us to have a members' debate to get him to take the initiative.

17:20

Eleanor Scott (Highlands and Islands) (Green): I am delighted that Nora Radcliffe has lodged this subject for debate, as I have been interested in it for some time.

The reintroduction of species that were previously native is, of course, nothing new. As Nora Radcliffe mentioned, people in Easter Ross, where I stay, are often gladdened by the sight of red kites, beautiful birds whose reintroduction to the Black Isle has been a great success. Likewise, the sea eagles on Mull have proved to be a major tourist attraction. That reintroduction has been successful because of consultation that took place of farmers who might have had legitimate concerns about the safety of their stock and because the scheme to compensate farmers for lambs lost to eagles was put in place. If a reintroduction is to be successful and benefit the local economy, there must be full consultation of everyone concerned.

In the case of the reintroduction of beavers, there has been a lot of consultation. We know that there is public support for the reintroduction and we know that land-owning, farming and other land-use organisations have been reassured about any concerns that they might have had.

Some other public concerns have been addressed as well. As everyone here knows, beavers are vegetarian; those large and impressive teeth are for gnawing trees, not people. They do not spread disease. Concerns that they might carry giardiasis seem to be unfounded, as in Norway the level of giardia in places that have beavers is comparable with that in places that have no beavers. In any case, any animals that were introduced to Scotland would have spent six months in quarantine, where any possible health risks could be detected.

The effect of beaver activity on the local environment and ecology is generally beneficial. Some members might remember that, a while ago, it was possible to buy joke mugs with an inscription that said, "Save trees—eat a beaver." I have to say that that was a gross libel against beavers. I know that they fell some trees but, essentially, they coppice trees, which regrow. That process creates a much more varied, rich and diverse habitat than would otherwise exist. Beaver dams might cause small amounts of localised flooding but, overall, they improve flood management by retaining water, and the ponds

that they create make for a more diverse and rich ecosystem.

Of course, we are signed up to the European habitats directive, which obliges its signatories to consider the reintroduction of species that have become extinct. As well as our obligation under that directive, there is a sense of moral obligation towards a species that was hunted to extinction by man. After all, as Nora Radcliffe said, we probably had beavers in Scotland until the 16<sup>th</sup> century. I am told that, in Gaelic, they are known as either dobhair-choin or beathadaich, which shows that they were known as part of the natural flora.

There is a bit of enlightened self-interest in this issue, because of the possibility of wildlife tourism, which Nora Radcliffe mentioned.

Why is this the right time to reintroduce the beaver? Why are some of us approaching the debate with a sense of urgency? We have an ideal site in Knapdale, which is a natural enclosure because of its topography. We have a proper plan to monitor the reintroduced animals, which would be radio-tagged and monitored. Further, we have a willing public. We need a decision to be taken now so that the animals can be captured over the summer and autumn, can be brought here in the autumn and can spend six months in quarantine before being released in the spring. If that does not happen, we could be put back another year, which would be immensely frustrating for the people who have put in a lot of work and have done a lot of research on the issue.

I ask the minister to look favourably on the issue, which has many potential benefits. Now is the perfect time to begin the process of reintroducing beavers to Scotland.

#### 17:24

Alex Johnstone (North East Scotland) (Con): I, too, begin by congratulating Nora Radcliffe on securing the debate. However, I am afraid that I will have to introduce a slightly sour note to a debate that, so far, has been consensual. Some people are surprised that any hostility arises at a proposal to reintroduce an animal such as the beaver, but much of our past experience with the introduction of alien species shows how easy it is to upset the ecology of an area. With the Nature Conservation (Scotland) Act 2004, we took further action to control the introduction of alien speciesboth plant and animal-and attempts were made in the legislation to deal with some species that had been introduced in the past. That at least should make us concerned to ensure that we are doing the right thing before we take radical action.

Many people take particular species to heart and have gone to great lengths to protect them. For example, I know that there are an awful lot more foxes now than there were in the past. There are also many more birds of prey. My local population of buzzards never ceases to amaze me, and the damage that it has done to ground-nesting birds, in particular the lapwing, is noticeable to anyone who observes such species. There is also a worry—although it is perhaps unjustified—about the precedent that is set by introducing species such as the beaver. I am sure that the European beaver is largely harmless, but could the precedent ultimately lead to the return of the wolf or even the brown bear in the Scottish Highlands? That is perhaps far-fetched, but it is a concern that we should perhaps discuss all the same.

My main concern is to ensure that, if the decision is taken—and there appears to be a good deal of consensus behind it—the trial is controlled and we get the required information from it, so that we can decide whether or not the action is appropriate. Reports must be made, and must be properly considered by politicians and others, so that we understand the potential impact of a reintroduction.

Considering the matter in its generality, I share many of the fears of those who worry about the principle behind reintroduction. In many cases, it is not necessarily the beaver that we fear, but its sponsors.

# 17:27

George Lyon (Argyll and Bute) (LD): I join colleagues in thanking Nora Radcliffe for securing the debate. There has been genuine concern among many farmers in the Knapdale area about the trial project. That is natural—it is the knee-jerk reaction that all farmers would have to the introduction of a new species that might be another pest. Over the past month, during lambing time, the shepherd in my area has reported the death of new-born lambs every single morning from jackdaws and black-backed gulls ripping out their tongues, as well as various other bits of them. Anyone listening to him would understand the concerns that exist. There is nothing more frustrating for someone who is trying to care for and tend for animals.

The major concerns that have been expressed to me are about the damage that beavers might cause to the burns and woodlands in the trial area and to the surrounding land, and about the danger of escapes. Wild mink first escaped from mink farms about 25 to 30 years ago and have caused substantial problems with their indiscriminate killing of other wildlife, not because of hunger, but because they just like killing. A substantial effort has had to go into controlling their population to prevent that. The most important concern is about the need for a proper exit strategy, which

guarantees that, if the pilot fails, the beavers can be successfully removed from the area.

Given all the concerns, I am pleased that the minister has taken time to consider seriously the issues surrounding the pilot project. I have walked round the site with people from SNH to see for myself what the benefits might be. The site offers relatively good natural containment, as my colleague Eleanor Scott mentioned. The Crinan canal forms a barrier, helping to prevent escapes from the area. The site is all forestry, which will help to reassure farmers, although it is a major negative in evaluating the pilot project and any impact that beavers might have on intensive agriculture, of which there is none in the area. There is not even a sheep on the hills, because the area is so barren.

There is a good prospect of increased numbers of visitors coming to the area because of the project. In some ways, that is the biggest plus point from the community's perspective. People in the local community believe that the project will bring substantial economic benefits to mid-Argyll. Damage to woodlands should be limited because we are talking about the European beaver rather than the Canadian beaver.

I am persuaded that the exit strategy will work and that there is little risk of beavers escaping into other areas. That is the fundamental point. Once again, I look to the minister to give reassurance on the matter if he gives the pilot project the goahead.

It is clear from the Argyll and Bute citizens' panel survey that there is substantial local support for the pilot project. Indeed, the letters that I have received on the matter from constituents are 10:1 in favour of it. Subject to further reassurance about the exit strategy, I am persuaded that the project deserves to get the go-ahead from the minister and I look forward to his summing-up at the end of the debate.

# 17:30

Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP): I, too, congratulate Nora Radcliffe on securing the debate. It is good for the Parliament to have an opportunity to debate the matter before the Executive makes a decision on the application.

I have had a small number of letters on the matter from constituents and the two sides—for and against—are equally balanced; those who oppose and those who propose do so with equal vehemence. I am attracted by the idea of the beaver being brought or, as most people argue, brought back, to Scotland. However, the onus is on SNH and the ministers to make their decision on the basis of clear evidence, but it is difficult to

get evidence on some of the issues that are involved. For example, were there beavers in Scotland in the past? Some people say that there were not, but it seems that most people say that there were. I have read the study by Kitchener and Conrov.

I will focus on the decision that the Scottish Executive made in 2002, when the application was not accepted and more work was requested. I ask the minister to focus his remarks on the issues that were mentioned at that time. In a letter to John Markland, Allan Wilson asked for more information about the potential risks to agricultural, forestry and salmon interests and for a thorough assessment of any public health risk. He added:

"It would be helpful to know more about the experiences of other countries where European Beaver have been introduced, including any longer term impacts."

I wrote to SNH, which supplied me with information about the European experience, but there is a key need for evidence from other countries where beavers are found or have been introduced. I did not get any detail from SNH about the experience of those countries, but merely a conclusion, which stated:

"There are now 24 countries which have reintroduced beavers, and at least 157 reintroductions have been recorded overall. Occasionally there have been some localised detrimental effects on land uses."

I have heard anecdotal evidence from a tree surgeon who had just returned from Estonia and who said that he could not believe the damage that had been caused to trees there. Perhaps it was caused by Canadian beavers—I do not know. It is said that European beavers do not destroy trees, but I would like to know whether that is the Scottish Executive's view. Above all, I would like to know what evidence SNH has provided about the experience in other countries. Has it provided evidence from each of the 24 countries and will it make that evidence public? It did not make such evidence available to me, and I made a freedom of information request. Perhaps I should go back and ask for more information.

I would also like to know what the quarantine experience and the exit strategy involve. I understand that the quarantine period is six months, but in what circumstances will quarantine be carried out? Does it involve a possible element of cruelty? What is the exit strategy? If we introduce or reintroduce beavers, would not it be cruel to then take them back if it did not work out for us? The Royal Society for the Prevention of Cruelty to Animals should give an opinion on that.

We remember the cull of hedgehogs. Who was responsible for that? It does not seem like such a good idea now. I make those points to ensure that they are made and not because I know the conclusion. It is not possible to reach a clear

conclusion without the evidence for which the Scottish Executive asked in December 2002. I concur with my colleague Rob Gibson that some delay has occurred, but we are in 2005 and the issue is not a huge problem. I would have thought that SNH could have provided the information by now

I am slightly concerned that SNH might have a conflict of interest because it proposed the introduction of the beaver and has been asked to be the arbiter of all information that relates to the decision. The Executive is responsible for that conflict, because it gave SNH both jobs.

#### 17:35

Mr Mark Ruskell (Mid Scotland and Fife) (Green): I thank Nora Radcliffe for providing what is probably one of the most perfect topics for a members' business debate. I was delighted to help launch the Scottish Wildlife parliamentary campaign to bring back the beaver a couple of months ago and I am delighted to speak in the debate. In the past couple of months, the launch of that campaign, my understanding of the beaver has increased a lot. That is partly because I visited a trial fenced reintroduction of the beaver on a private estate in Perthshire, to which the landowner invites other members to see beavers operating in the wild ecology.

We in Scotland-from civil servants to nongovernmental organisations—are in a learning period about the beaver. I am delighted to note that the National Farmers Union in Scotland recently withdrew many of its concerns about reintroduction of the beaver. The importance of reintroducing the species was brought home to me when I visited the trial reintroduction. When we see beavers in operation, it is clear that they are active environmental managers. Yes-they chop down trees, but they chop them down in rotation and they restrict themselves to riparian areas around wetlands and rivers. The woodlands regenerate—they coppice and sucker. Where felled wood lies, it creates niches and habitats for fish, insects and birds. That is hugely important and has knock-on effects. For example, in Finland. the beaver has been reintroduced and has become a keystone species. Fresh shoots of coppiced trees attract deer, which attract other species that have been reintroduced, such as the lynx and the wolf. The beaver is part of a dynamic ecology. A time may come for us to reintroduce some of those other species, but we need to start with the least controversial reintroduction, which is the reintroduction of the beaver.

On my fascinating visit to the trial reintroduction, I also saw that the way in which beavers position felled wood around a wetland leads to an

increased water level, which expands the overall area of a wetland. We need that wetland, which is called willow carr, because it is biodiverse. It absorbs and stores water, which is extremely important, because it can smooth the peaks and troughs of the hydrology of a catchment and thereby reduce the risk of flooding. In an age of climate change, perhaps the beaver is in a small way one of the environmental managers that we need in nature. It can help us to adapt to some impacts of climate change.

A serious policy message exists for farmers, land managers, civil servants and politicians. One key recommendation on land use in the Environment and Rural Development Committee's climate change inquiry report, which was published this week, was that climate change considerations need to be integrated into policy on agricultural subsidies and into land management contracts in particular. Farmers need to be part of the solution. Providing biodiversity is important, but so is flood management. Perhaps the beaver could be part of that in the future.

I have dealt with some of the fluffy stuff and I will move on to the Executive's top line—hard economic growth. The beaver offers tremendous potential for eco-tourism. When I visited the estate that I mentioned, I saw no beavers, but I saw a fascinating and dynamic environment that delighted the children and adults who were on the same trip. That must be good for growth and for tourism.

Knapdale is quite close to Loch Lomond and the Trossachs national park, whose draft plan was launched on Monday—the minister and I attended that launch. In the future, we must have a vision. I would like beavers to be reintroduced into that national park as part of the woodland regeneration scheme that the minister announced at the beginning of the week. I would also like beavers to be reintroduced into the Cairngorms national park, especially if the minister extends its boundary to include highland Perthshire.

However, we will not reach that vision unless we start somewhere. Starting with a trial unfenced but controlled reintroduction of the beaver will allow us to see how things work in practice and to build on direct experience. I ask the minister to do something quite special by reversing an extinction in Scotland. Please, give us a green light to reintroduce the beaver within the next year.

# 17:40

Mr Jamie McGrigor (Highlands and Islands) (Con): I thank the Scottish Wildlife Trust for sending me a cuddly toy beaver. I have given it to my young daughter, who likes it very much.

The European beaver is, I am sure, a cute little animal, but its sharp teeth and appetite for felling young trees mean that we should not introduce it into south Knapdale even as an experiment. My main reason for saying that is the beaver's ability to eat 200 saplings a year, which could mean that the 20 beavers in the experiment will consume 4,000 young trees. Those would likely be deciduous woodland trees, as the beavers apparently find the Sitka spruce as unpalatable as I do and other conifers are not suitable for their purpose of building dams to create lagoons.

According to Dr Kitchener and Dr Conroy and the work that Fergus Ewing mentioned, beavers were creatures of the south, so there is no historical reason for releasing them in south Knapdale. As someone who happens to live near south Knapdale, I know that we do not want anything that might cause increased flooding in the area. I would have no objection to a trial being carried out in the beaver's historic homelands of East Anglia and the Thames valley. Why has the reintroduction of beavers not been tried in those areas before introducing them into Scotland?

There is evidence that beavers cause a lot of damage in parts of Scandinavia, the Baltic states and Bavaria, where they are thought of as pests. I understand that a recent introduction of the animal into South America resulted in enormous proliferation and chaos. It is important that we learn lessons from those countries that have already introduced beavers.

Beavers undermine banks in a way that can be dangerous. For example, anyone who goes along the riverbank in a tractor could very well end up having a nasty accident if they happened to go over a stretch of ground where the beaver has undermined the bank. Beavers can also flood roads overnight if they build dams near bridges. Again, that can be dangerous.

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

Mr McGrigor: I will in a minute.

From a tourism angle, I do not understand why there is such a wish to have a new species in Scotland when the environmental bodies can perfectly well establish and encourage the watching of other animals, such as native otters, as a tourist attraction. There are plenty of otters in south Knapdale, so why not watch those?

When the introduction of the beaver was last proposed, it was quite rightly resisted by Ross Finnie and Alan Reid, the local MP. At the time, the proposal was also opposed by the local MSP, George Lyon, as well as by the local National Farmers Union Scotland branch, crofting interests, land managers and angling interests.

Mr Ruskell: Will the member give way?

Mr McGrigor: I cannot, as I do not have time.

As far as I am concerned, nothing has changed to make me reconsider my opinion.

George Lyon: Will the member give way?

**Mr McGrigor:** Okay. I will give way to George Lyon if I am allowed to do so.

George Lyon: Has the member visited the site to have a look for himself? If he had, he would have found that the terrain is so rough that no tractors could possibly travel over it. There are no roads on the site; the land is used to store water for the Crinan canal, so it is flooded already. May I suggest that he should visit the site before criticising the project?

Mr McGrigor: George Lyon has me wrong there. The damage would be caused not by the trial project but by the reintroduction of beavers into the wild. I doubt that much damage would be caused by only 20 beavers, but let me now come to that point. Apparently, the reason why George Lyon changed his mind was that he was satisfied that, this time, there was an exit strategy. If the experiment involves only 20 beavers, it will not result in much damage, because the people who introduce the scheme will be keen to protect their reputation for common sense.

Although such an experiment may be good for science, it will not mirror what would result from a major release into the wild. Such a release would result in damage being caused to riverbanks and in an increase in unwanted flooding in a country that, after all, has a very high rainfall. Let us bear in mind the fact that farmers who are planting young native trees under Government and European grant schemes, using taxpayers' money, would see their work and investments devastated. The very trees that they are planting for water margins under the countryside premium scheme and rural development programme—in which we are all being encouraged to participate would be chomped to pieces by the beavers in seconds.

**Mr Ruskell:** Will Jamie McGrigor take an intervention?

**Mr McGrigor:** Am I allowed to take an intervention, Presiding Officer?

The Deputy Presiding Officer: You are over time, but there is a minute or so in hand, so I shall allow one intervention. You will then have a minute to wind up.

Mr Ruskell: Did Mr McGrigor listen to anything that I said in my speech? I spelled out how the beaver can assist with the development of willow carr woodland.

**Mr McGrigor:** I listened to a great deal of Mr Ruskell's speech. I was interested in the part when he said that he was thinking next of introducing lynxes and wolves. That might be a good idea after the introduction of beavers, because they would eat the beavers and stay on top of them. If we introduce beavers, there may well be a massive explosion in their numbers, because, apart from foxes, they have no natural predators in this country.

I am sorry to spoil Mr Ruskell's party, but I am cautious. Farmers and people who manage rivers and things in this country face enough drawbacks already without added ones. I am just being cautious and I do not think that there are enough safeguards in place to make people think that there will be any advantage at all in introducing beavers into Scotland. That is why I am taking the line that I am taking. I say to Mr Ruskell, "By all means, have this experiment if you want, but have it in the Thames valley where the things were most prolific, and don't bring them to south Knapdale."

#### 17:47

The Deputy Minister for Environment and Rural Development (Lewis Macdonald): | congratulate Nora Radcliffe on securing this debate and on her constructive approach to the issue. I acknowledge the enthusiasm of the proposal's supporters and I recognise that the proponents of reintroduction want not just a favourable decision but an early decision, to enable the quarantine process to begin, so that Norwegian beavers can be released in Scotland in the spring of next year. It is important, however, not to underestimate the range and complexity of the issues raised by SNH's application. There are some serious questions to be answered before such a reintroduction can go ahead and we will agree to it only if and when we are certain that the answers add up.

I take this early opportunity to lay to rest the suggestion, made this evening by Rob Gibson, that Scottish ministers have been responsible for undue delay in the progress of the application. As I said in the Parliament a few weeks ago, Allan Wilson asked SNH for further information in support of its application in December 2002. That further information was supplied in February 2005. It was, of course, entirely a matter for SNH to determine how quickly it brought that forward, but I should say that SNH has not been among those averring that Scottish ministers have been the cause of delay. Ian Jardine, the chief executive of SNH, wrote to my officials in February, stating that

"due to other pressures on SNH during this period I have not prioritised this work."

That letter is available to anyone who visits the SNH website, so there is no question that

ministers have attached a lower priority to the application than the applicant has.

At the same time, ministers would rightly be criticised if we allowed ourselves to be bounced into making decisions that we thought would be popular in the short term, without regard for longer-term impacts. Instead, we must address the issue in a careful and measured way, assessing the known or likely risks against the potential benefits.

Scotland has not had native beavers in the wild for some hundreds of years. They were referred to by Hector Boece of Aberdeen university, among others, hundreds of years ago. To reintroduce them after that period of time would be a significant step and one that might not readily be reversed. Such a project could have serious consequences if there were inadequate consideration of the evidence or if the wrong conclusions were reached.

Alex Johnstone and George Lyon mentioned alien species such as the American mink, but Fergus Ewing reminded us that even the humble hedgehog has caused damage to biodiversity where it has been introduced inappropriately. No one would have thought that the introduction of perhaps four hedgehogs from Glasgow to Uist some 30 years ago would give rise to what is now a serious and adverse impact on our rare wading bird populations in those islands. The hedgehog population in Uist remains at least 5,000, in spite of SNH's management measures, with many more born each year. Breeding performance among European beavers is equally successful. The Swedish example shows an increase from six animals reintroduced from Norway in 1922 to more than 100,000 today.

Fergus Ewing asked about the aspects of the SNH case on which Allan Wilson sought information. There are three main aspects, all of which have been touched on in today's debate: the ecological, the economic and the legal.

Key to the ecological case is ensuring that we are not introducing a risk for Scotland's existing wildlife and habitats. SNH recognises that its proposal has associated risks that need to be addressed. One of those is the salmon parasite Gyrodactylus salaries, which has spread in Norway since the 1970s and has led to contamination of around 40 rivers and a similar number of fish farms. The Norwegians believe that aquatic animals such as beavers may have been one of the ways that the parasite spread through their river system. In more than 20 cases, they have released poison into the river in order to kill off infected fish, but in some larger rivers no means of eradicating the parasite have been found. In the light of that, it may be better to ensure that any Norwegian beaver is completely free of GS in Norway before it sets off for a new life in a Scottish river than to rely on a period of quarantine in the United Kingdom to solve the problem.

The proposal has, as Nora Radcliffe said, potential economic benefits for Scotland and, as George Lyon said, for Argyll in particular. I am keen to ensure that that aspect of SNH's case is properly taken into account. We need to understand potential benefits, but we also need to determine whether there might be negative implications. As we know, country sports contribute about £200 million in visitor revenue to the Scottish economy each year. A large part of that benefit is from angling. In assessing whether the potential economic benefits of reintroduction outweigh the potential damage to existing sources of income, we will need robust evidence both of how the potential extra tourism could be realised and of how potential adverse impacts on freshwater fishing could be contained.

Of course, SNH proposes a trial, under controlled conditions, in an area without significant salmonid populations, but the findings of a trial must be relevant to future activity and scientifically rigorous in all respects. We cannot limit consideration of this case to Knapdale alone. We must look further—as SNH has done—at where the beavers may spread if the trial is a success and leads to their wider reintroduction. We must also examine the long-term management and financing of the proposal, given that it would be funded largely from the public purse. I am currently awaiting revised costings from SNH for what it wishes to be a seven-year trial.

I should mention one particularly unusual aspect of the case, which has been mentioned in the debate. It would be usual for the reintroduction of species to be taken forward by bodies such as RSPB Scotland, for example, and for SNH, as the statutory adviser to Scottish ministers, to comment on such applications. In this case, however, SNH is acting not as the adviser but as the applicant. Non-departmental public bodies such as SNH were set up for good reasons. We believe that it is right in general for ministers to be able to seek advice from such bodies, which have day-to-day responsibilities in implementing Government policies and are accountable through ministers to the Parliament, but also have detailed and expert knowledge of their subject areas.

It is absolutely in order for SNH to act as the applicant when it believes that it is serving an important natural heritage interest by so doing. However, by definition, its so doing means that we are not able to turn to it in the usual way for expert advice. Fergus Ewing suggested that we had asked SNH to advise on its own application—that is not the case. We are not able to do that,

because SNH is the applicant. That clearly has implications for our process of examining and considering the application.

In the final analysis, it is the responsibility of ministers to give full and well-informed consideration to all the evidence before they reach a conclusion. There must be no rush to judgment and no easy options: our objective in the matter is simply to get it right.

Meeting closed at 17:54.

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