

MEETING OF THE PARLIAMENT

Thursday 23 June 2005

Session 2

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CONTENTS

Thursday 23 June 2005

Debates

Col.

FINANCIAL MANAGEMENT 2004-05	18221
<i>Motion moved—[Mr Tom McCabe].</i>	
<i>Amendment moved—[Alasdair Morgan].</i>	
<i>Amendment moved—[Mr Ted Brocklebank].</i>	
The Minister for Finance and Public Service Reform (Mr Tom McCabe).....	18221
Alasdair Morgan (South of Scotland) (SNP).....	18224
Mr Ted Brocklebank (Mid Scotland and Fife) (Con).....	18228
Mr Andrew Arbuckle (Mid Scotland and Fife) (LD).....	18231
Des McNulty (Clydebank and Milngavie) (Lab).....	18233
Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP).....	18236
Phil Gallie (South of Scotland) (Con)	18239
Christine May (Central Fife) (Lab)	18243
Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD)	18245
Mark Ballard (Lothians) (Green).....	18248
Dr Elaine Murray (Dumfries) (Lab)	18250
Carolyn Leckie (Central Scotland) (SSP)	18253
Stewart Stevenson (Banff and Buchan) (SNP)	18255
Mr Frank McAveety (Glasgow Shettleston) (Lab)	18258
Murdo Fraser (Mid Scotland and Fife) (Con).....	18260
Jim Mather (Highlands and Islands) (SNP).....	18262
The Deputy Minister for Education and Young People (Euan Robson).....	18265
QUESTION TIME	18270
FIRST MINISTER'S QUESTION TIME	18278
QUESTION TIME	18290
LEGAL AID REFORM	18307
<i>Motion moved—[Cathy Jamieson].</i>	
<i>Amendment moved—[Mr Kenny MacAskill].</i>	
The Minister for Justice (Cathy Jamieson)	18307
Mr Kenny MacAskill (Lothians) (SNP)	18312
Miss Annabel Goldie (West of Scotland) (Con).....	18316
Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD)	18319
Jackie Baillie (Dumbarton) (Lab)	18323
Christine Grahame (South of Scotland) (SNP).....	18325
Bill Aitken (Glasgow) (Con)	18328
Mr John Home Robertson (East Lothian) (Lab)	18330
Patrick Harvie (Glasgow) (Green)	18332
Mr John Swinney (North Tayside) (SNP)	18335
Mr Kenneth Macintosh (Eastwood) (Lab)	18337
Donald Gorrie (Central Scotland) (LD)	18340
Margaret Mitchell (Central Scotland) (Con).....	18342
Stewart Stevenson (Banff and Buchan) (SNP)	18344
The Deputy Minister for Justice (Hugh Henry)	18346
BUSINESS MOTIONS	18350
<i>Motions moved—[Ms Margaret Curran]—and agreed to.</i>	
DECISION TIME	18351
W8 SUMMIT	18360
<i>Motion debated—[Christine Grahame].</i>	
Christine Grahame (South of Scotland) (SNP).....	18360
Trish Godman (West Renfrewshire) (Lab)	18361
Mary Scanlon (Highlands and Islands) (Con).....	18362
Shiona Baird (North East Scotland) (Green).....	18363
Ms Rosemary Byrne (South of Scotland) (SSP)	18365
Dr Jean Turner (Strathkelvin and Bearsden) (Ind)	18367

Margaret Smith (Edinburgh West) (LD)	18368
Ms Sandra White (Glasgow) (SNP)	18370
Karen Gillon (Clydesdale) (Lab)	18372
The Minister for Tourism, Culture and Sport (Patricia Ferguson)	18374

Oral Answers

Col.

QUESTION TIME

SCOTTISH EXECUTIVE	18270
---------------------------------	-------

GENERAL QUESTIONS	18270
--------------------------------	-------

“World Competitiveness Yearbook”	18270
Cancer Treatment Targets	18272
Cataract Operations (Highlands and Islands)	18275
Disclosure Scotland	18274
Health Priorities	18276
Homophobic Bullying	18270
Universities (Points System)	18275

FIRST MINISTER’S QUESTION TIME	18278
---	-------

Cabinet (Meetings)	18278
Children’s Services	18287
Cultural Commission Report	18284
Prime Minister (Meetings)	18280
Secretary of State for Scotland (Meetings)	18282
W8 Conference	18285

QUESTION TIME

SCOTTISH EXECUTIVE	18290
---------------------------------	-------

FINANCE AND PUBLIC SERVICES AND COMMUNITIES	18290
--	-------

Central Heating Programme	18291
Homestake Scheme	18290
Local Authority Services (Equitable Provision)	18293
Public Sector Jobs (Relocation Policy)	18297
United Kingdom Presidency of the European Union	18294

EDUCATION AND YOUNG PEOPLE, TOURISM, CULTURE AND SPORT	18298
---	-------

Children’s Panel System	18302
Out-of-hours Facilities	18298
School Meals	18303
Schools (Foreign Language Teaching)	18301
Schools (Mainstreaming)	18300
Teacher Numbers	18305

Scottish Parliament

Thursday 23 June 2005

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

Financial Management 2004-05

The Deputy Presiding Officer (Murray Tosh):

The first item of business today is a debate on motion S2M-3015, in the name of Tom McCabe, on financial management 2004-05, including provisional outturn figures.

09:15

The Minister for Finance and Public Service Reform (Mr Tom McCabe): The late John Smith described devolution as a process, not an event, and he was right. Since 1999, more powers have come to Scotland and we have seen our processes and procedures evolve. There is much that we can all be proud of in how far we have come in such a relatively short time. However, as we seek to harness the advantages of devolution, there is still much to do to fulfil our vision of making Scotland the best small country in the world.

It is vital that we regularly review our progress, take time to step away from the day-to-day detail and look at the big picture. That is especially true of our finance and budget processes. Finance is central to everything that we do across the range of public service delivery, including in health, education, justice and transport.

I know that some colleagues feel that the annual budget process has become an endless, repetitive treadmill and that some will have seen the decision to do without stage 1 this year as a welcome break. However, largely because of the Finance Committee's hard work, the process has been evolving quickly over the past few years.

I therefore want to offer today's debate as a chance for us to stand back and assess how far we have come and for all sides to suggest what further steps are needed. There is a great deal of consensus. We all want the budget cycle to drive up efficiency and effectiveness, to improve transparency and to ensure that the Parliament can hold the Executive properly to account.

This is an appropriate time for this debate for two reasons. First, provisional outturn data for the financial year 2004-05 are now available, setting out how much of the budget that was authorised by the Parliament was spent. The details are in the supporting document that has been published to accompany the debate—it also sets out the

allocation of resources that are carried forward into this financial year. Secondly, changes to the annual budget bill process have meant that we have had a whole term's break from the budget process. When we return in the autumn, the draft budget will be here to greet us and the process will start again, as I am sure members will be delighted to hear. This is, therefore, a rare opportunity to step back from the relentlessness of the annual budget round.

I want to give a brief overview of the past financial year and offer a few reflections. The financial year began with the Budget (Scotland) Act 2004 receiving royal assent, authorising a budget of £23.8 billion, which is £4,700 for every Scot or £94 million pounds for every working day. The following week saw the publication of the first new-look annual evaluation report, which marked the first step in reforming the annual parliamentary process. It takes greater account of the primacy of the spending review in setting forward spending plans and provides the first detailed report of performance against the targets that were set in the 2002 spending review.

In June, my predecessor Andy Kerr made two important announcements. First, he launched the efficient government initiative. We now aim to deliver £900 million of cash-releasing savings and £600 million of time-releasing efficiencies by 2007-08. All sides will agree that it is vital that we get the best value for the public's money. Efficient government marks a step change in our level of ambition. Secondly, he announced our new net investment rule, which will increase net investment by at least 5 per cent a year for the rest of this parliamentary session. In February, we set out the details of our long-term plan for capital investment in the first-ever infrastructure investment plan for Scotland. Again, all sides will agree that we needed to reverse the decades of underinvestment before devolution.

Stewart Stevenson (Banff and Buchan) (SNP): We welcome attempts to manage the public purse more efficiently. The minister referred to time-releasing savings of £600 million in 2007-08. How do those translate into cash savings? If they do not, they are not savings.

Mr McCabe: That is a terrible assertion from a party that tries to put forward an image of fiscal responsibility. When we produce time-releasing savings in the public sector, we produce better value for the public by releasing skills and opportunities to deliver better services for the public. I am glad that the Scottish National Party is on board in relation to our attempts to promote fiscal propriety, but it is a pity that, in the endless spending commitments that it announces day after day, it does not give a better example of fiscal propriety.

Last year, which was dominated by the 2004 spending review, was a busy one for the Finance and Central Services Department. The Chancellor of the Exchequer's April 2004 United Kingdom budget had, unusually, brought no consequential for Scotland. However, it offered a foretaste of the spending review outcome for education. Those numbers were subsequently wrapped into the main UK spending review announcement on 12 July.

In total, the 2004 spending review brought Scotland consequential that increased our budget by £1.5 billion in 2006-07 and by £2.9 billion in 2007-08. In our spending review announcement in September, we set out our plans for using those resources. We announced that we would increase funding for higher education by 30 per cent, that we would increase spending on transport by 47 per cent, that we would provide more teachers, more and better social housing and record numbers of police and that—for the first time—we would take health spending to more than £10 billion a year.

Full details of our plans came in October's draft budget. The draft budget is the key consultation document for stage 2 of the parliamentary budget process, which is when subject committees have the opportunity to comment on the spending plans for individual portfolios. Just before we broke up for Christmas, we discussed the Finance Committee's stage 2 report and, in January, we came full circle when we introduced the Budget (Scotland) Bill.

Looking back across the 2004-05 financial year, we can see a number of points that are worth highlighting. First, 2004-05 was, we hope, the last year in which the Executive had to find unplanned additional resources for the Scottish Parliament building, with both the summer and spring budget revisions seeing significant increases in the Scottish Parliamentary Corporate Body's budget. Thankfully, we can now move on and it is important that we do so. Members will be aware that we have set a very much smaller reserve for 2005-06 and beyond. That is at least in part because this building has been the most significant call on the reserve since devolution.

Secondly, 2004-05 was a year of continued progress and innovation. The changes that we have made have delivered a better process and the documents that we produce allow the Parliament and others to hold us better to account. That is very much a result of the hard work of the Finance Committee. I want to put on record my gratitude for the way in which the Finance Committee has been willing to work with me in a constructive and open fashion since my appointment as Minister for Finance and Public Service Reform last October—I can see why it

took the committee honours at the politician of the year awards.

The reforms to the budget process, the launch of the efficient government programme, the proactive approach of the Finance Committee and the new focus on investment for the long term are all signs of the growing maturity of the approach of the Parliament and the Executive to the handling of finances.

Finally, 2004-05 was once again a year of relative plenty. As the Chancellor of the Exchequer likes to remind us, Britain is currently experiencing the longest period of sustained economic growth since the Act of Union 1707 and we have seen a similarly unprecedented period of growth in public spending across the last four spending reviews. Against that background, I suggest that it is only prudent to plan on the basis of an assumption that the rate of growth of public spending is bound to slow after current plans come to an end in 2007-08.

Both we and the UK Government are already thinking about the 2006 spending review, which will set out detailed spending plans for the period until 2009-10. Given the efforts of the past year, I believe that, as we approach the 2006 spending review, we can be confident that our finances are in good order in terms of the numbers and the key parliamentary and budget processes.

Today's debate—and we purposely wanted a debate—is an opportunity for us to hear the perspectives of others. I know that my colleague Euan Robson will do his best to respond to the views that are expressed; he will comment on the remarks that members make when he speaks later.

Given all that I have said this morning, I believe that we are in a good place. It is both practical and mature to recognise that there will always be points of difference, but the spirit of mutual respect for our roles and recognition of our joint responsibility encourages me to believe that, when the 2006 spending review takes us to the end of the decade, we will be in an even better place—devolution will have matured even more.

I move,

That the Parliament notes the improved financial management of the Scottish Executive, including the latest provisional outturn figures; encourages the Executive to continue its constructive dialogue with the Finance Committee to improve understanding, transparency and scrutiny, and notes the importance of this process to the efficient delivery of commitments outlined in *A Partnership for a Better Scotland*.

09:26

Alasdair Morgan (South of Scotland) (SNP): First, in the spirit of the consensus that Mr

McCabe mentioned, I should say that I agree with parts of the Executive's motion. Over the years, there has been a largely constructive exchange of views between the Finance Committee and the Executive. Slowly, the amount of information that is available and the transparency of the information on what is done with our money have increased. It is not surprising that that has happened slowly, given the complexity of the subject matter and the vastly increased level of financial scrutiny that the Scottish Parliament was set up to obtain and which it rightly expects.

However, it is still far too common for members of the Finance Committee—dealing as we do with summary budget lines—to be unable to pinpoint the detail of what is going on, even though, often, large sums of money are involved. In an alleged or real crisis, ministers will suddenly produce from nowhere—or from the biscuit tin, as it was described to me by a local authority official at a recent meeting—a large sum of money to deal with an urgent priority, even though none of us knew that the money was available and perhaps not even the minister knew until a civil servant told him about it.

Despite my agreement with parts of the motion, I remain to be convinced that improved financial management has been demonstrated. That is why I lodged my amendment. Before I turn to that, however, I want to comment on the outturn figures. Just under four years ago, in September 2001, the SNP instigated a debate on the publication of the outcome figures for the previous year. We argued that a simple statement by the Executive did not allow us sufficient time to explore all the issues. I think that we were right to make that point.

The problem is that, although we are having a debate, the figures were made available to us only today. Although I thank the Minister for Finance and Public Service Reform for providing me with an advance copy—I congratulate him on producing an explanatory document that is, at first sight, far better than those of previous years—it is still the case that the complexity of the subject matter does not allow a considered debate to be held only minutes after the figures are made available to most members. It would be much better if a debate was held perhaps a fortnight after the figures were published.

Mr McCabe: I am glad that the member recognises that this is a debate and not a statement. However, I hope that the Parliament will recognise our thinking behind our approach to parliamentary debates. We believe that it is extremely important that the Parliament should be the first body to get the information. If we release information days or weeks before a debate, we may find that it is discussed on certain television

programmes or in the columns of newspapers. That would be extremely disrespectful to the Parliament.

Alasdair Morgan: I am sure that no one on the SNP benches would ever be guilty of that sin.

On financial management, the brief that the Executive produced for the debate states that there are

“signs of growing maturity of our financial processes”.

Although good wine improves with age—I can certainly testify to that—I argue that, regardless of the passage of time, the Scottish Parliament's financial processes will continue to be strictly limited, constrained and shorn of scope for imagination for as long as we exist simply to spend the results of the Chancellor of the Exchequer's beneficence or meanness, as his mood or the UK's financial situation takes him.

It does not take a great deal of imagination simply to spend all the money that one is given. In the early years of the Parliament, the Executive and its back benchers used to make a virtue of telling us by how much the budget had grown in each successive year—indeed, the minister slipped into that tendency this morning. The issue was not how much value was produced or how well it was produced; what mattered was simply the amount of money. That is changing. Despite what the minister said this morning, he thinks that we need to be more efficient, perhaps even parsimonious, in the use of our cash—I hope that I am not putting words into his mouth. However, I argue that that is not enough. We need to be responsible for the revenue side of the equation.

The Scottish budget has grown from about £16 billion in the first year of devolution to the projected £30 billion in 2007-08. Because of changes in accounting practices, transfers of responsibility from London and inflation, we cannot directly compare the figures, but they give a flavour of the huge increase in public spending. Against that background, the Executive has launched its efficient government initiative. A question that cannot be answered now, but to which the Finance Committee will return in the coming months, is to what extent the savings that will be claimed are genuine. With the best will in the world, it will be difficult in many cases to establish the amount of genuine savings. As elections loom, it is inevitable that Executive members will wish to talk up the numbers and that—perish the thought—Opposition members might try to talk them down.

I take one small example to demonstrate the difficulty. Earlier this week, some members of the Finance Committee visited Scottish Natural Heritage. SNH is a small organisation in the overall Scottish context and its target for recurrent

savings is £2 million per annum. However, we must consider that against the background of its budget, which will rise during the same period from £61 million to £69 million. In addition, it will be faced with extra net budgetary costs of some £27 million arising from its relocation to the constituency of my friend Fergus Ewing. How do we genuinely separate out the £2 million of savings when everything else is changing? That is a challenging task, to say the least. It will take all the black arts of accountancy to prove the figure. Few organisations operate in a static situation and it is difficult to separate out targeted savings in any meaningful sense when the background is constantly changing. However, I leave that difficulty to one side.

A major question that we need to ask, given the increase in the Executive's budget, is whether some of the results of increased efficiency should be returned to the people who are the source of the revenue—the individual taxpayers, the unincorporated businesses that pay income tax, the council tax payers and the businesses that pay business rates or corporation tax. Nowhere in all that we have heard about the efficient government initiative is there any incentive for individuals and businesses in our country to work more efficiently, to produce more or to grow Scotland's economy, which is still the Executive's prime objective.

The irony of the efficient government project is that, although efficiencies are being delivered either in fact or allegedly, the Government keeps all the money that Gordon Brown gives it and just spends it on something else. Indeed, in the case of many quangos, the body that has made the saving keeps the money and spends it on something else that it fancies. In those circumstances, taxpayers might be forgiven for thinking that they, too, might be due an efficiency dividend. We are meant to believe that the efficiency savings will all be returned to us in the form of more public services, but, in some cases, it is beginning to be arguable that we need not more public services, but better delivery of existing services at less cost.

Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD): Is the member saying that the SNP's new tax policy is to cut income tax?

Alasdair Morgan: I am sure that the member will not be surprised to hear that the details of our policy—like his party's policy, which I suspect will not be the same as that of the Executive of which his party is a part—will be announced before the next election. He would not be surprised by my remarks if he had heard my comments on the announcement of the council tax allocation and the increase in uniform business rates, when I made the same points.

The matters to which the motion refers—improved financial management, constructive

dialogue, understanding, transparency and scrutiny—are all valuable improvements in the process of government. However, even if we achieve them, all that we will do is to continue to spend Scotland's existing wealth more transparently and more efficiently; of themselves, they will generate not a cent or a penny of that wealth. The challenge that the nation faces is not simply to spend as efficiently as possible the consequences of whatever decisions the chancellor in London happens to make, but to generate more of our own wealth, to all our citizens' benefit. That is something that the current constitutional settlement will never allow us to do.

I move amendment S2M-3015.2, to leave out from first "notes" to "figures".

09:37

Mr Ted Brocklebank (Mid Scotland and Fife) (Con): I, too, will begin in consensual mode, which is not too difficult following what Alasdair Morgan said. He gave an impeccable Conservative speech, which promises much for a future coalition.

Alasdair Morgan: Does Mr Brocklebank support what I said about constitutional change?

Mr Brocklebank: I said that I would begin by being consensual; I will now move gently away from that.

Before the minister's announcement today, the Executive's underspend had never fallen below £394 million. In the spirit of consensus, I thank him for small mercies, because I calculate that end-year flexibility is now down to £281 million, although the Conservatives' view is that much of that sum should have been redistributed to the public in reduced council taxes and business rates. Only yesterday, Scottish industry chiefs launched a campaign to cut business rates to English levels. They are right to claim that the current set-up is indefensible.

We do not argue with the logic that money should not be spent in a financial year just to avoid losing it. It is clear that quick spends are often bad spends, as the public recognise. However, EYF has in a way become the Executive's favoured flexible friend to avoid embarrassing underspends. We are told that EYF makes for efficiencies. However, that does not mean that it has anything to do with efficiencies as outlined in "Building a Better Scotland", which promised efficiency, effectiveness and productivity that would result in £1.7 billion of savings over the three years to 2008.

Before the efficiency savings were announced, Jack McConnell said that we would out-Gershon Gershon in referring to the 3.75 per cent saving

that Gershon identified for the rest of the UK. Of course, the situation did not work out that way. As Professor Arthur Midwinter has reported to the Finance Committee, if the Executive had applied the equivalent targets that were set for Whitehall, Scotland's efficiency savings would be £240 million higher. The planned Scottish saving is 2.8 per cent of the departmental expenditure limit, not the 3.75 per cent that is to be achieved under the Whitehall proposals. To be blunt, Jack and Tom have been considerably out-Gershoned by Gershon, and not vice versa.

Stewart Stevenson: Unlike Mr Brocklebank, I think that using end-year flexibility is a good idea. To illustrate the member's experience in practice, will he say what proportion of his allowances as a member of the Parliament he expects to spend in the current year? Will he have money left over at the end of the year?

Mr Brocklebank: If the member asks whether it is a good idea to allow our members' support allowance to be carried over into the following year, I think that there might well be merit in considering such a scheme.

I move on to the part of today's motion in which the minister claims that the Executive has signed up to improving understanding, transparency and scrutiny and to constructive dialogue with the Finance Committee. Those aims are all laudable, but how well are they working out?

Recently, I was part of a Finance Committee delegation that visited Forth Valley NHS Board and Stirling Council. As we heard from Alasdair Morgan, earlier this week a committee delegation met Scottish Natural Heritage. Our aim was to find out how the Executive's efficiency targets were working on the ground and how transparent the projected savings were. It soon became obvious that bodies were making economies rather than efficiencies. In other words, although bodies would meet their targets, that would not mean that they were more efficient. Where we sought understanding, we found confusion. Where we sought transparency from the Executive, too often we found obfuscation.

For example, from the efficiency technical notes, we understand that about £250 million of savings will be made in the health budget, but Forth Valley NHS Board was unclear about whether savings were being deducted at source from its budgets to be reallocated elsewhere or whether it was expected to find savings and redistribute them internally. Stirling Council and other councils believe that their contributions from the Executive will be cut directly. Professor Midwinter advised the Finance Committee that local government's share of the savings is about 45 per cent.

Des McNulty (Clydebank and Milngavie) (Lab): I am sure that Ted Brocklebank's comments on efficiency are interesting, but when will he address his amendment?

Mr Brocklebank: The debate is about not only EYF, but the efficiency of government and making savings. I hope that we will come to that.

The problem is that we still do not know whether the assumed savings that are being requested will have an impact on jobs and services. Are health services being treated the same as councils? If not, why not?

Mr McCabe: Is the Conservative party saying that it does not want efficiencies to have any impact on jobs?

Mr Brocklebank: No—we are absolutely not saying that. We look for real efficiencies and we want services to be maintained. The problem is that different rules seem to apply to health boards and councils. I hope that the minister or the deputy minister will explain that to us.

The message to the Finance Committee in Stirling and this week was clear: we were told that major savings could be achieved only at the cost of jobs. Against those savings would have to be balanced the cost of redundancies and a potential drop in services. However, Tom McCabe remains reluctant to put a figure on the number of jobs that are to go in Scotland, despite Gershon's clear statement about the likely job cuts south of the border.

As Alasdair Morgan said, the committee's SNH visit was particularly interesting. As we heard, SNH has been asked to make £2 million of efficiency savings from its annual budget of £61 million. However, that budget will approach £70 million by the end of 2008, when the £2 million of savings will kick in. SNH will not hand back that £2 million; it will reallocate the money in its overall budget. Of its 750 full-time employee roll, SNH thinks that it will be able to make job cuts. How many? Perhaps as many as 12 a year over three years, which is a total of 36. Does that mean that in three years' time SNH will employ only 714 full-time staff? No, because SNH claims that the services that it is asked to deliver might have changed by then, so the number of jobs might have to rise.

Jeremy Purvis: Will Mr Brocklebank give way?

Mr Brocklebank: I will not, because I have given way four times.

That is the situation at SNH when its enforced relocation and rehousing in Inverness will cost taxpayers £27 million, even after SNH's properties in Edinburgh and Inverness are sold. Because fewer than 40 of the current headquarters staff of 268 will move north, there will be recruitment costs

to find another 200 staff who are willing to work in the Highland capital. Of course, none of those costs is included in SNH's efficiency equation; the costs are to be picked up by the Executive. The efficiency savings of £2 million, which the taxpayer was never going to see in any case, will therefore be offset by a bill getting on for £30 million to move the agency to Inverness. Against that background, how can we have any confidence in the Executive's ability to improve efficiency?

Since 1999, spending on administration has increased by £50 million. The number of Scottish Executive staff has increased by 1,057 and the number of other civil servants has increased by 556. Moreover, an additional £137 million has been spent on quangos. If the Executive is serious about cutting the scale and the cost of Scottish government, a total change in culture is required. We must move away from the target culture of intervention and interference towards the creation of an attractive environment for business in Scotland by reducing the burden of tax and cutting red tape. In the process, not only would we create the dynamic and competitive economy that we are striving towards, but Jack McConnell would no longer have to worry about whether he would meet his immigration targets—people would flock back and newcomers would flock into the new, self-confident, efficient Scotland.

I move amendment S2M-3015.1, to leave out from "improved" to end and insert:

"latest provisional outturn figures; encourages the Scottish Executive to continue its constructive dialogue with the Finance Committee to improve understanding, transparency and scrutiny; further notes the importance of this process to the efficient delivery of commitments outlined in *A Partnership for a Better Scotland*, and is disappointed, however, that, despite earlier assurances by the Executive, its efficiency drive falls substantially short of the Gershon savings instigated in Whitehall."

09:46

Mr Andrew Arbuckle (Mid Scotland and Fife) (LD): The motion and the minister's words provide evidence that the Scottish economy is heading in the right direction. They also point to a path along which there will be improved scrutiny and transparency in the Scottish budget process.

Although I may be a recent addition to the Finance Committee and it is physically impossible to pat oneself on the back, I am impressed with the rigour and thoroughness of the scrutiny process. At the same time, I recognise that the creation of transparency is an evolving process.

I warn the minister that, despite his complimentary words about the Finance Committee, on any of his future visits to the committee questioning will be no less robust.

I do not think that any member of the Finance Committee would disagree with the sentiment in the motion that "constructive dialogue" between the Executive and the Finance Committee is crucial to improving the budget process and the monitoring of it.

I am personally sorry that, in their amendment, the Tories did not support the wider spirit of the motion, apart from one small specific reference to the work of the Finance Committee. Instead, they appear to have decided to concentrate on cross-border sniping. I point out to Ted Brocklebank that the underspend is little more than 1 per cent of the total expenditure of Scotland; any businessman would be happy to accept such a figure as a minor deviation from his budget.

I hope that I was not the only member in the chamber to observe a few rays of supportive comment from the SNP. Either there is a slow realisation in that party that the coalition budget is delivering, or perhaps it was just a reflection of the sunny weather.

Yesterday, I listened to a frequent visitor to Scotland say on the radio that he was beginning to notice major improvements in this country. For those of us who remember the dictum, "To see ourselves as others see us," that was quite a point. Some people—I look at the Opposition—take great delight in knocking the achievements of the Executive without seeming to realise that such negativity also affects Scotland.

Phil Gallie (South of Scotland) (Con): One of the achievements of the Executive has been to lose the uniform business rate that our businesses enjoyed in the past. Today, the member's party will elect a new leader, and I understand that both candidates are committed to restoring the uniform business rate. Does he believe that that will bring about a change in the Executive's standpoint in the short term?

Mr Arbuckle: Mr Gallie will have to wait for this afternoon's announcement. The new leader will take it from there.

The visitor who spoke on the radio yesterday made a remark about the amount of new building work that was being carried out. I suppose that he saw some of the new schools that are being built or some of the transportation improvements that are now being delivered. There were no specifics in what he said, but that endorsement that the old country is beginning to throw off its old clothes and dress itself for the 21st century with new attitudes is vindication that the Executive coalition's spending programme is on the right track.

That was the view of a financial layman, but a similar endorsement of the improved performance of the Scottish economy came on Monday in a report issued by the world-rated accountants Ernst

& Young. The report pointed to the closing of the growth gap through increased economic activity in Scotland.

There is recognition that this country is on the move. There is no doubt that the high level of investment that is going into public sector infrastructure is pushing against the top level that the country can afford. One public agency, Scottish Water, is already on record as stating that although further projects are needed, they could not be carried out efficiently at present.

Jim Mather (Highlands and Islands) (SNP): I want to check with the member whether the euphoria about the Ernst & Young Scottish ITEM—independent treasury economic model—Club's report that the gap will be closed to 0.7 per cent is justified, given that the average has been 0.5 per cent. There is no improvement.

Mr Arbuckle: I mentioned the SNP's general negativity about any improvement. We have just heard a splendid example of that.

Concerns are being raised about the level of public sector spending. However, unless the investment is made now, we cannot raise our educational standards; unless our hospitals receive increased levels of cash, our health record will not improve; and unless we invest in transportation infrastructure, we cannot hope to attract businesses to, and keep businesses in, Scotland.

I agree with the Minister for Finance and Public Service Reform when he cautioned that there might be a slowing down of public expenditure in the coming years. By that time, Scotland should have better infrastructure, and it will be up to the country and its businessmen and businesswomen to make use of it.

There is still more to do. The lack of major investment in the second half of the 20th century cannot be cured overnight. That is why public agencies such as Scottish Water are now working to the limit—in Scottish Water's case, to upgrade water supplies and sewage disposal.

The commitment to grow the economy was made by the Liberal Democrats at the 2003 election. I am pleased to see those policies come through in the coalition and to support the motion.

The Deputy Presiding Officer: We now come to the open debate. I will be able to call all the members who wish to speak. I suggest speeches of about seven or eight minutes.

09:52

Des McNulty (Clydebank and Milngavie) (Lab): There is much to welcome in the provisional outturn figures that the Minister for

Finance and Public Service Reform has published. This is the best performance and clearest information that we have seen in a budget report since devolution. I pay tribute to the minister, who has worked closely with the Finance Committee over the past nine months, and to Richard Dennis and the finance co-ordination team. Together, we have made very substantial progress in improving financial information and financial management in Scotland. The minister was entirely right to highlight in his speech the progress that has been made in recent years.

The reduction in the level of expenditure slippage from £641 million last year to £281 million is a marked improvement in financial performance. It means that the Executive has both targeted and managed its resources better. I congratulate the Minister for Finance and Public Service Reform on securing such a substantial improvement.

There are good signs that this is not a one-off improvement, but the continuation of a pattern. For example, the figures show that slippage in the capital programme has reduced from £256 million in 2002-03 to £177 million in 2003-04 and to £140 million this year. The Finance Committee has argued consistently for increases in capital allocations to promote economic growth. We are pleased both with the reduction in slippage and that the slippage that remains has been fully reallocated to portfolios.

Given our past criticism of the management of Scottish Water's borrowing facility, it is encouraging to see that slippage in that budget in 2004-05 is only £18 million. That is excellent progress. On the other hand, I have to say that the £87 million underspend in transport is disappointing—especially in a budget of £122 million. The Finance Committee has appointed me as its reporter to investigate the transport budget. I will examine rigorously each major commitment, the financial models involved, the timescales and perhaps what contributions are coming in from non-Executive sources to those important projects, because such contributions are important tests of whether projects are viable and should be given priority.

The decision to retain £84 million in the central contingency fund is sound finance, given that we expect budgets to be tighter after the 2006 spending review. I hoped that the significant reduction in underspending would underline the folly of the argument that was put forward last year, in particular by Brian Monteith, who said that EYF money should be used for short-term tax cuts. It is clear that the Executive is managing spending growth much better than it did in earlier years. As the minister said, EYF is intended to bring stability and effectiveness to financial management, so it would be entirely inappropriate

to divert it to tax sweeteners that are sustainable only in the short term. Therefore, it is particularly disappointing to hear Alasdair Morgan take the stance that Brian Monteith took last year. Alasdair Morgan's position is entirely contrary to the belief of the Finance Committee and Scottish business that the Parliament should give primacy to capital spending.

Alasdair Morgan: Does the member accept that spending an underspend on tax cuts is entirely different from spending efficiency savings on tax cuts?

Des McNulty: I accept that. It is interesting that both Alasdair Morgan and Ted Brocklebank concentrated on efficiency rather than EYF. Perhaps that is because the EYF and financial management figures represent such a positive management story for the minister and the Executive.

I make a couple of important points to Alasdair Morgan. It is a bit hypocritical of a party that in Inverness welcomes the relocation of SNH to take a different stance on the matter in Edinburgh. The SNP should say the same thing in different parts of Scotland. I would be more tolerant of the SNP's economic stance if it did not pretend to be a business party in some debates and a spending party in others. The reality of the SNP's constitutional position requires the party to adopt the stance that was taken by prominent SNP representatives in the 1980s, who said that if independence left them with tattie peelings, that is what they would eat. The SNP pretends that Scotland can achieve independence at no financial cost, but there would be a very substantial financial cost and there is a black hole in the party's calculations.

Jim Mather *rose*—

Des McNulty: The SNP consistently tries to deny it, but that black hole is apparent in the sums. Jim Mather is fond of producing spreadsheets, but all his spreadsheets point him down the old bog road.

Mr Brocklebank: Does Des McNulty, who is the convener of the Finance Committee, think that it was an efficiency to move SNH from Edinburgh to Inverness at a cost to the taxpayer of £30 million, in return for savings of perhaps £2 million over three years?

Des McNulty: That is an interesting and questionable proposition. Perhaps the improvements to the relocation policy that the committee suggested will ensure that the benefits and costs of relocation are properly scrutinised in future.

I return to a slightly more consensual position. I am sure that my colleagues on the committee

applaud the clarity of the document that we are considering today. Ted Brocklebank might demur a little, but the principles that underline EYF, the improved presentation of financial information and perhaps in particular the new annex, which explains shortfalls, will greatly assist us not just in understanding the current position but in conducting the more detailed scrutiny that will take place in the autumn. The committee appreciates the minister's comments on its proactive approach and values its good working relationship with officials in the Finance and Central Services Department. However, I emphasise that the committee will continue to be willing and able to criticise when that is necessary.

I note that the Executive is already considering the 2006 spending review. The Finance Committee is also considering the matter; our clerks and advisers are working on background papers for committee members to consider during the summer recess. The deliberations on the priorities for SR 2006 will be greatly assisted by the greater stability in financial management that is reflected in the information that is before the Parliament and by the changes in presentation and process that were agreed with ministers. EYF is an important innovation and has fostered such improvements. Today's story is good news for the Parliament, the Finance Committee and the minister. There are signs of definite improvement and I welcome the opportunity to debate the improvements and highlight the fact that they were achieved through consensus, good work and a rigorous approach, which must continue.

10:00

Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP): The motion's title begins, "Financial Management", which is a much wider topic than the matter of whether we manage to reduce the underspend. Des McNulty said that the Executive should be congratulated on the reduction in "expenditure slippage", which I think was a newly-crafted phrase. However, what counts is not as much what we spend as what we get. The efficient management of large amounts of money is what matters and that is the main topic for the debate.

I want to address transport, which is in my portfolio, and to use two examples to demonstrate that the Executive has failed to use its substantial resources effectively. First, let us consider the intended repurchase of the Inverness airport terminal private finance initiative. The PFI was approved by the Labour Government in 1998 and the terminal cost £9.6 million. A £3 million grant was awarded and Noble and Company Ltd, the merchant bank, provided the remaining capital of around £6 million. This week, Nicol Stephen

announced in Inverness that the PFI contract would be bought out. We do not know the buy-back price, but we expect it to be around £25 million. The merchant bank that currently owns the PFI has already received nearly £9 million, which means that under the PFI investment by the Labour Government—it was initiated by the Conservatives; I will not leave them out—a private sector merchant bank invested £6 million and eight years later the current owners will receive a return of £34 million, £35 million or £36 million. That represents a 600 per cent return in eight years. Can any member who supports PFI, whatever their perverse ideological reasons for doing so, justify that deal?

The Scottish Executive tried to buy out the PFI contract a couple of years ago and I am informed that at that time a lower price was agreed, but the negotiations were not completed. The precise reasons for that remain cloaked in official secrecy—it is helpful to be able to argue for commercial confidentiality when one needs to cover up one's economic incompetence. However, there is an opportunity cost of around £20 million, because that amount of money would have been available if Inverness airport terminal had been built through conventional procurement by the Government. In effect, £20 million has been wasted.

Secondly, let us consider the M74 extension. I am an ardent supporter of the project, which is necessary for the economy of central Scotland and Glasgow and will reduce fatalities. Indeed, the number of fatal road accidents in Glasgow has fallen from 141 in 1967, before motorways were built, to 13 in 2003. The economic arguments for the project are compelling. Of course, the Executive likes to indulge in its favourite weakness of premature congratulation. I know that Mr McCabe does not believe Executive press releases, but I remind him that a press release from the Minister for Transport and Planning on 11 October 2001 was entitled, "M74 extension to begin". However, in 2005 there are no obvious signs that a yard of concrete has been laid. The Executive likes to make premature announcements; it also likes to hold public inquiries that cost £1 million when it has already made up its mind before the first word of evidence is heard.

What is happening now is far more serious, which brings me to my main point. The Executive has not followed a prudent management policy in its procurement programme. Its particular failing was identified by a witness who gave evidence on behalf of the civil engineering sector to the Local Government and Transport Committee on 9 November 2004. Neil Johnstone of the Institution of Civil Engineers said:

"The existence in the programme of several substantial or chunky projects presents challenges for programme management. One way to deal with that would be to have flexible responses ready to deal with hiatuses in the delivery of any project. That could be achieved by creating a preparation pool of projects".—[*Official Report, Local Government and Transport Committee*, 9 November 2004; c 1385.]

Delays can occur in projects for all sorts of reasons. If the Government is to fulfil its role of ensuring a steady stream of work for the civil engineering sector, it has to have a prepared pool of projects that can fill any hiatuses.

What has happened with the M74? I have here a confidential document from the Scottish Executive Enterprise, Transport and Lifelong Learning Department on the Scottish motorway and trunk road programme at February 2005. The only major project for 2006-07 was to have been the M74; that was the only A-category project of more than £150 million. B-category projects are valued at £100 million to £150 million, and there are no B-category projects in the programme. Instead of having work of a value of up to £500 million to do, the construction sector is suddenly without that work.

What has been the major problem in the construction sector over the past decades? Boom and bust. What has prevented the construction sector from bringing back apprenticeships and creating stability in employment? It was the boom-and-bust economy, to which the incompetence of successive Governments in failing to create a preparation pool contributed.

Mr McCabe: Scotland, second only to Denmark, has the highest percentage of its people in employment. Employment is higher than it has been at any time in our history. Mr Ewing speaks of a boom-and-bust situation, implying that people are being thrown on the scrap heap and that human capital is not being properly used in Scotland. However, we have more people in work than we have had at any time in our history. How does he square that circle?

Fergus Ewing: We certainly have many more people on invalidity benefit than we have had before. It all depends on how statistics are measured. I was addressing specific points on the lack of the creation of a preparation pool and on the lack of a sound approach to managing procurement contracts. The minister has not responded to those points and neither has the Minister for Transport.

Jeremy Purvis rose—

Fergus Ewing: I see that Mr Purvis is going to try to enlighten me. Here is his chance.

Jeremy Purvis: Did Mr Ewing hear the announcement of the next stage of the Dalkeith

bypass? The bypass will serve people in the Borders; it is perhaps one of the projects in preparation to which he refers, and it will be delivered before the M74 project. Is that not a perfect example of what he says is lacking?

Fergus Ewing: No, it is not. The M74 project involves three contracts with a total value of around £500 million. If Jeremy Purvis wants to study the document, I will give it to him later. In it, he will see that the planned programme does not contain enough projects of sufficient size to fill the gaps.

Jeremy Purvis: Did I make up the Dalkeith project?

Fergus Ewing: Projects are being brought forward but it will be interesting to see details on the timing. There are not enough projects because the Executive has not prepared its work properly and is not running public finances properly. The Executive presents ideas as plans but they are not plans at all because the details have not been thought through.

Whether it is the SNH relocation—a decision that was taken for purely political reasons—the concessionary travel scheme that was announced in December 2004 but for which the details had not been worked out, or the lack of a preparation pool, it seems to me that the Executive has failed to heed the basic lesson that it should have learned from a gentleman who lived in a house just across the road from this building. That gentleman bequeathed to the world the process of rational analysis as the means of governing. His name was Adam Smith. Instead of applying sound management to the expenditure of the public purse, the Executive is far more concerned about tomorrow's headlines, premature announcements and political hits. As long as that is the case, the Scottish public will be rightly sceptical about what we get for the increase in expenditure about which we have heard this morning.

10:10

Phil Gallie (South of Scotland) (Con): I have been in this Parliament for six years and, although I could claim to be a stranger to this particular debate, I am no stranger to sound financial management and the wider economic issues. I make no apology for wanting to widen the discussion on the economic aspects.

The Scottish Executive's spending power is almost totally bound up in United Kingdom economic factors. We cannot avoid that. In the recent general election, it was sad that economic issues did not really come to the fore. Many people will have imagined that Gordon Brown has created some kind of economic miracle.

Des McNulty: Will the member give way?

Phil Gallie: I will give way later but not right at the moment.

The economy that Gordon Brown inherited in 1997 has served him very well indeed. Tony Blair boasted of that inheritance in Amsterdam in 1997; he said that it had put Britain top of the European economic league. Unfortunately, Gordon at first embraced prudence, then divorced prudence. That will catch up on him and, sadly, the Scottish Executive will not be able to avoid the consequences. The impact of changes at UK level could well affect the Scottish Executive budget in the future.

As far as I can see, the Chancellor of the Exchequer has two options. One is to put constraints on public expenditure. Such constraints will hit Scottish Executive budgets because reduced amounts will come through the funding channels. The other option is tax rises. Either of those options will be bad for the Scottish economy.

To meet the objectives in "A Smart, Successful Scotland", or to live up to Jack McConnell's and Tom McCabe's new slogan about Scotland being the best small country in the world, we will need investment. We will also need lower taxation if businesses and industry—what is left of it—are to succeed in future.

Alasdair Morgan said that our block grant is set to rise to something like £28 billion by 2008. Therefore, the grant will have almost doubled in the eight years since Labour came to power. Expenditure will have doubled but, as Fergus Ewing suggests, we must ask how that ties in with the public's perception of the services that are being provided.

In part, this debate is about wise management of the finances that are available to the Scottish Executive. I am sure that some members will question that management, perhaps in other debates when we are discussing services.

Mr McCabe: At which point in the economic cycle would the member like us to return to black Wednesday, when we saw the inglorious sight of a chancellor dancing in and out of the Treasury and announcing yet more hikes in interest rates as our economic reputation crashed and burned?

Phil Gallie: I would hate to return to black Wednesday and I would hate to return to the conditions that led to all-party support, right across the chamber of the House of Commons, for our move into the exchange rate mechanism—a move that I never felt would be to our advantage. That is one reason why I have continually opposed UK entry to the euro. Perhaps the minister will accept that the Tory Government made a mistake in

moving into the ERM having listened to Labour, Liberal and nationalist voices. However, we got out of the ERM and, thereafter, the Tory Government did indeed enhance the country's economy—so much so that Mr Blair was able to boast in Amsterdam about Britain's strong economy. Therefore, there will be no overall apology from me about the Tory Government's policies.

The fact is that, if the UK Government were to cut back on public expenditure, the Scottish block grant would fall. Perhaps that is one of the reasons that the minister uses to justify ensuring that the Government has an underspend year after year.

Scotland is fully committed to the UK Government's efforts to meet the Gershon targets. However, although Jack McConnell wants not just to accept Gershon but to go further than that, there has been little evidence of progress on that front to date. The Minister for Finance and Public Service Reform promised a streamlined Government that would employ fewer people overall. Once again, much of the evidence shows that the reverse is happening: after falling for seven consecutive years up until 2001, the figures for public sector employment have risen significantly in the years since then. Unfortunately, I do not have the figures for 2004, but perhaps the minister will tell us about them.

Sadly, while public sector figures have gone up, we have seen the reverse trend in the figures for private sector employment. Although they moved upwards in the same seven years to 2001, they have gone downwards ever since. The Government may claim credit for the gain in employment, but the fact is that it has been in the public sector and at a cost to the public purse, which suggests that the wealth creators in our society are not being given the opportunity to create wealth. The minister boasts about the employment figures, but we must also take on board Fergus Ewing's worthwhile point about the number of people on invalidity benefit.

My next point might be seen as coming from somewhat of an obtuse angle. Recently, I read a Convention of Scottish Local Authorities publication that set out the massive advantages that Glasgow has gained from the influx of asylum seekers into the city. However, if we analyse that, we see that the only gains that Glasgow has made are from the additional public expenditure that has come through the benefits system. Once again, if the overall economic position is studied, the negative effect is clearly seen.

I promised earlier that I would give Des McNulty an opportunity to intervene.

Des McNulty: It seems a long time ago. I intervened because I wanted to point out to Phil Gallie that the vast majority of people to whom I spoke during the election campaign told me that the economy was a significant issue for them. The reason why Labour won such a considerable victory is that people think that Gordon Brown's stewardship of the economy and the Labour Government have been highly successful.

I accept Phil Gallie's point that the Conservative party made considerable mistakes in the 1980s and the 1990s, as a result of which the Labour Government was given a positive trajectory on which to move into Government. The Labour Government's considerable achievement has been to maintain and develop that trajectory of prosperity to such an extent that Britain is seen as the economic miracle of Europe—

The Deputy Presiding Officer (Trish Godman): I call Phil Gallie.

Des McNulty: I hope that the Conservatives will learn from that that—

Phil Gallie: I do not want a speech. I say to Des McNulty that the turnaround in the country's economy dates back to the 1980s, when hard decisions had to be taken to change the direction of British industry. The processes that the Conservative Government introduced have been followed worldwide since then, so much so that we have seen a rise in the overall global economy. The solutions to the problems that the Conservative Government faced in the 1980s gave rise to the successes of the 1990s, on which Mr Brown has lived since 1997. Perhaps that justifies the steps that we took at the time.

I say also to Des McNulty that the people whom he believed when they told him on their doorstep that they thought that the economy was in good hands will not feel quite so good once the effects of the cutbacks in public expenditure and increases in taxation come into being. Time and again in the Parliament, members have complained about the personal debt problems that individuals face. The issue will return to haunt us. Issues such as that might change the feel-good factor to which Des McNulty referred in his intervention.

The current underspend could be put to better use. It could be used to address the uniform business rate to which I referred in my intervention on Andrew Arbuckle. The fact is that by bringing down business rates, we will improve the employment position—I am talking about the real employment that the wealth creators of our country generate. Indeed, when the new Liberal Democrat leader is elected and takes on the role of Deputy First Minister, I hope that he will make that point in Cabinet, so that we can get Jack

McConnell to backtrack on the folly of a few years ago when he got rid of the uniform business rate.

10:21

Christine May (Central Fife) (Lab): Like Phil Gallie, I am not a member of the Finance Committee. I come to the debate from the perspective of my position on the Enterprise and Culture Committee and as a constituency MSP. I recognise that the efficient spending and management of Government finances in Scotland are important across all budget headings to deliver the health, social, cultural and—most important—enterprise improvements that the Government wants to see.

Budgeting is an inexact science. In fact, if someone were to show me a budget head that has come in consistently spot on year after year, I would be able to show the chamber either someone who is so conservative that nothing good will ever come out of their work or someone who is fiddling the books. Of course, if a budget head comes in wildly under or over estimate, we also know that there are problems.

Being responsible for a budget is much more likely to lead to knives in the back than the pats on the back to which Andrew Arbuckle referred. That is my experience from the political jobs that I have done in the past; I expect that it is no different for other members.

I congratulate the Executive on the measures that it has taken and on its quick reaction to the proposals of not only the Finance Committee but the Enterprise and Culture Committee. I welcome the activities and actions that form the background to the debate. I am thinking of measures such as the net investment rule to increase capital spend by at least 5 per cent in each year and the infrastructure investment plan. I am sorry that Fergus Ewing has left the chamber, because I wanted to say to him that the infrastructure investment plan will allow business for the first time to gain the stability that it needs to plan its workforce and the financing of major capital projects.

Efficient government is much derided in the chamber. Nevertheless, given the investment that has gone into Government infrastructure over the past few years, particularly since 1999 in Scotland, surely efficient government is only right and proper. If we do not see some benefit from the investment that has been made in connectivity, broadband and information technology, there would be something wrong with Government planning.

Stewart Stevenson: Will the member tell the chamber what the net increase in the value of

Government infrastructure has been since the establishment of the Scottish Parliament?

Christine May: I am sure that that figure is available to the member and that the Scottish Parliament information centre will provide it if he asks.

The 2004 spending review will invest £85 billion in Scotland over the next few years to deliver on the priorities in the partnership agreement. The longer two-year timescale to which the minister referred gives the opportunity to provide better information and better planning, and a far better opportunity to make changes in a reasoned manner. Many people have spoken about Government making decisions quickly—particularly on spending—but those decisions being bad decisions. The two-year timeframe, as well as all the other measures, including five-year budgets for local authorities, will ensure that the changes that are made are considered changes.

Alasdair Morgan: I agree with the member. Does she agree that we need to roll that process out further down, because far too many bodies, for example those that depend on council funding, know only one year in advance what their budget is? We need councils, other grant-giving bodies and central Government to roll out a two-year forward look.

Christine May: If the member had heard many of the comments that I have made in my previous life, he would know that I entirely agree with him. There are now good examples of three-year partnership agreements being made, particularly where the Executive has delivered funding across public sector bodies, for example for some of the social care budgets.

I am pleased that the SNP agrees with the strategy. As Shona Robison said to conference:

“The days of the wish list in the SNP are over”.

In “Building a Nation”, Kenny MacAskill said:

“Politics is about hard choices ... difficult decisions need to be made ... the SNP cannot simply be in favour of everything and against nothing. Nor can it call for ever greater expenditure from a limited budget.”

I am sure that everyone in the chamber agrees with him. Nevertheless, my briefing goes on to detail in 17 pages SNP members’ calls for additional spending. I lost the will to live as I read them. We have calls for increased spending on roads, health, justice and local authorities, but no sense that there is any appreciation among SNP members of how, cumulatively, the policies would be implemented or paid for by the Scottish public. If that is what independence would mean for Scottish taxpayers, it is no wonder that they consistently fail to vote for it.

Alasdair Morgan: Is the member trying to tell me—because she is clearly drawing comparisons—that none of the Labour members of this Parliament ever calls for any expenditure that is outside the budget? I am sure that their constituents would be interested in that.

Christine May: No. While I have been pleased to praise the Executive, it is not entirely off the hook because, although much has been done, there is much more to do. If we are to meet my aspirations and those of other members in the chamber for increased spending in certain areas, we need to examine the overall management of the budget.

I ask Parliament to support me in calling for increased powers for ministers, which I do not often do. Either the First Minister or the Minister for Finance and Public Service Reform should have the power to oblige officials in Executive departments to co-operate with one another, to collaborate on the more efficient use of their budgets and, more important, to report back to ministers on how they do that. Ted Brocklebank asked for a move away from a culture of intervention and interference. On this issue, I am calling for more intervention and more interference.

I support the motion in the name of the Minister for Finance and Public Service Reform.

10:30

Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD): I support the Executive's motion. I was delighted to hear Mr Gallie tell the tale of the weak Mrs Thatcher who gave way not only to the liberal voices in her Cabinet in the late 1980s, but to the consensus in the chamber among the tartan Tories. Of course, the only thing that separates them is the issue of independence but, as Mr Brocklebank has said that there could well be a coalition between the SNP and the Conservatives, I am sure that Mr Fraser can sort that out. [*Interruption.*] There will be a new leader, perhaps slightly later than 3 o'clock this afternoon.

It is good to hear that, as soon as I leave the Finance Committee, the Government decides to shorten the budget process. Thanks.

Alasdair Morgan tells us that it does not take much imagination to spend money, but the SNP has singularly failed to have any imagination; it has not put forward a single alternative budget. While we have an opportunity to analyse the Scottish Executive's record on financial management—

Stewart Stevenson: Threadbare.

Jeremy Purvis: I hear "threadbare" coming from the SNP benches. Perhaps that is the alternative budget from the SNP.

We have had a further opportunity to analyse the Executive's record on financial management, but of course there is no means of questioning the SNP or the Conservatives on the matter. I remind the chamber of what Jim Mather said in the last budget debate:

"In the short term, the SNP would pursue radically different spending plans that would create a more competitive Scotland".—[*Official Report*, 27 January 2005; c 14041.]

To date, we have not seen any of those plans.

Stewart Stevenson: Will the member give way?

Jeremy Purvis: I give way to Stewart Stevenson. Perhaps he has some "radically different spending plans" for us.

Stewart Stevenson: No, I merely want to ask the member whether he can confirm—as he appears to be doing—that our finance spokespeople will have access to officials and to all the many numbers that we are not given. If that happens and we work with officials, as we want to do, we can prepare for Government and deliver a budget that will truly deliver for Scotland.

Jeremy Purvis: Mr Morgan told us that it does not take much imagination to spend the money, but it takes even more imagination to imagine the SNP preparing for and being in Government.

The SNP stated in the most recent general election that Scotland could secure a \$600 billion income windfall from 28 billion barrels of oil. However, if that is predicated on its plan to have 10 per cent corporation tax, the cost of a barrel of oil would have to be \$180, not the average of \$55 this year or \$10 five years ago. The SNP proposition would build structural instability into our financial affairs. The SNP wants to copy Norway, but denies the fact that Scotland's most recent economic growth is greater than Norway's and that Norway's oil fund is paid into only when it has a budget surplus. As Mr McNulty said, there is a deficit in the Scottish budget.

Jim Mather: Why is it sensible to have a debate into which the member throws fantasy figures? My party has never proposed a 10 per cent corporation tax rate. In the election we proposed a 20 per cent corporation tax rate.

Jeremy Purvis: Mr Mather indicated that the Scottish economy needed a sprinkle of magic dust. [*Interruption.*] I am sorry; it was "fairy dust". As Mr Mather endeavours to get his figures right, I want to quote him correctly.

Let us move on to another area in which Mr Mather has had difficulties, and that is the

population. The population is relevant to debates about the economy and our budget. It is right that we focus on utilising our best economic asset—our people—because we need a budget to deliver public services for our people. In one memorable debate, Mr Mather said that he did not trust the figures of the registrar general for Scotland because they were Scottish Government figures. Finally, Mr Mather admitted yesterday that the population in Scotland is growing, but when it comes to trusting Government figures he turns to the UK Government Actuary's Department. Thank goodness for the UK Government, Jim. Last night, he said that the figures show that there will be a decline in the Scottish population by 2073. My Auntie Irene could probably make accurate predictions for 2073, but it seems as if Mr Mather seeks to extend his game of nationalistic ambition—his slogan will be not that we will be in heaven in 2007, but that we will be free by 2073.

Mr Brocklebank wants us to go beyond Gershon. At the outset of the efficient government review in Scotland, I stated that it was right that the Scottish Executive's approach, unlike that of Whitehall, was not predicated on job losses, but Mr Brocklebank seems to think that it should be. However, he will not tell us how many jobs should go—he got close, but he got cold feet.

Phil Gallie: Will the member give way?

Jeremy Purvis: I am sure that Mr Gallie would agree that it is unlike the Tories to shy away from job losses. I am sorry, Mr Gallie, but I do not have time to give way.

Phil Gallie: The member has plenty time.

Jeremy Purvis: As I have plenty time and as I enjoy Mr Gallie's interventions, I will give way.

Phil Gallie: When Mr Purvis criticises the Tories for talking about job loss targets, that ignores the fact that Mr McConnell and Mr McCabe are on record as having done something similar. Does Mr Purvis accept that, as they are his partners in the Executive, he has some responsibility for their words?

Jeremy Purvis: Mr Gallie is wrong that the Executive has stated that there is a job loss target in Scotland. The Executive has ensured that the efficient government programme is much wider than that.

As Gershon estimated a net reduction of 70,600 jobs in United Kingdom civil service jobs, I would welcome a comment from the Conservatives on their target for job losses in our civil service.

Mr Brocklebank: Will the member take an intervention?

Jeremy Purvis: Not at the moment—I need to conclude my remarks.

Given the Conservatives' excoriating attack on the efficient government programme, it was a little odd that Mr Monteith and Mr Letwin adopted the then efficiency savings target of £745 million as part of their proposed cash savings to allow tax cuts in Scotland. The fundamental error was not to have read the Executive's proposals, which stated clearly that any efficiency gains would be retained directly for front-line services. Mr Brocklebank and Mr Morgan both want us to give money back to taxpayers; they say that there are differences between efficiency gains, general tax cuts and end-year flexibility, but I do not think that there are differences. All taxpayers' money should be managed efficiently and effectively, no matter which category it is in. There is no concept of free money.

I recently invited the chair of the minister's oversight group for the efficient government review, John McLelland, to visit the Borders to see a project through which local agencies are taking the lead: the new sheriff court in Peebles. The building is owned by the council, but it hosts the sheriff court and is to host a police station. The project is an example of effective and efficient use of taxpayers' money. As that example shows, the idea is not necessarily to provide tax cuts, but to deliver better services for the taxes that we pay. That is the ambition in today's announcement and in the Scottish Executive's budgeting, which is why, year after year, when the SNP and the Conservatives present no alternatives, Executive budgets will gain support in the country.

10:38

Mark Ballard (Lothians) (Green): I welcome the debate on financial management. I am pleased that we have moved away from the largely synthetic fury about end-year flexibility, although Ted Brocklebank did a Brian Monteith and argued against the entire notion of end-year flexibility with his suggestion that all underspends should be returned in the form of tax cuts. That proposal is entirely ridiculous, because people want the money that they give Government to spend on their behalf to be spent well and efficiently; they do not want underspends to be given back in tax cuts, whether in the uniform business rate or income tax.

Murdo Fraser (Mid Scotland and Fife) (Con): For the record, what is the Green party's policy on the uniform business rate?

Mark Ballard: As the member knows, the Green party believes in a system of land value taxation, which is a new idea for taxing all properties in Scotland. In Pennsylvania, the shift from a rating system to a system of land value taxation has led to economic regeneration because the new system provides a sensible incentive for properties

to be filled, unlike the business rate system, which provides no such incentive. Murdo Fraser would be wise to consider the proposals for land value taxation, which are attracting increasing support from across the political spectrum as being a sensible way to tax and to provide proper incentives for wise use of natural resources such as land.

As I said, the debate has been more about efficient government than about end-year flexibility, which I welcome. However, in debating efficient government we should not talk about out-Gershoning Gershon nor should we have an artificial debate about particular targets. Rather than arbitrary figures, we should talk about maximising efficiency. We should not get tied up in trying to prove whether we are better at cutting or better at efficiency than other countries are; we should maximise efficiency rather than stick to arbitrary figures. I am sure that the issue will come up a lot in the Finance Committee, of which I have just become a member in place of John Swinburne. I look forward to many fruitful discussions on efficiency.

The debate is a welcome opportunity to discuss financial management. I ask the Executive again what progress it has made on the pledge that the First Minister made almost three and a half years ago that all spending would be assessed for its impact on sustainability. From where I stand, many of the Executive's recent spending decisions seem to bear no relation whatever to sustainability and sustainable development objectives. Plans to develop air routes and build motorways are hard to reconcile with the Executive's claim that there is a green thread to its governing. In that light, I share Des McNulty's concerns about transport spending and the figures that we have just received on it. Transport has by far the largest underspend of any portfolio, at about 7.5 per cent of total spending. From the details, it is clear that the underspend is due mainly to slippage in the M74 road building project—it accounts for £43 million out of the £93 million total underspend on transport.

I never thought that I would say this, but I agreed with many of Fergus Ewing's comments on the M74 extension. His comments on the Executive's premature celebration were well made, as were his points about the Executive opening a public inquiry when it had already made up its mind what the outcome should be. The report of the public inquiry showed that there was no economic, environmental or social case for the M74 extension.

Des McNulty *rose—*

Fergus Ewing *rose—*

Mark Ballard: I will give way to Fergus Ewing.

Fergus Ewing: I will spoil the newly emergent consensus by asking Mr Ballard whether he accepts that part of the reason for the 12-month slippage in the M74 project is the threatened court action by Friends of the Earth Scotland and JAM74—joint action against the M74. Does he support that court action and, if so, how does he square that with his new commitment to maximise efficiency given that, by his actions, he causes further slippage, delays and underspends?

Mark Ballard: I welcome the court action by communities in Glasgow, represented by JAM74 and Friends of the Earth Scotland because the reporter's comments show that there is no case for the project.

Des McNulty: Will the member give way?

Mark Ballard: No; I must move away from the M74. I look forward to future Finance Committee debates on the issue. The way in which to maximise efficiency is to get rid of the M74 and invest in public transport in Glasgow instead. That would provide an efficient and environmentally sustainable transport system for Glasgow and would be efficient spending of Government revenue. I look forward to hearing Des McNulty's report on transport spending, including the Scottish Executive's clarification of public transport spending targets, especially the oft-repeated claim that 70 per cent of the transport budget is spent on public transport. One of the issues with the budget process is the way that capital and depreciation costs are not factored into the transport budget. The figure for public transport spending does not include the proposal for the M74. That is why we need much clearer analysis of the large amounts of money that go into capital and depreciation, in terms of what we are really spending on transport infrastructure.

If we are to move towards efficient and effective analysis of spending, we need to acknowledge the growing consensus that efficient and accountable financial management is unlikely to result from a system whereby the Executive spends the money but is not permitted to raise it. As Alasdair Morgan said, spending what is, in effect, a handout from the Treasury is quite easy, but real financial management will come when we have more financial autonomy in Scotland.

We need to address the fiscal imbalance. Only then will Scottish ministers be fully accountable to Scottish taxpayers and only then will the full responsibility for Scottish financial management rest in Scotland, where it belongs.

10:46

Dr Elaine Murray (Dumfries) (Lab): I thank the minister for his kind words about the Finance Committee. He is clearly a man who enjoys a

vigorous argument. I am sure that there will be more vigorous debates in the future.

I welcome the changes in the budget process that have been made in the past year, and I welcome ministers' acceptance of the Finance Committee's recommendation to establish a biennial cycle so that in years in which there is no spending review we do not have stage 1 of the budget process. That has freed up a fair amount of time for the Finance Committee, and for other committees to scrutinise spending on their remits more closely. It has enabled the Finance Committee to initiate its in-depth and on-going inquiry into the efficient government initiative, and the Education Committee aims to include financial interrogation in its forthcoming inquiry into early years education. In time, it might enable committees to suggest alternatives for budget expenditure, which we have not been particularly good at doing in the past. More committees are appointing financial advisers, which means that Parliament as a whole is gaining a base of independent advice, so we should be able to improve the quality of scrutiny of the budget in future years. I hope that that will help the Executive to continue with its improvements in financial management.

I agree with the Executive motion; there has been improvement. It is a little churlish of those who have lodged amendments to try to delete that statement, because it is clear that there has been improvement in financial management and a fall in underspend, which we should welcome. The Scottish Executive's departments have reduced their underspend by 67 per cent since last year to £183 million. The Executive as a whole underspends only 1.2 per cent of its budget, which compares well with the European Parliament and with Westminster. We need to say that the Scottish Executive is doing well.

As members have said, the arm's-length bodies have not done quite so well. Their underspend is down by 23 per cent, but it is still more than it was two years ago. Last year the underspend was reduced significantly by an overspend in national health service and teachers' pensions. As Des McNulty said, we need to highlight and welcome the improvement in Scottish Water's performance, because in previous years it exercised the Finance Committee and Parliament that Scottish Water was unable to meet its expenditure allowances. The fact that it has brought its underspend down to only £18 million this year should be welcomed.

Of the total £281 million that has not been spent across Executive departments and arm's-length bodies, 86 per cent is money that could not be spent on capital programmes in one year and is therefore being carried forward to other years. That leaves only about £40 million to be

redistributed, which is a really small amount of money. Alasdair Morgan, who is not here at the moment, suggested that we hand that money back to taxpayers, but that would not make a great deal of difference. That is an example of the Executive's managing its finances more efficiently.

I agree with what has been said about transport. I hate to rain on Nicol Stephen's parade on what is probably an exciting day for him, but the performance of the transport department is lamentable compared to that of other departments, with £93 million of slippage. I will not talk about the M74, but I will use an example that is more local to me: the A75. In September 2003, Mr Brownlee's predecessor was told in a written answer that one of the seven projects to improve the A75 was to start in the winter of 2003-04, four were to start in 2004 and two were to start in 2006. On 27 February 2004, I was told that one was to start in 2004-05, three were to start in 2005-06 and two were to start in 2006-07. At the beginning of this year, Alasdair Morgan was advised that four of the remaining six projects were to start in 2005-06 and the final two were to start in 2006-07.

Since then, I have learned from correspondence with the Minister for Transport that the work on the Hardgrove to Kinmount stretch in my constituency—the cost of which had increased between 2004 and 2005 from £6 million to £9 million—will now not start for another two years. That sort of thing causes a great deal of frustration to communities and to elected representatives. We have a similar problem on the A7, on which a commitment was made two years ago—of which Mr Robson will be aware, because we welcomed it at the time—to upgrade approximately 3km of the A7 at Auchencrivock, but we still do not know when the work will commence. I have lodged another question, so perhaps I will elicit that information. It is frustrating when we see such projects slipping: we need to do better.

I turn to the amendments from the Tories and the SNP. Ted Brocklebank might want to do better than Gershon, but we have heard evidence in the Finance Committee that part of the reason why there are different approaches in the Scottish Executive and at Westminster is that we do not have the great big departments such as the Ministry of Defence and the Department for Work and Pensions, which can make large job cuts. When the Tories and their coalition partners in the SNP, and maybe even the Greens, because there was a wee bit of agreement there, come into office in 2007—ha ha—what jobs will be lost? They cannot discuss Gershon and not tell us how many jobs they would cut. How many jobs will they cut?

Mr Brocklebank: I remind Dr Murray of two things. First, we did not introduce the Gershon argument; it was introduced by the First Minister,

who boasted that we in Scotland were going to out-Gershon Gershon. Secondly, she asks us how many jobs we would cut. She should ask Tom McCabe the same question, because he is yet to put a figure on the number of jobs that he will cut.

Dr Murray: The Executive has indicated that a small number of jobs might be lost, but Mr McCabe has never come to the Finance Committee and said that he was going to do the same as Gershon. Ted Brocklebank needs to answer the question.

There is interesting agreement between the SNP and the Tories now that they want to give money back. It is interesting to hear the SNP calling for reduced public expenditure, which makes a pleasant change from its normal long list of spending commitments. Given that Mr Morgan wants to give the money back, is he suggesting that the slippage from the A75 projects should not be spent on the A75 in Dumfries and Galloway, but should be handed back to the business rates payer and the council tax payer? Is he really suggesting that the money be handed back and will he stand up in Dumfries and Galloway and say that the A75 improvements are not going to take place?

10:53

Carolyn Leckie (Central Scotland) (SSP): I start by commenting on the Executive's excuse for the late arrival of the information to support the debate. Apparently, the Executive is worried about issues being debated in the press before they are debated in Parliament. Given that the Executive has more leaks than a kitchen colander, that is a bit of a cheek. We should first have had a statement and supporting information and then been given time to digest it and ask questions before the debate. I hope that the Executive will take cognisance of that in the future.

There has been a lot of talk today based on figures, efficiency and managing money, but there has not been much discussion about people and what their reaction might be to the information that has been published today, given that some people have had to have food parcels distributed by the Salvation Army because of the messing up of the tax credit system by the Labour Party at Westminster. People will ask why we do not have the power or the autonomy to prevent such destitution, why we do not have the flexibility to alleviate it and why it is up to the Sally Army to alleviate it.

On specific budgets, perhaps there is a wee bit of reluctance to take the fizz out of Jim Wallace's retirement party today. The underspend in the transport budget has rightly been focused on, but the next worst underspend has been by the

Enterprise and Lifelong Learning Department. Scottish Enterprise has 10 directors, each of whom earns £100,000 a year. We must ask them serious questions about what they have done to earn that money. Perhaps it is time for that money to be used to boost the economy and workers' terms and conditions by helping to reduce the working week to 35 hours. Perhaps using it for such things would be more effective in creating jobs than the 10 directors of Scottish Enterprise seem to be, with their £100,000 a year each.

Given the needs—and, in some cases, the destitution—of families, many people out there will be aghast at the figures. Apparently, one reason for the underspend in the enterprise and lifelong learning budget is that fewer loans than expected have been paid out. However, students must take on one, two or three jobs to take them above the breadline despite the underspend in that budget, which is shameful.

NHS workers and teachers will be aghast to discover that £39 million has not been spent on pensions. Public sector workers have been threatened with having to work until they drop—until they are at least 65 or 70; indeed, it has been predicted that they will have to work until they are 75—and they will rightly be shocked to discover that £39 million could have been in their pension funds, but is not. That they must consider strike action to protect their pensions is disgraceful. Why should they? Will the £39 million be diverted to their pension funds to prevent them from having to work until they drop dead?

Des McNulty: Does Carolyn Leckie have any understanding at all of how public sector pensions work?

Carolyn Leckie: Absolutely. I am a contributor to a public sector pension scheme and I have negotiated public sector pensions. I know all the conditions and can go into intricate detail on the NHS superannuation scheme if Des McNulty wants me to do so. I think that everybody else would be bored by that, but if he wants to meet me outside the chamber for coffee, I will tell him how things work. Obviously, he does not know how things work.

Nursery nurses will be utterly aghast because there has been a £16 million underspend in the education budget. The total cost of settling the nursery nurses' dispute completely on their terms, having met every demand that they made in the national dispute, would have been £22 million. They achieved gains as a result of the dispute, but they received nowhere near that figure and there appears to have been enough room in that budget to have saved nursery nurses the hardship that occurred as a result of 11 weeks of all-out strike action, and to have saved children the hardship of missing out on their early years education. The

Executive claims that it supports and values nursery nurses, but why did it sit on £16 million in the education budget when the dispute could have been resolved and the drop in morale among nursery nurses and the 11-week strike avoided? That is a disgrace and a shame. Nursery nurses will certainly be aghast.

The M74 has been referred to. It is astonishing that Fergus Ewing thinks that the protesters, by opposing a clearly wasteful project—the M74 reporter found it to be wasteful—are somehow to blame for a transport budget deficit. The M74 plans should be scrapped and the money should be diverted. That money should be spent on public transport. Spend the money on trains, spend the money on infrastructure and spend the money on buses. It is disgraceful that the money is sitting there when the M74 is clearly a flawed project. The money could be better spent.

It is also depressing that on the Tory benches, the Scottish National Party benches, the Labour benches and the Lib Dem benches—across the chamber, apart from the Scottish Socialist Party and the Greens—there is consensus that we should out-Thatcher Thatcher. To propose tax cuts in the context of what is happening in our current economy is to propose even greater cuts than there were under Thatcher. In fact, for eight years under Thatcher the higher rate of income tax and corporation tax were much higher. What the SNP is actually telling us today is that Thatcher did not go far enough and that it wants to go even further. That is an absolute disgrace.

It is interesting that Jeremy Purvis was prepared to claim that the Executive has pledged that there will be no job losses as a result of its efficient government plans. I ask the minister to confirm that it has made that commitment, because I would be delighted if members could send out the message that there will be no job losses.

The SNP's mantra is that there should be tax cuts, but there are many opportunities to make a difference to people's lives with the money that is available to spend, despite there being a block grant and our not having the autonomy to introduce better progressive taxation across the board. Some £46 million of the underspend could be spent on scrapping prescription charges and £173 million could be spent on free school meals. Why do we not talk about the positive pro-health measures for which the money could be used? Why is the mantra that there should be tax cuts repeated? That brings shame on Parliament.

11:02

Stewart Stevenson (Banff and Buchan) (SNP): I start by making a simple point. There is a clear difference between being efficient in

spending money and spending money efficiently. The Executive is to be commended for being more efficient in spending money—maybe—but whether it is spending money efficiently is another question altogether.

Last year, there was an underspend of £515 million and the figures for this year that we have just been given indicate that there will be a possible £183 million underspend. However, that tells us zip about the core issues that are involved in spending Government money.

I am absolutely delighted that we have been joined by a good sprinkling of people in the public gallery for what would normally be a geeks' debate full of technical discussions and so on. However, I will not disappoint: later in my speech I will bring new information and understanding to ministers and others.

One or two things in the document that was embargoed until 9.15 this morning spring off the pages; I refer, for example, to demand-led charges under the health heading. I am not talking about big money, but am interested in what the words suggest. As a result of lower-than-anticipated expenditure on demand-led dental services, money has been saved. Perhaps that gives us a little keyhole view into why money is being underspent in certain areas. Underspending may mean efficiency, but no one is likely to claim that the underspend on dental services is anything other than a failure to manage services effectively. However, I pay tribute to the dentist who yesterday extracted the tooth that I have here. It is still possible to obtain access to dental services and I am extremely grateful to him for his effective and efficient work.

Des McNulty: Is the tooth a wisdom tooth?

Stewart Stevenson: Fortunately, all my wisdom teeth are not only intact but in perfect working order. I wish that I could say the same of others in the chamber.

I challenged the minister, during his statement, on the difference between cash savings and time savings. I understand that they are different—it is perfectly proper for the minister to say that. However, if they are to be savings, time savings have either to be returned to someone as savings or spent to create a new benefit. They are not just a paper thing—they should have some tangible meaning. For the minister to use my intervention as an excuse simply to attack the SNP—which is always fun for him, as it is always fun for us to attack him—is to reveal his poverty of thinking and understanding about what time savings really are. It has been said that God has the best tunes, but I think rather that God has the best arguments. I remind the minister that, despite rumours, he has yet to convince us that he is God.

The iron chancellor tells us that the UK economy has recently enjoyed the most spectacular continuous growth for more than 200 years. As a result, we have seen a growth in Scottish spending; however, we are the beggars at the door, asking for our share of that supposedly tremendous economic record down south. We are not being given the opportunity to make our own bread and earn our own way in the world.

Christine May tells me that I can go to SPICe and find the value of the infrastructure in which we have been investing. That is very encouraging; however, so far, I find that that is not the case. I have here the draft budget and all the updates. In tables 0.06 and 0.07, there are private finance initiative figures that touch tangentially on the issue of capital. Nevertheless, the reality is that we are given only an income and expenditure statement, as we have been given in previous years. We do not have a proper statement of assets and liabilities, and we do not know the capital efficiency or inefficiency of our investments because the information that would enable us to form a view is not available. I hope that the Finance Committee will work with ministers on that, because that would help ministers to make judgments about future capital spending and to understand the maintenance costs that are associated with capital spending. At the moment, the linkage between those things is imperfect.

Of course, public-private partnerships and PFIs introduce a whole new problem. We have rehearsed on many occasions the interest rate inefficiencies of the contracts that are written, which result largely from the fact that PFI contracts are allocated to single-purpose companies. That means that the risk is captured within the boundary of that company rather than being—as in the SNP's proposals—shared across a portfolio of projects, which would dramatically reduce the overall risk that would be assessed by banks in considering lending to public projects. It is not about bringing things back on to the balance sheet; it is about getting better value from our banks. At the moment, we are probably 64 basis points above the base rate on PPP lending. I know, having asked the people who would have to be involved, that we could probably bring that down to 8 or 10 basis points.

Jeremy Purvis is clearly not an economist. I make no claim to be one either, but I occasionally talk to and listen to economists. A reduction in taxation—be it corporation tax or whatever—does not tell us intrinsically whether the tax take will rise or fall. I draw his attention to the Laffer curve that shows that, in some circumstances and within certain limits, we would increase the tax take by increasing economic activity.

Phil Gallie: Will the member give way?

Stewart Stevenson: I am sorry. I do not have time.

I also direct Jeremy Purvis to the elasticity of demand formulas that govern the way in which the market works. There is not a linear connection between tax rake and tax take.

I close with one or two other observations. We have heard of projects—especially large capital projects—being delayed. The minister must acknowledge and be accountable to Parliament for the fact that, when a project is delayed, its cost rises. That is not simply because of the effects of inflation; it is also because the optimum length for a project is 0.4 of the cube root of the number of man months in the project. If attempts are made to speed up the project, the cost will rise. Equally, if the length of the project increases, with the same amount of effort being made, the cost will rise. The reason is simple: if people have to put the work down and pick it up again, they will have to re-learn and re-do work. That is my understanding of the way in which projects work. The problem is that the Executive has yet to explain the inefficiencies of delaying projects.

11:10

Mr Frank McAveety (Glasgow Shettleston) (Lab): I thank the minister for giving us the opportunity to respond on the core issues of what the Executive does with our resources and how we manage those resources to maximise the benefits that we get from them. A range of views and perspectives have been expressed in the debate as we have sought to address the issue effectively.

I am a member of the Finance Committee. At first, I thought that it was a gulag that members were sent to if they had misbehaved. It has turned out to be an interesting committee that is helping the Executive to become more effective at government. In that context, I welcome members' contribution to the debate over the past year or so.

The debate is about recognising that efficiency matched with investment can impact not just on what is delivered—which is what many members of the Opposition parties have addressed this morning—but on the culture of organisations by changing the mindset and encouraging innovative and new ways of thinking. Funnily enough, the debate has been one of wistful remembrances of times past—à la *recherche du temps perdu*, in the words of Proust.

The Tories have presented a picture of a Tory legacy that Phil Gallie says is worth remembering. For the first time, I agree with him and I thank him for drawing our attention to that wonderful Tory legacy. The Tories themselves destroyed the myth that they are economically competent. Since 1992,

they have been bitterly divided and they are virtually unelectable to be a majority in the Parliament. I thank the Tories for that legacy, which Phil Gallie so proudly presented this morning.

We have also heard a series of key SNP spokespeople make calls for tax cuts not just for businesses but for ordinary taxpayers. Alasdair Morgan suggested that taxpayers be given a financial dividend. He added that we should not create more public services but make the existing public services more efficient. I cannot disagree with that. To cap it all, Fergus Ewing fondly remembered the role of Adam Smith in Scotland's economic history. That is a markedly different tone of language from that which we heard when we first entered the Scottish Parliament in 1999—almost what one might call a retro-nationalism of the 1970s, perhaps wrapped in a shawl but driven by tax cuts. It is what my father euphemistically called a tartan Tory approach.

That approach seems to work until one reads the small print of the key commitments and calls that are made by the SNP's front-bench members. Christine May produced pages of such commitments from the SNP. It ends up being—to mix metaphors—a wish list of North Korean length that relies on Brigadoon economics, although it is Brigadoon without the gentleness and the moments of epiphany.

The speeches of Des McNulty and certain other members have got to the heart of the debate, and some of what Alasdair Morgan and Ted Brocklebank said also shows that there is a reasonable degree of cross-party unanimity, except among members to the extreme left. I will touch on a couple of the issues on which there is cross-party agreement.

The first area of cross-party agreement concerns how we can manage our resources effectively. I welcome the fact that the new Tories acknowledge the need to match our spending in health and education. One characteristic of the election that took place earlier this year was that we managed to shift the debate in British politics, with the Conservatives accepting that they must match the commitments that have been made by the chancellor to health and education—only beyond 2008 would there be the marked difference that has been identified in the Conservatives' figures. That commitment would have been inconceivable in the 1980s, and it is a tribute to Gordon Brown's clever custodianship of the chancellor's job.

The second area of agreement is the commitment to making a difference to the public agencies for which we have responsibility. The Finance Committee's role is to ensure that there is discipline at both ends. There should be discipline

and rigour in our analysis of the figures that are provided by the Executive and civil servants. I would euphemistically call examining those figures an interesting experience, but we are exploring the issues and, during the next few months, I hope that we will arrive at firm conclusions that will benefit everyone in Scotland, but particularly those key departments and agencies. We should also send a message of discipline to those agencies. Many people have talked about Scottish Water and that has been helpful to the debate, because there is now much more rigorous discipline at Scottish Water.

We want to move beyond the small but important debate that we have had today on end-year flexibility—although substantial progress has been made on that—to the much bigger debate on what public expenditure should be used for. There are differences between the parties on that issue. I do not agree with those members who oppose the M74 extension, because it is a critically important part of the development of the economic infrastructure of the west of Scotland. It will make us competitive and allow us to deliver much of that agenda. I never thought that I would see the day when Tom McCabe was described as a cheeky colander; I welcome the minister to the politics of the SSP.

We have made progress in the management of our resources. We have legitimate areas of difference about the role of the state in our nation and about the economics of we organise that. The Executive has made progress in the past year. I welcome that and hope that we can continue that partnership.

11:16

Murdo Fraser (Mid Scotland and Fife) (Con): I am not a member of the Finance Committee and sometimes find these debates a little dry. Today's affair has been rather more lively than usual; it has been quite entertaining in stretches.

Alasdair Morgan: Will the member give way?

Murdo Fraser: In a second. Let me make this point. The debate has been enhanced by the length of the speeches; allowing members a little longer to make their speeches improves the debate. That seems to be the point that Mr Morgan was about to make, and I am grateful to him for not taking up time with an intervention.

As Ted Brocklebank said, we should not spend too much time congratulating the Executive on the reduction in the EYF figures, because they are still high. It is most worrying that they are highest in enterprise and lifelong learning, with £61 million, and transport, with £93 million. As we have heard on many occasions, it is those two areas of spending that have the most impact on economic

growth, which we are always being told is the Executive's top priority. Clearly, there is more to be done.

We welcome the Government's drive for efficient government but it remains to be seen how effective that is going to be. The key point in that came out in several speeches. If the Government is going to save on costs, it will have to tackle the number 1 cost, which is the wage bill. We cannot talk about efficient government unless we are prepared to accept that that will mean a reduction in salary costs. To be fair, the minister has acknowledged that. I say this for the benefit of Jeremy Purvis in case he missed it. In an interview with *The Times*, the Minister for Finance and Public Service Reform said,

"I have been quite specific - I have said we expect to see an increasing number of people working in the front line, but less people overall."

To those in the other parties who ask how many people we would cut, I say, "You tell us how many jobs you are going to cut," because that is what the minister has made a commitment to do. We have to start reducing the size of the public sector. The point has been made many times before in the chamber. The public sector in Scotland consumes 54 per cent of gross domestic product. It is difficult to have a growing economy with that brake on private sector activity.

Although the savings that are being made by the Executive are welcome, they could be higher. The Executive could do better. Professor Arthur Midwinter says that another £240 million of savings could be found if the Executive applied the Whitehall figures. There is much more to be done.

Jeremy Purvis: Does the member agree that the Scottish Executive efficiency programme is not predicated on job losses? If the Tories were to adopt the full Gershon review, which is predicated on job losses, what would their targets be for job losses?

Murdo Fraser: It is extraordinary for Mr Purvis to say that the Executive is not suggesting that there will be job losses when I have just quoted the minister saying that there will be job losses. Perhaps Mr Purvis should get in touch with the minister and listen to what he has to say.

We should not forget the Executive's past performance. Since 1999, there has been a £50 million increase in administration costs; the number of Scottish Executive staff has increased by 1,057 and the number of other civil servants has increased by 556; an additional £137 million has been spent on quangos; and, of course, the Parliament building was £390 million over budget—and it does not even have a proper system of temperature control, as we have found out during the past few days. If the Executive is

genuine about efficient government, it will have our support, but there is much more to be done.

If the Executive has too much money and there is a yearly underspend, it should return that money to its taxpayers. Governments have no money and no right to money. They only have the right to tax the people for the money that they need to spend on their programmes. Every penny over and above that need is stolen from the people and should be returned; otherwise it will be spent in areas that are, by definition, not priorities. We know that the Parliament has limited powers of taxation—I am not going to go down that road this morning—but it could cut the council tax by giving more money to local authorities, and it could cut business rates.

This week, the Scottish Chambers of Commerce launched a new campaign for a return to the uniform business rate. We have made that point many times in the past. The Chambers of Commerce likened the business rate differential to

"being asked to run a high hurdles race with lead weights attached to their feet".

It is interesting to watch the way in which a political consensus is developing on that issue. We have been talking about cutting business rates for many years now. The SNP has now started talking about doing that, and the contenders for the Liberal Democrat leadership are now talking about doing it. Perhaps Mr Rumbles will take the crown this afternoon.

Fergus Ewing: Will the member give way?

Murdo Fraser: I am sorry, but I am in my final minute.

If Mr Rumbles takes the crown this afternoon, he will tell his partners in the Executive to make the cut, or perhaps it will be Mr Stephen who wins—whoever it is, there will be a strong voice in the Executive for a cut in business rates. It will be interesting to see who the new Minister for Enterprise and Lifelong Learning will be. If it is Mr Stephen, or even Mr Rumbles, will we have a minister who is on the record as saying that business rates should be cut? We await that with pleasure. However, I suspect that the new minister responsible for enterprise will be a Labour member, because Labour members of the Executive will not want to take the risk of leaving that portfolio in the hands of a Liberal Democrat. I hope that the Executive will listen to all those voices and support a cut in business rates.

11:23

Jim Mather (Highlands and Islands) (SNP): I will start by offering Des McNulty the analogy of an annual general meeting. If someone turns up at an AGM and criticises the company for its turnover

and financial performance, they are deemed to have criticised the management of the company and not the company itself. That is exactly the stance that we take with Scotland.

It is clear to me that not only does the Executive not take that attitude but it has no profit-and-loss-account or balance-sheet mentality. It is difficult to achieve efficiency in a spending-only vacuum. I was happy to hear the minister mention further steps and I hope that we will hear more about that in the weeks and months to come.

The proposition that we have in front of us is unlikely to impress any financially autonomous legislatures. It is also clear that no amount of constructive dialogue or improvement is likely to be enough on its own to transform the Scottish economy and achieve the true efficiencies that are necessary.

Of course, EYF is better because it means spending the money rather than losing it, but it simply means business as usual elsewhere. It is not a true investment and revenue-boosting strategy. It is a limited, short-term strategy that will not generate meaningful growth.

Andrew Arbuckle provided evidence that the growth gap between Scotland and the rest of the UK not only continues but continues at a higher level than has been the trend over the past 30 years, so the outlook is not as good as it might be.

The position of Scottish Water has been consistently boosted by some members, who have welcomed its frugality in liberating money for EYF, but that puts Scottish Water's position in the frame once more. I stick to my proposition that Scottish Water is successful in as much as it is an Executive tax, which is the position that was espoused in the minority report back in 2004. The evidence for that is to be seen in Scottish Water's accounts for this year, which show that its £527 million capital spend has been 85 per cent financed by water charge payers, so that anomaly continues. Given the further £18 million that Scottish Water has liberated today, the total amount that it has liberated back to the Executive over the past four years is £374 million, which represents £75 per head of population in Scotland. No doubt there is more to come, so this issue will not go away.

On efficient government, of which we had much talk earlier, there are clearly a considerable number of flies in the ointment. That was exposed by the well-argued concerns of my colleague Alasdair Morgan and by Fergus Ewing's powerful case studies, which I think should persuade most fair-minded people. The issue that comes to the fore for me is the funding of Scottish Water, which is, as I said, an issue that will run beyond now.

Perhaps the key fly in the ointment for the Executive's efficient government initiative is the position that has been taken by Audit Scotland. It has deep concerns that the Executive is

"double counting some efficiency gains, and associated development costs are largely omitted from savings calculations."

In fact, both the Minister for Finance and Public Service Reform and his deputy have told the Finance Committee that many of their figures for savings were not net of depreciation and redundancy costs. We will no doubt hear more from Audit Scotland as the weeks and months go past, as some non-departmental public bodies have confirmed in conversation with us.

A major fly in the ointment for the efficient government initiative is what I might call the numeric oscillation that has taken place. Savings that were first given as £500 million were then changed to £650 million and then to £745 million. After Scottish Water was taken out of the figures, the total dropped back again, but additional NHS efficiencies were then added in. Today, I think that the figure is £731 million over three years, although the total becomes £1.5 billion if the time-releasing efficiencies are included. The figures are all over the place. What we need from the minister is a structured, tabular audit trail of how we got to this point.

However, the biggest fly in the ointment is the question mark that hangs over the savings. The risk is that the savings might simply be exported to other budgets and that we will potentially have false economies in procurement and in stockholding costs. Changes in procurement could even have an impact on the top priority of economic growth if they result in orders being placed outwith Scotland and outwith local areas.

The question mark over efficient government was highlighted by Richard Parry, who is a reader in social policy at the University of Edinburgh. His written evidence to the Finance Committee states:

"Historically, public bureaucracies and especially the British civil service periodically go through cuts exercises in which the cost of the operating the public sector, untested by day-to-day market forces, is subject to cuts targets usually presented as attack on 'waste' or a shift to 'front-line' activities ... The targets are seldom fully investigated retrospectively and eventually the heat comes off."

He throws in a bit of humour by quoting "Yes, Minister":

"I can't resist quoting a memo written by Sir Humphrey Appleby to his colleague ... 'am hoping it will be like all the other government economy drives – three days of press releases, three weeks of ministerial memos, then a crisis in the Middle East, and back to normal again'."

Unfortunately for the Scottish Executive, as a devolved Administration, there will be no such distraction. The heat will stay on because there is

evidence that, by creating false expectations, ministers have created a rod for their own backs.

That rod for their own backs will take the form of the desire for outcomes. If we are to have £1.5 billion extra from savings, we need a baseline for what the outcomes would previously have been and we need a baseline for what outcomes will be achieved with that additional money. The difference that the savings will make needs to be spelled out. Audit Scotland's endorsement of that approach as a rational thing to do can be read in the *Official Report*.

Beyond that, I support Alasdair Morgan's amendment because Scotland has been rated by the International Institute for Management Development as 57th out of 60 for its management of public finances. The IMD believes that the management of public finances over the next two years is likely to deteriorate. Being 57th out of 60, Scotland is down there with Venezuela and Argentina. Taken together with Audit Scotland's caveats, that justifies our approach. The fact is that we have no outturn numbers, so we are not in a position to applaud any outturn that might have been achieved. Therefore, I am very happy to support Alasdair Morgan's amendment.

11:30

The Deputy Minister for Education and Young People (Euan Robson): Tom McCabe's opening remarks set out a number of pointers that demonstrate the growing maturity of our financial discussions. Indeed, when I was asked to sum up, I recalled that I was present in 1999 when the Parliament's first Minister for Finance attended his first Finance Committee meeting. That minister was, of course, none other than Mr Jack McConnell, whose birthday it was that day, if I recall correctly.

I have been impressed by the good-natured spirit in which members from all sides have approached the debate. In fact, until a particular part of Des McNulty's speech, I was slightly worried that I had intruded on a mutual appreciation society involving the Finance Committee and the Minister for Finance and Public Service Reform. Although Andrew Arbuckle commented that he could not pat himself on the back, it is clear that the Finance Committee has done well. As Tom McCabe mentioned, its achievements were recognised at the politician of the year awards. Indeed, I may even draw one or two lessons to take back to the Education Committee when I next appear before it—although it might be going a stage too far to suggest that we could abolish stage 1 debates in the education world.

I will start by drawing members' attention to some of the details—some of which have already been highlighted by others—that are set out in the supporting document that was published for today's debate. I will then try to respond to the points that members have made. Members will have seen that our provisional outturn data show that, in 2004-05, the Executive spent £183 million less than was approved by the Parliament in the spring budget revision. Arm's-length bodies such as health boards spent a further £98 million less than their budgets, which were approved at the same time. It is worth pointing out that those figures are provisional, as the final figures will not be available until our accounts are published at the end of the year.

Taken together, that shortfall represents only 1 per cent of the approved budget. To put that another way, it represents less than three working days' spending. As members will know, such resources are not lost because the system of end-year flexibility allows us to carry those amounts forward into the next financial year, subject to the Parliament's approval through the normal in-year revisions to the budget act.

Phil Gallie: Will the minister give way?

Euan Robson: I will do so in a minute, but let me make just one further point.

For example, although my department underspent its £786 million allocation by 2 per cent—equivalent to about four days' expenditure—some £11 million of that was due to a lack of local authority calls on the changing children's services fund and some £5 million was due to slippage in development of the secure estate. I should point out for the benefit of some members that if we simply removed that £16 million of non-recurrent expenditure by paying it out into people's salaries, none of the money would transfer to the following year, so we would have taken away money from children's services and from secure estate development. Indeed, I also refer members to the effect that that would have on the early years review, which will report in the autumn.

Phil Gallie: Bearing in mind the constructive view towards savings that the Executive is taking, I note that the European funds were overspent last year. Will the minister confirm that some of those funds were wasted in a pursuit to equip ourselves for the euro? Will he assure me that he will now abandon any such moves?

Euan Robson: Expenditure under the European structural funds has been immensely important. That should be obvious to Mr Gallie as a member for the South of Scotland, where some £44 million has been made available over the past six years. Some of us look to secure that type of investment in the future by whatever channel is appropriate.

Alasdair Morgan: Will the minister give way?

Euan Robson: I must make progress, but I will come back to the member.

I want to spend a little bit of time on some comparisons. Members will want to know how our spend against the 2004-05 budget compares to performance in earlier years. Some will recall that the headline figure for the Executive's carry-forward at the end of 2003-04 was just over £400 million. Members should be aware that the numbers are not directly comparable. Following discussions with the Finance Committee, the Executive changed the basis on which the numbers are presented in order better to reflect the decisions taken by the Parliament, rather than routinely following the historical format used by Westminster. Those members who are not members of the Finance Committee may welcome a brief explanation of those changes.

Alasdair Morgan: Will the minister concede that there are certain areas where the underspend will be a shock to some people—particularly demanded dental services, where there is an underspend at a time when an increasing number of people cannot get dental treatment?

Euan Robson: I will come back to that point in a moment, when I have completed what I was going to say. The first advantage of the new presentation is that we now present outturn against the budgets approved by the Parliament, not in relation to Treasury control aggregates, which are calculated on a different basis. Secondly, the provisional outturn data that we have published today are now provided on the same basis as the final outturn data that are published in our accounts at the end of the year. Thirdly, the provisional outturn is now against budgets that we fully intended to spend when the spring budget revision was laid. Where we have spent less than that budget, that is all due to spending taking place later than intended, and we can have a sensible debate about the reasons for such slippage without first having to untangle elements that we never intended to spend in that financial year.

As Tom McCabe made clear, it would be fair in some ways to say that we have moved away from a presentation carried over from before devolution to one that is more appropriate to our Scottish context. I want to make one point about comparisons. Despite what Jim Mather was saying, comparisons are useful. By comparison with our 1 per cent underspend against budget, the European Commission underspent its budget by 5.5 per cent in 2003-04, while across Whitehall the average carry-forward in the same year was about 10.6 per cent. This year's numbers are not yet available for any of those bodies, so our Parliament has the earliest possible access to the numbers.

Of course, the closer we bring our outturn against budget, the greater the possibility that individual Executive departments will exceed their budget limits. As the supporting document shows, the Development Department and the Justice Department are in that position this year. For both those departments, exceeding the limit is a technical breach, and it would not be fair to suggest in either case that there has been any failure of the department's systems to manage its budget properly. In both cases, our annual accounts procedures have identified specific items of spending that were not included in the budget, for which we now believe that parliamentary authorisation was required. Further details are in the supporting document and ministers will be discussing that with the Finance Committee and the Audit Committee in due course.

Several members mentioned the need for transparency, and we need to look at underlying obstacles to greater transparency. The key is that we now work under three different but parallel financial control frameworks. I do not particularly want to go into the details of all that, because it is a bit dry, but—

Alasdair Morgan: We like that stuff.

Euan Robson: If Alasdair Morgan likes that stuff, perhaps I will leave it for his deliberations at the Finance Committee. There is some value in considering whether we should have those three forms of currency and whether we should move to a simpler set of measures in the future.

In the two or three minutes remaining to me, I would like to respond to some of the points that have been made. I am sorry that I will not be able to cover all the points that have been made. First, I want to comment on Phil Gallie's point about levels of personal debt, which must be a matter of concern. I think that it is more a function of the availability of credit, which is not a matter for this Parliament. Jeremy Purvis mentioned the Rosetta Road office in Peebles, which combines front-line services and ensures good delivery of services to the public.

Much mention was made of the transport budget, and it is important to recognise that £87 million was underspent, with the M74 extension, at £43 million, accounting for the main bulk of that. There was also a major scheme at Auchenkiln, on which there was a £15 million underspend. The Minister for Transport recognises the point about the delivery of smaller schemes, such as the ones that Elaine Murray mentioned.

Fergus Ewing: Can the minister respond to my argument that, although there are some schemes that can and will be brought forward, there are not enough schemes, because there is not a sufficient preparation pool?

The Deputy Presiding Officer: You are in your final minute now, minister.

Euan Robson: As I have less than a minute, I will point out to Fergus Ewing that I am not too sure that he is right. It is a question of preparing a large number of schemes, and I see no shortage in the number of desirable schemes around Scotland. However, the Minister for Transport will no doubt want to take up the points that Fergus Ewing has raised.

I turn briefly to the question of job losses. Members must understand that there is a major difference between the departments in Whitehall and what we have here. Whitehall departments are working on a UK basis and they also deal with England and Wales, so they are bigger departments. One element of the debate that has been completely missed is the demographic element. The Executive has embarked on careful workforce planning for the future, so simply talking about job losses in the short term is not a sensible way of proceeding. We must consider what the needs of the workforce will be not just over the next couple of years but over 10, 15 or 20 years. The Executive is busily involved in that, and my department and the Health Department have made major efforts in that direction.

I have a minute left, so—

The Deputy Presiding Officer: No, you have not. You must wind up now, minister.

Euan Robson: I have enjoyed the opportunity of intruding into matters that the Finance and Central Services Department and the Finance Committee have investigated in the past, and I look forward to the possibility of doing so again in the future.

Question Time

SCOTTISH EXECUTIVE

General Questions

11:41

Homophobic Bullying

1. Margaret Smith (Edinburgh West) (LD): To ask the Scottish Executive how the police are addressing homophobic bullying in the workplace and in schools. (S2O-7206)

The Minister for Justice (Cathy Jamieson): The police are involved in a number of initiatives to combat homophobia in schools. The Association of Chief Police Officers in Scotland is currently working with LGBT Youth Scotland as partners on the Executive's homophobic bullying project advisory board.

Margaret Smith: I shall have the pleasure of attending the Pride Scotia march in Edinburgh at the weekend and of launching Stonewall Scotland and LGBT Youth Scotland's education for all campaign, which hopes to tackle the problem of homophobic bullying in schools with a number of partner organisations. Is the minister happy to support that initiative? What training is the Executive undertaking with public sector workers on homophobic bullying and lesbian, gay, bisexual and transgender issues in general?

Cathy Jamieson: The initiative that Margaret Smith refers to is important. The Executive has, through its Education Department, commissioned LGBT Youth Scotland, in partnership with the Centre for Education for Racial Equality in Scotland, to carry out some work on homophobic incidents in schools. We believe that, if we can research some of the issues surrounding the problem, recommendations will be made and we can then develop a second phase of work that will allow us to consider what more might need to be done in that respect. I want to place on record our strong commitment to tackling the problem of bullying in any shape or form. It is important that all public sector workers are able to report such incidents if they are the victims of those incidents, and that they should ensure that they are aware in their day-to-day practice of the equality issues that are involved.

The Deputy Presiding Officer (Trish Godman): Question 2 has been withdrawn.

"World Competitiveness Yearbook"

3. Jim Mather (Highlands and Islands) (SNP): To ask the Scottish Executive whether it is

satisfied with the accuracy of data provided to IMD of Switzerland, the authors of the "World Competitiveness Yearbook", and how it will ensure that the provision of those data does not adversely affect the economy. (S2O-7223)

The Deputy Minister for Enterprise and Lifelong Learning (Allan Wilson): The accuracy of the data provided to IMD—the International Institute for Management Development—is not in dispute. However, a number of problems and inconsistencies are evident in the yearbook, which undermines its overall effectiveness as a benchmarking tool. A more reliable assessment of Scotland's economic performance relative to other Organisation for Economic Co-operation and Development nations and of the challenges we face is provided by the annual report entitled, "Measuring Scotland's Progress Towards a Smart, Successful Scotland".

Jim Mather: I draw the minister's attention to a dangerous outcome of discredited data produced by the Executive and passed to IMD by Scottish Enterprise. I refer to the "Government Expenditure and Revenue in Scotland" data, which, perversely, do not include Scottish oil revenues and are falsely causing Scotland to be placed 55th out of 60 developed and developing countries in terms of national viability. How will that help to boost inward investment and our vital financial services sector?

Allan Wilson: The GERS figure is the only estimate of Scottish fiscal balance that we have, and it is based on national accounting principles and agreed methodology. The fact that the nationalists do not like the outcome of that should not cause us to change the way in which we measure such things. According to GERS, Scotland's fiscal balance for 2002-03 is estimated to be a deficit of £9.3 billion. That figure does not include North sea oil revenues. If they were to be allocated to Scotland, the fiscal balance would still show a net deficit of £4.4 billion. As my colleague Mr McNulty observed in the previous debate, that is a black hole, which the nationalists would have to fill by cutting services or raising taxes.

Murdo Fraser (Mid Scotland and Fife) (Con): The minister may seek to discredit the IMD data, but they represent an important piece of international research that is relied on, for example, by international companies that want to find locations for direct investment. Is the Executive satisfied with Scotland's ranking in the IMD tables and, if not, what will the new enterprise minister—whoever that will be—do about it?

Allan Wilson: I would love to be given the opportunity to do something about that, but we will just have to wait and see.

I do not seek to discredit the IMD report. We say that all such indices need to be interpreted with

care and that we have identified a number of inconsistencies. Many of the measures that IMD uses give a higher score to absolute values, which favours larger economies over smaller economies such as ours. The fact that many variables count twice reinforces the problem of absolute values. IMD relies heavily on survey data. Although 220 or so surveys were sent out in Scotland, only 37 responses were received. That means that a high degree of importance has been attached to a low response rate, which I do not believe makes for sound economic forecasting.

Cancer Treatment Targets

4. Roseanna Cunningham (Perth) (SNP): To ask the Scottish Executive what steps are being taken to ensure that cancer treatment targets can be met. (S2O-7211)

The Minister for Health and Community Care (Mr Andy Kerr): I have said before and I will say again that the 2005 cancer target is a big challenge for the national health service in Scotland. We have set a stretching target and recognise that it will be difficult to meet.

There have been reductions in waiting times as a result of the extra staff and equipment that were put in place following the cancer strategy investment, but I want NHS boards to speed up those improvements. The national delivery plan that was agreed with the NHS boards will be published soon. It sets out additional actions that will be taken, which are aimed at achieving the 2005 waiting times target by the end of the year. The new waiting times standards for diagnostic tests that I announced earlier this week will also help to drive down waiting times for cancer treatment.

Roseanna Cunningham: The minister frequently tells us that efforts are being focused on the big killer diseases such as cancer, but is he aware that, in Tayside, compliance with the treatment targets for lung cancer, breast cancer and ovarian cancer is below the Scottish average and that even with colorectal cancer, the figures for which are above the national average, it is still the case that only two thirds of patients receive treatment within two months of referral? How does the minister believe that his targets stack up against that reality?

Mr Kerr: Mortality levels as a result of cancer were down by 13.6 per cent in the eight years to 2003 and we are on track to meet our further target of reducing deaths from cancer by 20 per cent by around 2010. The additional £25 million a year that supports the cancer strategy, which involves the provision of 300 additional staff and training for existing staff, the millions of pounds that are being spent on magnetic resonance imaging scanners, computed tomography

scanners and radiotherapy equipment and the fact that such facilities are being based in communities all assist in making progress.

I repeat that our target is to be met in December 2005. I have implemented a plan that further emphasises our desire to meet that target. The challenge is for boards to respond to that on behalf of patients. I fully understand and appreciate patients' concerns, but we will do our utmost to deliver on that target, thus ensuring that no one must wait overly long for cancer treatment.

Richard Baker (North East Scotland) (Lab): Is the minister aware that Grampian NHS Board has the highest number of patients in Scotland who must wait for more than two months for breast cancer treatment? What action is the Executive taking to ensure that NHS Grampian addresses that situation effectively?

Mr Kerr: I am aware of the situation in Grampian and am highly disturbed by it. However, over the past few months action has been taken to address some of the difficulties that are being experienced. Acknowledging that we have a shortage of specialist radiologists is no use to patients; we must solve the problem. That is why considerable effort was put into ensuring that women from Grampian, in particular, were able to access services in the private sector.

My latest advice is that progress is being made and that most women are now receiving treatment within one month of diagnosis. I appreciate the pressures that are on Grampian NHS Board, but the cancer plan and the additional resources that we are providing are good for patients and their families and I expect to see better results in due course.

Mrs Nanette Milne (North East Scotland) (Con): Will the minister assure me that cancer care in Grampian will not be undermined when the board makes the £20 million-worth of savings that it is being asked to make? Does he agree that the budget for potentially life-saving drugs should not be cut and that the savings should be made elsewhere?

Mr Kerr: I agree with that. The savings are not about making cuts. I have outlined the huge investment that is taking place in cancer services in Scotland. For example, the Beatson oncology centre in Glasgow is receiving £87 million of investment and we are putting resources into additional MRI and CT scanners and other diagnostic testing. I expect to see much better results for patients. We have agreed a plan with the boards, which are responsible for the provision of the services in question, and I expect our plan to be followed.

The Deputy Presiding Officer: Question 5 has been withdrawn.

Disclosure Scotland

6. Christine Grahame (South of Scotland) (SNP): To ask the Scottish Executive whether it is now satisfied with the operation of Disclosure Scotland. (S2O-7216)

The Minister for Justice (Cathy Jamieson): Since September 2004, Disclosure Scotland has performed consistently in exceeding its target of processing 90 per cent of all valid applications within 10 working days.

Christine Grahame: Is the minister aware that, once someone has passed the enhanced disclosure procedure, there is no review mechanism in place? There will be an inquiry only if the volunteer moves organisation or if a third party makes a referral to the organisation. A volunteer might stay with an organisation for 10 years. Does the minister agree that there may be a place for a mandatory review system? Reviews could be carried out every three years, for example.

Cathy Jamieson: The member will be aware that the voluntary sector has expressed concerns about the number of multiple checks that sometimes have to be done when volunteers move quickly through the system or when they work for a number of different organisations.

It is important that we continue to give every possible protection to our children and young people, in particular, and to others who require to be protected. As the member will be well aware, a fair amount of work is being done following the Bichard report. It is important that we take account of that in developing any future plans.

Donald Gorrie (Central Scotland) (LD): Does the minister have any plans to reduce the need for multiple applications to be made for the same person, which is a major grievance? It appears to be extraordinarily foolish that someone who has been scrutinised and passed as being acceptable should have to go through the process again and again just because they work in a number of different spheres. Does the minister have any plans for streamlining the system, which would remove a lot of the aggro that it causes?

Cathy Jamieson: In my previous answer I hinted that I am well aware of such concerns, but it is vital to recognise that the protection of children and young people must always be the priority. I believe that the majority of volunteers will want to ensure that children are protected, even if that means a slight delay or having to go through additional checks.

However, we will consider the work that is being done on Bichard throughout the United Kingdom and will examine what is planned for introduction in 2007. We will investigate the possibility of

streamlining the process and obviating the need for the types of multiple checks that become a problem rather than part of the solution.

Cataract Operations (Highlands and Islands)

7. Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): To ask the Scottish Executive what the average waiting times are for cataract operations in the Highland NHS Board area. (S2O-7207)

The Deputy Minister for Health and Community Care (Rhona Brankin): Provisional information for the year ending on 31 March 2005 shows that the median waiting time for cataract operations for NHS Highland residents was 210 days. On 31 March 2005, 18 NHS Highland residents with a guarantee had waited more than six months for cataract surgery. Sixty-six NHS Highland residents were in that position on 31 March 2004, so there has been a reduction of 73 per cent. "Fair to All, Personal to Each" includes a commitment that, by the end of 2007, the national maximum waiting time for cataract surgery will be 18 weeks from general practitioner or optometrist referral.

Mr Stone: Statistics are one thing but, inevitably, I know of individual cases involving waiting times that are way beyond the median or the average. Would it be all right if I brought those cases to the attention of the minister in the interests of helping my constituents and achieving a better solution for the NHS not only in the Highlands and Islands but in the whole of Scotland?

Rhona Brankin: I would be happy to have those cases brought to my attention. I can reiterate that NHS Highland has made significant reductions in waiting times and that, by 2007, the maximum waiting time from the time of referral to surgery will be 18 weeks.

Universities (Points System)

8. Mrs Margaret Ewing (Moray) (SNP): To ask the Scottish Executive what advice and information it offers to university students and staff regarding how the points system for subject units operates. (S2O-7213)

The Deputy Minister for Enterprise and Lifelong Learning (Allan Wilson): The progression policies of higher education institutions are an internal matter for institutions. Guidance to students and staff on how these policies operate is the responsibility of institutions.

Mrs Ewing: Will the minister comment on the fact that, in my constituency, two students who completed the same units at university have been given conflicting advice, with one being accepted for teacher training and the other being rejected?

Can he explain why the latter will have to undertake two summer courses to reach the points tally of her colleague? Can he offer any explanation for that inconsistency and will he take appropriate action to train career staff and ensure that there is no further confusion in relation to the points system?

Allan Wilson: Obviously, I cannot comment on the circumstances of individual students. It would be inappropriate for me to do so. As I said, matters of progression are the responsibilities of the institutions.

The higher education system in Scotland is flexible enough to support students who want to change direction in the course of their studies. In response to the member's specific point, I note that the Further and Higher Education (Scotland) Act 2004 introduced provisions that enable students' complaints to which there has been no resolution or satisfactory outcome to be investigated by the public services ombudsman at institutional level. Mrs Ewing might wish to follow that course, in conjunction with her constituent.

Health Priorities

9. Mary Scanlon (Highlands and Islands) (Con): To ask the Scottish Executive whether cancer, mental health and heart disease will remain its health priorities in future years. (S2O-7180)

The Minister for Health and Community Care (Mr Andy Kerr): The three clinical priorities for NHS Scotland are: cancer; coronary heart disease and strokes; and mental health. I have no plans to alter the priorities.

Our clinical strategies are already showing results. For example, in relation to the 1995 figures, under-75 mortality is down by 13.6 per cent for cancer, 38 per cent for coronary heart disease and 34 per cent for strokes. Further, in relation to mental health, in 2003, we gave a cautious welcome to the lowest total of national suicide figures since 1991.

Mary Scanlon: Given that mental health is a priority, will the minister confirm that all staff and resources are in place for the full implementation of the Mental Health (Care and Treatment) (Scotland) Act 2003 in October? Further, I would like to ask that, in future, infertility be given higher priority.

Mr Kerr: Our mental health strategy and the 2003 act are looked at with envy around the world. I look forward to the successful implementation of the act and can, therefore, give the member an assurance that I believe that all our health boards should be able to handle their responsibilities under the 2003 act. I am examining the situation with the boards and am currently carrying out reviews.

With regard to other services, it has to be repeated that we have set ourselves clear targets in relation to those chronic conditions and diseases that mean that too many families are separated from some of their members through death or ill health. We need to address other health issues but we need to retain that focus on cancer, coronary heart disease, strokes and mental health.

The Deputy Presiding Officer: I welcome to the gallery His Excellency Edgardo Espiritu, the ambassador for the United Kingdom from the Philippines and the Hon Sailesi Gulule MP and the Hon Ernest Yahaya MP, who are members of the Agriculture and Natural Resources Committee in the National Assembly of Malawi.

First Minister's Question Time

12:00

Cabinet (Meetings)

1. Nicola Sturgeon (Glasgow) (SNP): To ask the First Minister what issues will be discussed at the next meeting of the Scottish Executive's Cabinet. (S2F-1739)

The Deputy First Minister will not be there, but does he have any idea of the answer?

The Deputy First Minister and Minister for Enterprise and Lifelong Learning (Mr Jim Wallace): The agenda for next week's Cabinet will, as always, be agreed between the First Minister and the Deputy First Minister. As Nicola Sturgeon said, I will not be there, but I might be allowed to speculate that the Cabinet will discuss progress towards building a better Scotland.

Nicola Sturgeon: I am sure that all of us in the chamber will want to wish Jim Wallace the very best for the future. [*Applause.*]

Of course, the reason for the Deputy First Minister's appearance here is that the First Minister's son, like many other Scottish students, is graduating from university today. Does he agree that many of today's graduates face huge debts and that

"the real threat of bankruptcy because of the escalating costs of a university education"?

Mr Wallace: First, I thank Nicola Sturgeon and everyone in the chamber for their good wishes. As she rightly says, I am deputising for the First Minister, who is attending his son's graduation. I am sure that the Parliament will want to congratulate not only the First Minister's son, but Prince William and more than 45,000 people who will graduate from Scotland's universities. We wish them well as one chapter in their lives closes and another opens.

I cannot accept what Nicola Sturgeon says. During the past six years, this Administration has done a considerable number of things to assist students in meeting the costs that are associated with their university careers. As I demit office, I am very proud of the fact that this Administration has abolished tuition fees for eligible Scottish students who attend Scottish universities and that it has reintroduced student bursaries.

Nicola Sturgeon: I am a bit surprised that the Deputy First Minister disagrees with the proposition in my question, because I read it straight from a press release that the Liberal Democrats issued in April this year.

I draw the Deputy First Minister's attention to a new figure that was given to me yesterday by Barclays Bank. It puts average student debt in Scotland at £11,548, which is four times higher than in 1999. I remind him that last year there were 1,500 student bankruptcies in Scotland, which is 10 times more than in 1999. I accept that the Scottish Executive has done all the things that the Deputy First Minister says, but in the light of the facts about student debt that I have just cited, does he accept that much more still needs to be done?

Mr Wallace: Nicola Sturgeon might recall that when, in 1999 and 2000, we introduced the proposals that we subsequently implemented—with regard to both the abolition of tuition fees and other arrangements such as the graduate endowment and the young students bursary—that was done in a way that should have left no student who was eligible in a worse position with regard to debt. Indeed, the proposals would help the majority.

The figures that Nicola Sturgeon quotes are always interesting, but they always merit considerable further analysis because we cannot necessarily take them at face value. I am sure that she will agree that we recently increased the value of the young students bursary. The family income ceiling that determines eligibility for the maximum bursary has gone up from just over £10,000 to £17,500. That will make many thousands of additional students eligible for the full bursary. In addition, we have increased the value of the bursary. No one can accuse this Administration of not taking student finance seriously or say that we are not trying our best to tackle student debt.

Nicola Sturgeon: I point out to the Deputy First Minister that the figures that I cited on student bankruptcies come from a parliamentary answer that was given by the minister with responsibility for higher education—one Jim Wallace—so I think that they are probably pretty reliable.

If Jim Wallace cannot bring himself to agree with me, does he agree with Nicol Stephen and Mike Rumbles, who are the two contenders for his job? They both say that making higher education more attractive means reducing student debt and getting rid of the graduate endowment. Will the Deputy First Minister, on his last appearance as a minister, rip up the Labour script and join the growing consensus in Scotland that wants to see the back of back-door tuition fees as a first step to tackling student debt?

Mr Wallace: I was referring to Nicola Sturgeon's quotation from Barclays Bank. The bank is reputable, but the quotation will require attention.

No one disguises the fact that student debt is an important issue. That is why we have taken action.

I have no doubt that it will feature as an issue at the next election and I look forward to reading about it in my party's manifesto and in Nicola Sturgeon's party's manifesto, because I have never heard anything serious about how the Scottish National Party would tackle the matter. As one deputy to another, I say that we will take Nicola Sturgeon more seriously when, as Kenny MacAskill and others have recommended recently, she proposes well worked-out plans and does not think that throwing money at everything will resolve problems.

Prime Minister (Meetings)

2. David McLetchie (Edinburgh Pentlands) (Con): To ask the First Minister when he will next meet the Prime Minister and what issues will be discussed. (S2F-1740)

The Deputy First Minister and Minister for Enterprise and Lifelong Learning (Mr Jim Wallace): The First Minister will meet the Prime Minister at the G8 summit in July.

David McLetchie: When the First Minister and the Prime Minister get together, they might reflect on the benefit of having lower business rates in Scotland. Since Mr Wallace, his colleagues and their Labour allies ended the uniform business rate with England five years ago, businesses in Scotland have paid £839 million more in rates than they should have done. That money would have been better invested by the businesses—whether in jobs, plant machinery or research and development—to grow our economy. Does the Deputy First Minister agree that spending all that money on such a programme would have led to a far smarter and more successful Scotland?

Mr Wallace: As Mr McLetchie knows, the rate poundage is only one part of the equation and the valuation is also important. The combination is of the valuation times the poundage. We have always said that we would take no more in real terms than under the original position, but we have done better than that, because we froze the rate poundage in one year and increased it by less than the inflation rate in other years. This year, we used a lower rate than inflation to help business communities. We have taken several distinctive steps to narrow in real terms the difference between Scotland and England.

Mr McLetchie is wrong to highlight only one part of the equation. If he wishes to fund a reduction in business rates, which is a perfectly reasonable proposition for him to make, we are entitled to ask him a question. All businesses know that if revenue is less, expenditure must be less, so where would the cuts under the Tories fall?

David McLetchie: The Deputy First Minister knows perfectly well that all is not rosy in the

garden. If it was, why would the Scottish Chambers of Commerce launch a campaign this week to reinstitute the UBR that a Conservative Government introduced and which the Executive scrapped?

If the Deputy First Minister truly believes that there is nothing wrong with the higher level of business rates that has been levied in Scotland in the past five years, why do the contenders to replace him—whether Mr Stephen, the continuity candidate, or Mr Rumbles, the rebel without a clue—both support a reduction? Does he accept that if the Liberal Democrats really believed in lower business rates and held any influence in the Executive, we would have a cut in this parliamentary session and not in a manifesto wish list in 2007?

Mr Wallace: I hope that Mr McLetchie acknowledges that local business taxation is only part of the overall basket of taxation, which puts Scotland in the lowest quartile of international comparative studies of business taxation. Perhaps it is because we are in the lowest quartile that we have the highest employment rate since current records started and the lowest unemployment rate in my adult lifetime; we have also had continuous above-trend growth for the past two years. On many indicators, the Scottish economy has performed positively. Will not Mr McLetchie join me in welcoming that, rather than joining the SNP in using every opportunity to say that everything in the garden is gloomy?

The Deputy Presiding Officer (Trish Godman): Two members wish to raise constituency matters.

Dr Sylvia Jackson (Stirling) (Lab): The Deputy First Minister will be aware of plans in my Stirling constituency to develop an eco village to allow a large number of people both to demonstrate and to see various models of sustainability at the time of the G8 summit. Is he satisfied that all public agencies have contingency plans in place for any eventualities that may arise from the G8 summit and that the financial resources will be available to provide effective measures to ensure that everyone has a safe and successful G8 conference?

Mr Wallace: As I am sure that Sylvia Jackson is aware, an exceptional amount of advance planning has been done among the various public agencies and, in particular, between local authorities and the police. I am aware of the eco village to which she refers and I have every confidence that Stirling Council and Central Scotland police will have discussions and work out a co-ordinated plan to deal with it.

As the First Minister has indicated, ministers will consider sympathetically requests from public

bodies in Scotland to help meet additional costs that may result from the G8 summit, although he has also indicated that there is no blank cheque.

I welcome the fact that Sylvia Jackson puts a positive focus on the summit. The summit will deal with vital issues, such as those related to Africa and climate change, which are of crucial importance. Although it is important that in this Parliament we consider the costs and the security issues, we should not lose sight of what can be achieved at the G8 summit in respect of tackling real issues, not least for those in the world's most deprived countries.

Brian Adam (Aberdeen North) (SNP): Is the Deputy First Minister aware of the proposal to close the Met Office facility in my constituency at the Bridge of Don? Is he as concerned as I am about the potential impact of the closure, in particular on safety for the offshore industries of oil, gas and fishing? Will he recommend to his successor or to the First Minister that they make the appropriate representations to the Government at Westminster, which has ultimate control of the matter?

Mr Wallace: Brian Adam is right to mention the fact that the matter is reserved. I hope that people who have a genuine interest in the issue will take the opportunity to make their views known. Having crossed swords with the Met Office when it withdrew its facility from Kirkwall to move much of it to Aberdeen, I have some experience in such battles and no doubt I will cross swords with the Met Office again. I am sure that others will also make their views known. We should take the opportunity that is presented by the consultation to highlight a number of serious and important points.

Secretary of State for Scotland (Meetings)

3. Robin Harper (Lothians) (Green): To ask the First Minister when he will next meet the Secretary of State for Scotland and what issues he intends to discuss. (S2F-1753)

The Deputy First Minister and Minister for Enterprise and Lifelong Learning (Mr Jim Wallace): The First Minister has no immediate plans for a formal meeting with the Secretary of State for Scotland.

Robin Harper: On behalf of my party, I echo the sentiments that were expressed by Nicola Sturgeon and wish Jim Wallace all the best as he moves to pastures new.

The Deputy First Minister will be aware that there are concerns in certain quarters about the level of the Executive's commitment to addressing the problem of climate change. In that respect, how does he feel about the fact that he is likely to be replaced in the Cabinet by a minister who, in the opinion of Friends of the Earth Scotland, made

"the worst environmental decision ever taken by the Scottish Executive"

when he gave the go-ahead for the M74?

Mr Wallace: It would be wrong to anticipate before the count which candidate will be my successor. If Robin Harper is referring to the Minister for Transport's decision on the M74, I point out to him that that was a commitment in the last Liberal Democrat manifesto, for which we were given the accolade of having the greenest manifesto of the major parties. People should not complain about us implementing manifesto pledges; I have rather enjoyed implementing them over the past six years.

Robin Harper: If the Liberal party wants to live up to its claimed reputation as the greenest party in the Parliament, it must consider its road transport policies, which will result in increased traffic, its air transport policies, which will result in increased air traffic—

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

The Deputy Presiding Officer: Mr Gallie, the member is in the middle of his question. I will take your point of order when he has finished.

Robin Harper: Mr Gallie will say that I should have asked about "the Executive", of which the Deputy First Minister is part.

How can the Deputy First Minister's party claim to have such a reputation, when the Executive's road and air transport policies undermine everything that it does for the environment on emissions control? Does the Deputy First Minister agree that we must address energy conservation across all sectors by reducing emissions from buildings, transport and industry and that we will make no progress until—

The Deputy Presiding Officer: Do you have a question, Mr Harper? I will take Phil Gallie's point of order.

Phil Gallie: Presiding Officer, my impression—

Members: Answer the question!

The Deputy Presiding Officer: Order.

Phil Gallie: I thought that First Minister's question time was for questions for the First Minister, not questions for the leader of the Liberal party.

The Deputy Presiding Officer: Yes. The point has been made.

Mr Wallace: In response to Robin Harper, I make it clear that the partnership Administration has probably done more to promote the environmental agenda than has any previous Administration with responsibility for Scotland. We

have increased substantially the amount of money that is put into public transport and supported the Airdrie to Bathgate railway, the Larkhall to Milngavie railway, the Borders railway and the Stirling-Alloa-Kincardine railway. We have given practical support to millions of people in Scotland to help them to reach our recycling targets. We have invested in renewable energy, not only in wind power but in wave, tidal, biomass and solar power. We have taken practical action to turn the situation round after decades of neglect. I wish that the Green party would come on board and support us in those objectives.

Cultural Commission Report

4. Alex Neil (Central Scotland) (SNP): To ask the First Minister when the Scottish Executive will respond to the recommendations in the Cultural Commission's report, which was published this morning. (S2F-1748)

Will the Deputy First Minister join me in welcoming members of the Culture, Welsh Language and Sport Committee of the National Assembly for Wales, who are in the gallery?

The Deputy First Minister and Minister for Enterprise and Lifelong Learning (Mr Jim Wallace): I warmly welcome the members of the Culture, Welsh Language and Sport Committee of the Welsh Assembly. I understand that they met members of the Scottish Parliament's Enterprise and Culture Committee this morning.

Ministers received this morning the final report of the Cultural Commission, which contains a large number of recommendations on an extensive range of issues. We will give the Parliament an opportunity to discuss the proposals after the summer recess. The Executive will consider the Parliament's views in developing its full response, which we hope will be published before the end of the year.

Alex Neil: I do not expect the Deputy First Minister to be able to respond to the 124 recommendations of the Cultural Commission only two hours after the report was published, but will he confirm that the Executive will abide by the principle that politicians should not be involved in the day-to-day running of culture and the arts in Scotland? Will he give a commitment in principle to implement the recommendations on rights and responsibilities in relation to culture and the arts for citizens?

Mr Wallace: Alex Neil says that the report contains 124 recommendations and I am advised by Patricia Ferguson that it is more than 500 pages long, so I commend it to members as a recess read, if not necessarily a holiday read.

Alex Neil raises important issues: politicians are probably not the best people to micromanage the

arts on a day-to-day basis; and cultural justice is important. When the First Minister launched his proposals for the Cultural Commission, he clearly articulated that no matter where someone lives in Scotland and no matter what their background, they should have the opportunity to experience at first hand the richness of the arts, which are important in the development of a person's personality to the full. I am sure that my Executive colleagues will keep that principle in mind when they consider the report's recommendations.

Donald Gorrie (Central Scotland) (LD): Will the Deputy First Minister try to ensure—as far as he can, given his current position—that the Executive considers the recommendations across the board, so that there is joined-up government and the matter is not just left to our excellent Minister for Tourism, Culture and Sport? Will he also ensure that we consult widely and listen to organisations of all sizes, rather than just the usual suspects, as they are sometimes described? There must be widespread consultation before we can come up with a sensible approach.

Mr Wallace: I accept the principle that consultation should involve not only the big players but the smaller players. I also take Donald Gorrie's point about ensuring that the Executive's approach to consultation should go across portfolios; that is a very sound piece of advice.

I am sure that education will have an important role to play; as Minister for Enterprise and Lifelong Learning, I know the importance of the arts to job creation and the creative industries, and I know what having a dynamic cultural scene can mean when we try to attract people and companies to work and to set up businesses in Scotland. The cultural scene may not necessarily have been a final determining factor, but many people whom I meet tell me that, when they came to Scotland, they found a thriving cultural scene.

I accept that the issue is not the sole responsibility of Patricia Ferguson. We will engage other colleagues as the Executive makes its recommendations.

W8 Conference

5. Dr Jean Turner (Strathkelvin and Bearsden) (Ind): To ask the First Minister what lessons the Scottish Executive will learn from the eight African women, including Wangari Maathai, the Nobel peace prize winner, and Grace Githaiga, "Africawoman" writer and World Association of Community Broadcasters leader, who are taking part in the W8 conference in Edinburgh today. (S2F-1741)

The Deputy First Minister and Minister for Enterprise and Lifelong Learning (Mr Jim Wallace): Today's conference, which is supported

by the Scottish Executive, allows women who have made significant contributions to women's equality across Africa to share their experiences and the issues that confront them daily. I wish them a very successful conference and I am sure there will be lessons that we all can learn.

Dr Turner: I, too, wish Mr Wallace the very best from the independents in the chamber.

Mobile phones have revolutionised the lives of women in Africa, but the phones work only if they have power. The charging of the batteries is most important. As one of his last tasks, will the Deputy First Minister please ask the First Minister to seek a way of supplying the necessary technology to power the phones?

Mr Wallace: That is a good and very challenging question. I thank Jean Turner for her kind remarks and I assure her that her points will be brought to the attention of the First Minister.

Just last month, I had the privilege of going to the Shetland part of my old Westminster constituency, to the island of Unst, to inaugurate a hydrogen-powered installation. We spoke about the issues facing remote communities and the specific point was made that, in places such as Africa, hydrogen cells could be used. Many things can be run from such cells using forms of renewable energy. In Unst, that energy comes from wind power—although, unusually, on the day that I went there was no wind. However, solar power and biomass can also charge hydrogen cells. Technologies exist that fit our agenda of promoting renewable energy. Those technologies could have good, effective and practical applications in places such as Africa.

Margaret Smith (Edinburgh West) (LD): Before I ask my question, I take this opportunity from the Liberal Democrats' benches to record our thanks to Jim Wallace for 13 years of leadership of our party—very enjoyable those years have been for all of us. I also record our thanks for the unique role that he has played in the first years of this Parliament, which he worked so hard to achieve. [Applause.]

What support is the Scottish Executive giving—or what support would it consider giving—to community broadcasting rather than the written word in Africa? I ask because 70 per cent of African women are illiterate.

Mr Wallace: I thank Margaret Smith and her colleagues—my colleagues—for her kind words.

The member raises an interesting point about community radio. Nothing we do should in any way detract from the important work that has to be done to promote rates of literacy and numeracy. However, I understand Margaret Smith's views on the use of radio. We have some expertise in the

techniques of distance learning and we may be able to share that expertise in Africa. There are also a number of infrastructure issues to be addressed.

Occasions such as this have value, in that they throw up ideas. I can certainly say that, alongside the work of the Department for International Development in Whitehall, we will want to see what we can do within our devolved responsibilities. We will want to make effective and practical contributions on these issues.

Children's Services

6. Jackie Baillie (Dumbarton) (Lab): To ask the First Minister how the plans to modernise children's services will help Scotland's most vulnerable children. (S2F-1756)

The Deputy First Minister and Minister for Enterprise and Lifelong Learning (Mr Jim Wallace): The proposals will benefit all children through improved integrated working, earlier intervention and quicker action. Those who are most vulnerable and who have complex needs will have a clear action plan and will be allocated a lead professional to co-ordinate and monitor action.

Jackie Baillie: Like other members, I add my tribute to the Deputy First Minister and wish him well for the future. Indeed, many members look forward to welcoming him to the back benches.

Does the Deputy First Minister agree that key to supporting our most vulnerable children is the need for all agencies—local authority, police, health or voluntary sector—to join up in a way that better enables us to focus directly on the interests of children and not on those of the agencies and which ensures an effective and integrated range of interventions? Will he assure me that those same principles will underpin the current review of the children's hearings system?

Mr Wallace: I thank Jackie Baillie for her good wishes. I look forward to joining her and colleagues of all parties on the back benches. My strongly held view is that the purpose of the Parliament, and of back benchers in particular, is to hold the Government to account. After six years of accounting, I am looking forward to two years of holding.

I confirm that the principles that Jackie Baillie mentioned underpin our approach. I am sure that all members agree that nothing is more important to Scotland than our children and young people. We recognise that, far too often, there have been failures in respect of vulnerable children and we are determined to change that. I believe that the proposals that are before us—not least with regard to recognising the importance of agencies working together; ensuring that one professional takes lead

responsibility for each child so that there is no question of anyone passing on that responsibility; and ensuring that public services work together in every case in the interests of the child—will make a real contribution to the achievement of those objectives. I look forward to the responses that will be made to the consultation.

Mr John Swinney (North Tayside) (SNP): From first-hand experience, I can tell the Deputy First Minister of the improvement in quality of life that lies ahead of him.

The consultation paper on the reform of the children's hearings system that was published this week contains a proposal to break the link between local authority boundaries and the organisation of the children's panels. Will the minister assure us that, if the Government decides to pursue that proposal, there will be no diminution in the recruitment of the volunteers who take part in the important work of the children's panels?

Mr Wallace: The arrangement is an administrative one. I give John Swinney the absolute assurance that there will be no diminution in the recruitment of members of children's panels. Over the years since its establishment, the children's hearings system has been well served by the many people who have given of their time and expertise out of a sense of public service to Scotland's young people. The Executive will do nothing to diminish that.

I was relieved to hear John Swinney say that one finds a life after being a party leader. During the time that I have done this job, I have stood in for three First Ministers. I have seen three leaders of the Opposition. *[Interruption.]* I am never quite sure who leads the Greens in the Parliament. I have also seen two Scottish Socialist Party leaders. The one person who has been constant and immovable has been Mr McLetchie—*[Applause.]*

The Deputy Presiding Officer: Order.

Mr Wallace: As I pass on the mantle of being Scotland's longest-serving party leader, I say to him, "Good luck."

Robert Brown (Glasgow) (LD): Perhaps it is appropriate that the last question to the Deputy First Minister should be from one of his Liberal Democrat colleagues. In echoing Margaret Smith's tribute, I remind the chamber that Jim Wallace was one of the principal architects of the Scottish constitutional settlement. Indeed, as he was the first Liberal minister in peacetime for more than 70 years, I think that an element of partisanship may be allowed on this occasion. I will miss the cheerful display of his political talents and abilities at question time.

Does the Deputy First Minister agree that by far the best policy with vulnerable children is early intervention, long before they get near the children's hearings system? Does he further agree that schools can be the only positive thing in some children's lives and that some children's futures and life chances can be greatly enhanced by effective school leadership and well-motivated teachers? Will the Scottish Executive ensure that those principles are at the heart of every aspect of the review of children's services and that of the panel system?

Mr Wallace: Yes, yes, yes and yes again. What we have done in promoting and extending pre-school education is an important part of trying to secure better early intervention for many of Scotland's vulnerable young people.

The Deputy Presiding Officer: On behalf of the three Presiding Officers, I offer our best wishes to the Deputy First Minister and our thanks for the courteous way in which he has conducted his ministerial duties in the Parliament over the past six years. I very much look forward to calling Jim Wallace from the back benches. *[Applause.]*

12:29

Meeting suspended until 14:15.

14:15

On resuming—

Question Time

SCOTTISH EXECUTIVE

Finance and Public Services and Communities

Homestake Scheme

1. Mr Kenneth Macintosh (Eastwood) (Lab): To ask the Scottish Executive what progress has been made in introducing the homestake shared equity scheme. (S2O-7272)

The Minister for Communities (Malcolm Chisholm): Communities Scotland is working with key partners on the details of how the scheme will operate. We plan to be able to award the first grants by the autumn and have so far identified 20 developments around Scotland where we intend to use the scheme.

Mr Macintosh: I thank the minister for introducing the welcome initiative. The scheme will benefit young families who may not otherwise be able to afford their first home, especially residents of places such as East Renfrewshire, who want to stay in the community in which they were brought up but find that there is little public housing and that house prices are out of their reach. Given the benefits of the scheme, how soon will residents of East Renfrewshire be able to take advantage of it?

On a slightly different note, is the minister aware of the subtle but important differences between shared equity and shared ownership and the consequent lack of property rights for those with shared equity in retirement complexes, for example? Will he undertake to keep an eye on the matter, so that the problem experienced by elderly owners is not repeated for those who take advantage of the otherwise welcome homestake initiative?

Malcolm Chisholm: I do not have detailed knowledge of the latter issue, although I know that it came up in relation to one of the Justice Department's bills. If Ken Macintosh writes to me about his outstanding concerns, I will take them up—I know that they apply to a small number of sheltered housing complexes. The distinctions about which he is worried will not apply to the mainstream shared equity homestake scheme that we are launching this year.

Many housing associations have already expressed an interest in the scheme. I know that there have been preliminary discussions with registered social landlords about two sites in Ken

Macintosh's constituency. Given the issues that he has highlighted, I hope that there will be a successful outcome to those discussions. I have no reason to think that there will not be.

Central Heating Programme

2. Dr Elaine Murray (Dumfries) (Lab): To ask the Scottish Executive whether it plans to extend the central heating programme beyond March 2006 and whether it is consulting on options for extending the programme. (S2O-7280)

The Deputy Minister for Communities (Johann Lamont): We plan to extend the central heating programme beyond March 2006 and will soon consult the fuel poverty forum and others on the options for the future programme.

Dr Murray: The minister will be aware of the success of the scheme. Indeed, it surprises me that there is still a high demand from the over-60s for the initial scheme. In the consultation, will ministers give consideration to extending the provisions for pensioners with inadequate and obsolete central heating by reducing the age at which they are eligible for support to somewhere below 80?

Johann Lamont: I am aware of the scheme's popularity. Members from all parties have recognised the significant progress that has been made. We have provided free central heating installation, advice and other benefits to more than 51,000 households. We have two key tasks. Currently, we are considering the fuel poverty figures in the 2002 Scottish house condition survey, because we want not just to improve the general infrastructure of people's houses and the housing stock but to tackle the problem of fuel poverty. To that end, we are consulting across the board. I hope that MSPs will participate in the consultation.

The fuel poverty forum captures interests such as the power companies, Energy Action Scotland, Shelter, Age Concern, Help the Aged, the Scottish Federation of Housing Associations and a range of other organisations—I can provide the member with a full list. The forum will be able to consider not just the issues for over-60s and over-80s—we have extended the scope of the programme for over-80s—but how the scheme can be matched with our fuel poverty targets.

Mr John Home Robertson (East Lothian) (Lab): Will the minister consider the problems that face pensioners whose landlords have refused to allow them to take advantage of the excellent scheme? I register my strong support for Elaine Murray's point that there is a case for extending the scheme to cover pensioners who have obsolete and hopelessly inefficient old central heating systems in their houses.

Johann Lamont: When we extended the scheme to cover partial and inadequate central heating systems for the over-80s, we recognised the force of the argument that the member makes. At that stage, the decision was made that the over-80s were the priority group, but we can consider the issue further.

John Home Robertson and Dr Murray have raised the issue of the role of landlords in the past. We are continuing to look at the matter to establish the extent of the problem. We recognise that the problem might be partly hidden, as some people might not make an application for a new system because they think that it will be refused by their landlord. However, the extent to which landlords can resist improvements that tenants might wish to make is one of the smaller focuses of the Housing (Scotland) Bill.

Alasdair Morgan (South of Scotland) (SNP): I hope that the scheme's criteria will mean that the net will catch not only obsolete and inefficient systems but, as one of my constituents said, the obsolete and inefficient people who use the systems. The elderly gentleman and his wife had an efficient and workable coal system, but because of their level of disability they could not get the coal into the system to provide the heat. It would have been very helpful to them had they qualified for the scheme.

Johann Lamont: One of the fundamental aspects of the scheme is our recognition that vulnerable, elderly people are not necessarily in a strong position to negotiate with individual companies about the best system for them. That is why we tried to take away those difficulties through working with the Eaga Partnership Ltd. One of Eaga's responsibilities is to recognise the importance of speaking to people about using their systems efficiently.

On the specific point that Alasdair Morgan makes, one of my constituents has had a similar experience, in that, although they have an adequate system, they are no longer in a position to use it. We have to be more imaginative about how we support people in those circumstances. If they are not strong enough to carry in the coal, it might be that we should not put in a new central heating system but look at whether their levels of support are adequate. We recognise those challenges. The central heating programme is part of our support for elderly people; it should not be a substitute for the other bits of the system in which we work closely with individuals and families who need support in different ways.

John Swinburne (Central Scotland) (SSCUP): What would the minister say to the pensioner who wrote to me this week to say that Eaga told them that it would cost £800 to remove their old system so that the new system could be put in? I thought

that free systems were being installed. Surely that pensioner is not responsible for paying for the old system to be taken away.

Johann Lamont: I advise John Swinburne to write to me so that I can make sure that he gets an absolutely correct and adequate response. There has been correspondence about the whole area. The original programme worked well for people who had no heating systems; in those cases, it was straightforward to install a new system. As systems have required replacement, we have had to ensure that our advice and guidelines catch up. The current position is that, if the installation of the new system does not require the old system to be taken away, people are expected to pay for the removal of the old system. I am more than happy to look at the specific details of the case that John Swinburne referred to, because we are not in the business of having a system that creates greater distress for people.

As that case highlights, some of the details and implications of such a programme cannot possibly be evident when we initially devise it. Our commitment as we move towards 2006 is to ensure that the nitty-gritty issues that can cause a lot of grief to people are addressed through the programme.

Jackie Baillie (Dumbarton) (Lab): The minister will acknowledge that the central heating programme is probably the most effective measure that the Executive has taken to reduce fuel poverty among older people. Like others, I ask her whether she will consider extending the programme to include replacing inefficient or partial systems for all pensioners, rather than just obsolete systems for the over-80s. Will she also consider including for the first time people with a disability whose condition is such that they would benefit from central heating?

Johann Lamont: As I said, we are consulting on how the next stage of the programme should be taken forward. At that level, nothing has been ruled out. A compelling case was made for the extension of the programme to the over-80s with partial or inefficient systems. That has to be balanced against a reflection on the extent to which, as the programme develops, it still addresses issues around fuel poverty. I acknowledge Jackie Baillie's point about people with a disability. Indeed, a case can be made for a whole range of people. We will have to make a balanced judgment on the basis of not just what the representative fuel poverty forum says, but what the experiences of MSPs and others bring to the consultation.

Local Authority Services (Equitable Provision)

3. Margaret Mitchell (Central Scotland) (Con): To ask the Scottish Executive what advice it will give to local authorities to ensure that all council

house tenants receive an equitable provision of services for their council tax. (S2O-7265)

The Minister for Finance and Public Service Reform (Mr Tom McCabe): The Executive has no plans to issue such advice. Local authorities should, of course, strive to provide an appropriate level of service for all those who live within their areas, irrespective of tenure.

Margaret Mitchell: Is the minister aware that some council house tenants in Bothwell are not getting value for money for their council tax? Their properties have not been refurbished since 1997 and they have been told that they will have to wait until 2009 for their costly and inefficient storage heating systems to be replaced by central heating and for their antiquated kitchens to be upgraded.

Is the minister also aware that council tax payers in Falkirk and Kilmarnock are incensed by the waste of council funds that has resulted from Falkirk council spending £500,000 less than five years ago on the refurbishment of flats that are now being considered for demolition and from East Ayrshire Council spending almost £4 million 10 years ago on renovating 100 houses that it has now demolished? Does he agree that those council tax payers are not getting value for money and that the local authorities concerned should take steps to rectify such an unacceptable situation?

The Deputy Presiding Officer (Trish Godman): I remind members that this is question time, which means that there should be one question at a time.

Mr McCabe: I am surprised to find that Margaret Mitchell's assertions are predicated on a misunderstanding of local government finance. Indeed, that particularly surprises me, given that she used to be a local authority councillor. I have to say that the good residents of Bothwell who stay in the private sector would be even more incensed if they thought that their council tax contributions were being used to renovate local authority or public sector housing. That is not how we finance those matters in Scotland and it would be entirely wrong for us to take such an approach.

United Kingdom Presidency of the European Union

4. Irene Oldfather (Cunninghame South) (Lab): To ask the Scottish Executive what action it is taking to promote the forthcoming United Kingdom presidency of the European Union. (S2O-7281)

The Minister for Finance and Public Service Reform (Mr Tom McCabe): The promotion of the forthcoming UK EU presidency is being co-ordinated by the Foreign and Commonwealth

Office. The Scottish Executive is working closely with it on that work.

Irene Oldfather: I am sure that the minister agrees that the presidency provides an opportunity for the Scottish Parliament to raise particular issues. He will be aware that, on a number of occasions in the chamber, I have referred to the common agricultural policy, particularly with regard to a review of tobacco subsidies and the sugar regime. Will he assure us that, working with his Westminster colleagues, he will use the UK presidency to promote both better regulation and reform of the CAP, particularly in relation to tobacco subsidies, which I am sure he agrees are completely inconsistent with our healthy living agenda?

Mr McCabe: I confirm that the UK's priorities for its presidency are better regulation, sustainable development, Africa, climate change, counter-terrorism and the Doha development agenda. I am also happy to concur with the Prime Minister's sentiments that, in a modern Europe, it is simply inappropriate for the CAP to absorb 40 per cent of expenditure and that we have to modernise the EU if it is to remain relevant to the people of Europe.

Phil Gallie (South of Scotland) (Con): Following on from that response, I wonder whether the minister agrees that promoting Scotland's interests in Europe would be a major factor in getting the Scottish people to identify with both the UK presidency and the principles of Europe. Does he agree that uncertainty is a major block to economic development? If so, does he accept that one benefit that the UK presidency could attain would be for the Prime Minister as president of the Council of the European Union to undertake to pull the constitution out of its current cold storage and either state clearly that the UK will not sign up to it or put the issue to the Scottish and British people in a referendum?

The Deputy Presiding Officer: Minister, that question is at least a mile outside your boundaries, but you may answer what you can.

Mr McCabe: It is slightly outside my boundary, but I will do my best. I am sure that the Prime Minister will not mind if I answer some questions on his behalf this afternoon.

Strange as it might seem, I agree entirely with Phil Gallie's first assertion. It is very beneficial for people in Scotland when the country's interests are promoted in the EU. Indeed, the Scottish Executive is constantly engaged in that work, which is why the EU receives a far warmer reception in Scotland and why the opinions of the majority of Scottish people on the EU are miles away from those that Phil Gallie holds.

The Prime Minister has already made clear his position on the constitutional treaty. He has said that it is not appropriate for it to proceed and that there is a need for reflection about the way ahead. As the UK holds the presidency of the EU over the next six months, it will be at the forefront of ensuring that that reflection is appropriate and produces solutions that are in the best interests of the people of Scotland and, indeed, of the whole of the UK.

Richard Lochhead (North East Scotland) (SNP): In light of the results of the referendums in the Netherlands and France, does the minister believe that we should use the UK presidency to attempt to bring Europe closer to the people of Scotland? Will he outline how he intends to do that? Does he agree that it is unacceptable that the Scottish Parliament, which, with its primary legislative powers, is one of the most powerful devolved Parliaments in Europe, has no direct say over the formulation of many EU policies that we are expected to transpose into Scottish legislation? That is one of the reasons why there is such a gulf between the people of Scotland and many European policies.

Mr McCabe: Here we stand, in one of the most powerful Parliaments in Europe—progress indeed. We really are making progress with the Scottish National Party. I am delighted to hear those sentiments being expressed. That is good news for people in Scotland. For once, the Scottish National Party acknowledges that Scotland is finding its place in the world and that the Parliament has real powers.

Every day of the year, Scottish ministers promote Scotland's interests in Europe. That is why we are so highly regarded; it is why we will play such an important part in facilitating the UK's presidency; and it is why more than 30 events—in which Scottish ministers will play an important part—will be held here in Scotland.

Margo MacDonald (Lothians) (Ind): I assure the minister that I thoroughly agreed with Tony Blair this morning—I hope that that does not cause him to pass out. The Prime Minister said that he thought that Europe had to modernise. I could not agree more, but I would welcome an explanation from the minister of what he means by "better regulation".

Mr McCabe: The Prime Minister was looking particularly happy this morning—now I know why. He will be pleased that Margo MacDonald is backing him so strongly. When we speak about better regulation, we are talking about creating a flexible economy that does not constrain enterprise, that promotes opportunity for people in Scotland and that allows us to grow the economy and be an important part of the engine that drives the European economy.

Public Sector Jobs (Relocation Policy)

5. Susan Deacon (Edinburgh East and Musselburgh) (Lab): To ask the Scottish Executive how it is ensuring that its relocation policy in respect of public sector jobs is managed effectively. (S2O-7256)

The Minister for Finance and Public Service Reform (Mr Tom McCabe): The relocation policy—and each of the location reviews that are undertaken—is now driven by one central support team to help to achieve better consistency and transparency. Improved guidance has also been published on the Executive's website to help to manage reviews effectively.

Susan Deacon: I welcome the fact that improvements in that area continue to take place. Does the minister agree that it is vital that each case is considered on its merits and that there may be occasions on which relocation is not the most appropriate road to go down? Can he confirm that the status quo is considered as an option during each review and, indeed, that the status quo might prevail, particularly when there is strong evidence that operational effectiveness and efficiency would be damaged by dispersal of the jobs and by the relocation of the agency?

Mr McCabe: I am happy to confirm that when we carry out a location review, we do so extremely objectively—the status quo is considered and the views of the staff and management of the organisation are taken on board. However, that is predicated against a strong policy wish of Scottish ministers to ensure that not only the central belt, including Edinburgh, but all of Scotland benefits as much as possible from the civil service jobs that come under the ambit of the Scottish Executive. I am sure that the member appreciates that. However, it is extremely important that we are objective and transparent and that, in our dealings with the Parliament and the committees of the Parliament as they hold us to account, we can demonstrate that that is the case.

Murdo Fraser (Mid Scotland and Fife) (Con): The minister says that he wants all areas of Scotland to benefit. Does he consider it fair that no public sector jobs have been relocated to either Perth and Kinross or Angus? Does he agree that it is about time that those areas had their fair share too?

Mr McCabe: The world has not ended as of this afternoon; the programme continues and location reviews go on. A number of different possibilities are continually highlighted to Scottish ministers. That process of consideration will continue and, if the economic circumstances and the various other factors that are taken into account lead us to conclude that there is a requirement for jobs in the

Perth and Kinross area, that will come into the equation.

Mr John Swinney (North Tayside) (SNP): Will the minister be a bit more specific than that? From parliamentary answers that I have received from his deputy, it is clear that no civil service jobs have come to my constituency as a result of the relocation programme. What reassurance are the minister's warm words when we want decisive action to provide each area with an opportunity to share in the administration of government in Scotland?

Mr McCabe: We all represent areas of Scotland with different characteristics. A series of criteria is considered when relocation reviews are undertaken; an area's economic circumstances, its rates of employment and a range of other circumstances are taken into account. As the programme rolls out, certain areas will receive a higher priority than others, particularly in the programme's earlier stages, but that is simply because those areas fit the criteria that have been laid down. As I said, the world has not ended this afternoon; the programme will continue and the Scottish ministers are serious about it. We will continue to look for every possibility to relocate civil service jobs and I hope that, as we do so, the effect of the policy will spread out over as wide an area of Scotland as possible.

Education and Young People, Tourism, Culture and Sport

Out-of-hours Facilities

1. Cathie Craigie (Cumbernauld and Kilsyth) (Lab): To ask the Scottish Executive what progress has been made on its 2003 partnership agreement commitment to develop access to out-of-hours activity and facilities for all children. (S2O-7255)

The Deputy Minister for Education and Young People (Euan Robson): Scotland has a diverse and comprehensive programme of out-of-school-hours learning. We are actively supporting the provision of facilities and their use by children and young people through a network of study support co-ordinators. Furthermore, we fund the Scottish study support network to provide information and advice and to disseminate best practice throughout Scotland. The Scottish Executive has committed £34 million between 2003 and 2006 for study support and out-of-school-hours learning to provide a range of study-related and other physical, cultural development and health activities.

Cathie Craigie: Is the minister aware of the worthwhile work that schools in the North Lanarkshire Council area are undertaking? That

work includes revision schools and a programme to assist children's transition from primary school to secondary school, as well as sporting opportunities, including keep-fit classes that involve parents, teachers and the children. Will the Minister for Education and Young People show the Executive's support for those schemes by visiting some of the out-of-hours activities that go on in the Cumbernauld and Kilsyth area?

Euan Robson: I am aware of a number of the schemes that operate in North Lanarkshire and, indeed, South Lanarkshire. In particular, I have some experience of youth facilities and youth club provision in those two local authority areas. I am not intimately familiar with the Cumbernauld and Kilsyth provision to which Cathie Craigie referred, but I am sure that, given her kind invitation, the Minister for Education and Young People or I will visit at some stage, whether during the summer or later.

Fiona Hyslop (Lothians) (SNP): Has the minister considered examining international examples, such as those from France, which has a different shape to the school week? In Scotland, we send our children to full-time education for longer than most other countries but give them less physical education and language teaching. Has he considered looking at the approaches that are being pursued by some schools in Glasgow, where an afternoon a week is dedicated to other activities that are usually out of hours and which expand young people's range of experience? When he is thinking about the flexible curriculum, perhaps he could consider some of the international examples, such as those from France.

Euan Robson: Fiona Hyslop makes an important point about the curriculum review, and there are opportunities within that review to do exactly as she suggests. We are investigating what happens in Europe and are considering European examples.

As I said, we fund the Scottish study support network, which provides information and advice and disseminates best practice. Therefore, the network will examine what is going on in Glasgow. I am sure that we will be able to share the good examples that exist throughout the country.

In the past, we have perhaps not been as good at sharing best practice as we should have been. The study support network offers us the opportunity to remedy that. It is indeed important to learn from what goes on elsewhere and to have the necessary flexibility to suit local needs. The curriculum review has an important role in our further consideration of those matters.

Schools (Mainstreaming)

2. Tricia Marwick (Mid Scotland and Fife) (SNP): To ask the Scottish Executive whether it has any plans to review the policy of placing children with special needs in mainstream schools. (S2O-7222)

The Minister for Education and Young People (Peter Peacock): Children should have the opportunity to be educated in mainstream schools where that is appropriate. We have no plans to change the law where the presumption in favour of mainstreaming is established.

Tricia Marwick: Has the minister noted the comments made recently by Baroness Warnock on the idea that the policy of mainstreaming should now be revisited? Does he agree that, as people who support the principle behind mainstreaming, we should have the courage to examine how the policy is working in practice? Will he make a commitment to begin doing so?

Peter Peacock: I am aware of Baroness Warnock's comments as they have been reported. However, her report on the subject has not been published yet, and I look forward to seeing it. Her critique was principally about the system that operates in England, which is different to ours. Given that we have now radically reformed our system—the Parliament considered the matter last year—we have already addressed the issues that the Baroness has raised in relation to the English system. I understand that a report published earlier this week—or perhaps last week—by a committee of the British-Irish Inter-Parliamentary Body commended what has been happening in Scotland in comparison with what has been happening in England. Indeed, that report also commended what has been happening in Wales. We have made progress on the areas on which Baroness Warnock commented in relation to England.

On evaluation, an Audit Commission report on mainstreaming has already been published, and we have commissioned the Scottish centre for research in education to examine the mainstreaming policy. SCRE will report at the end of this year.

It is important that we do not allow something of a myth to develop around the mainstreaming policy. Special schools will still have an important role to play in Scottish education. There are now 32 more special schools than there were in the mid-1990s. The percentage of the school population who have moved from special schools to mainstream schools has changed only by 0.03 per cent, which is equivalent to one child for every nine schools in Scotland. There has not been some wholesale shift away from special education settings into mainstream schools. That said, it is

right that children should get the opportunity, where that is appropriate for the individual child—individual judgments have to be made—and where there are safeguards for other children in the schools concerned.

Cathie Craigie (Cumbernauld and Kilsyth) (Lab): That was certainly a full response to Tricia Marwick's question.

Will the minister acknowledge the experience of young people who have been integrated into mainstream education? In the vast majority of cases, mainstreaming has been a great success. The young people with whom I have come into contact and their families are very happy that they have the opportunity to be educated with their friends and peers. However, I believe that the Executive could do better by making further information available, not just to parents of children with special needs but to all parents. Will the Executive undertake to provide more detailed and valuable information?

Peter Peacock: I heartily agree that it is always important to empower people with respect to the provisions that are available to them—the laws, structures and policies that we have created are of little use unless people understand what has been made available to them. I agree that we need to continue to improve the supply of information to parents. The Executive now spends a lot of time working with groups of parents of young people with additional support needs, and I hope that one of the products of that work will be an improvement in the flow of information to young people.

I agree entirely with Cathie Craigie on her point about the success of mainstreaming for a lot of young people. In fact, it was in North Lanarkshire where I first met parents whose children had been put into a mainstream setting. The parents had felt great trepidation; nonetheless, they discovered that, as a consequence, rather than their child being stared at in the streets on a Saturday morning for being someone unusual or out of the ordinary, in the particular instance to which I refer, their child was greeted by friends from the mainstream school and made to feel part of the community in which they lived. That has to be a good thing for the children concerned and for the wider community.

Schools (Foreign Language Teaching)

3. Iain Smith (North East Fife) (LD): To ask the Scottish Executive what steps it is taking to increase the teaching of foreign languages in schools. (S2O-7205)

The Deputy Minister for Education and Young People (Euan Robson): Since 2001, the Scottish Executive has provided education

authorities with £18.5 million to support the implementation of the recommendations made in the ministerial action group on languages report, "Citizens of a Multilingual World".

Iain Smith: I welcome the first steps that the Executive is taking in this area. I am sure that the minister will agree that foreign language skills are an important factor in Scotland's continuing economic development. Is he aware of recent Europe-wide research that shows that Scottish children learn fewer foreign languages, receive less language tuition and start to study foreign languages later than is the case for our European neighbours—with the exception of England and Wales, of course? Will he make a commitment to try to catch up with our European partners in this area in the longer term? Given the growing importance of China as a potential trading partner for Scotland, will he examine the opportunities for the teaching of Mandarin?

Euan Robson: Iain Smith makes an important point about the recent research report, which I think was the Eurydice report on language teaching. He will of course recognise that part of the difficulty is the prevalence of English. That said, the Executive wishes to emphasise the importance of language teaching.

In 2002, we commissioned Her Majesty's Inspectorate of Education to evaluate the impact of a language fund on the new five-to-14 guidelines. The main finding was that between primary 6 and secondary 3, more than 90 per cent of children and young people experience language teaching. We have some way to go, however. I commend to local authorities the foreign language assistants programme and the opportunities that the curriculum review provides to look again at language teaching.

Iain Smith makes an important point about trading in relation to the teaching of Mandarin. There is a strong provision of Mandarin teaching in a number of places in Edinburgh and at Hillhead High School in Glasgow. I will look at the point that he makes to determine what further provision might be made. Mandarin—and, indeed, Cantonese—are important business languages for the future.

Children's Panel System

4. Mr John Swinney (North Tayside) (SNP): To ask the Scottish Executive what plans it has to review the children's panel system. (S2O-7228)

The Deputy Minister for Education and Young People (Euan Robson): Earlier this week, the Executive launched the consultation "getting it right for every child: Proposals for Action". The consultation includes a set of proposals that relate

to both the hearings system and wider children's services.

Mr Swinney: I had not realised that the timing of my question would be so fortuitous, given the publication of the document.

I think that the minister was present in the chamber this morning when I raised with the Deputy First Minister the proposal in the document to break the link between the organisation of the children's panels and local authority boundaries. This morning, the Deputy First Minister gave an assurance that that would have no effect on the recruitment of panel members. Will the minister give the chamber further detail on the proposal?

Euan Robson: I reiterate the Deputy First Minister's commitment. The Executive is trying to achieve greater flexibility in the mobility of panel members. Over successive years, we have held immensely successful recruitment programmes for panel members. We intend to continue to recruit panel members; indeed, we want to say how much we value their services and, in particular, the voluntary nature of what they do. Peter Peacock and I were able to say so at a recent reception at Edinburgh Castle.

There will be no diminution of our commitment to panel members. In that regard, we propose further efforts to improve training for panel members to help them to discharge their difficult duties in the best manner possible.

School Meals

5. Pauline McNeill (Glasgow Kelvin) (Lab): To ask the Scottish Executive whether it has any concerns about the statistical report for 2005, which shows that the number of children who take school meals has fallen. (S2O-7275)

The Minister for Education and Young People (Peter Peacock): The clear intention of the Executive is to encourage a greater uptake of healthy school meals; any fluctuations therefore require examination. Any increase in the uptake of school meals is likely to be related to significant menu changes to meet the nutrient standards in "Hungry for Success: A Whole School Approach to School Meals in Scotland". The decreases are more likely to happen in areas where authorities have very rapidly made challenging menu changes.

Pauline McNeill: Does the minister believe, as I do, that schools and nurseries provide us with a captive audience, which enables us to influence young people's eating habits and increase their life chances? Does he also agree that the early years of a child's life have particular significance, and that resources should be targeted at younger people, of nursery and school age, to influence their choices in food, sport, dental health and so

on? Will he acknowledge the joint work that is done with local authorities in ensuring a revolution in schools in the provision of free fruit, water and, in some cases, milk?

Peter Peacock: Pauline McNeill makes an important point. It is clear that the earlier one is able to have an impact on the attitudes, thinking and lifestyles of young people, the greater that impact on the rest of their lives will be. Clearly, early years education and early primary education are critical in influencing young people, not just in relation to their eating habits—although that is important—but in relation to how to brush their teeth properly, how to exercise properly, how to build self-esteem and a sense of well-being and so on.

Pauline McNeill is right to point to the need to focus attention on those early years. That is why the Executive has invested so heavily in the provision of free fruit for young people, which is now universally available for children in primary 1 and 2. That is also why chilled water is now much more widely available than it used to be—something like 94 per cent of children now have access to it. We also have breakfast clubs in some schools to ensure that young people get a good start to the day and are able to learn better as a consequence. There is a range of important issues. Although we have done all those things, the Executive does not have a closed mind about other things that we want to do to keep Scotland at the forefront of improving young people's health, partly through school meals but also through a range of other actions. I will be happy to discuss those matters further with Pauline McNeill.

Rosie Kane (Glasgow) (SSP): I have a question, but first I wonder whether I would be allowed to welcome to the Scottish Parliament Juan Carlos Galvis from the Sindicato Nacional de Trabajadores de la Industria de Alimentos, which is the trade union for the food and drinks industry in Colombia.

The Deputy Presiding Officer: Can we have your question, please?

Rosie Kane: Of course you can.

The minister talked about other things that the Executive might do. Why does it not follow the example of Hull City Council, which introduced free healthy school meals for all primary school children in November? The council now finds that the number of school children who take free healthy meals has doubled to 60 per cent, with some schools reporting an uptake of 98 per cent.

Peter Peacock: The Parliament has debated universal free school meals on many occasions, and the Executive has made its position clear; indeed, the Parliament has also made its position clear. The essence of the argument is that I am

well paid and I do not see why my children should get subsidised school meals, when we could do more to target resources in exactly the way that Pauline McNeill indicated earlier, to ensure that more young people in the greatest need get the benefits of the policy. We intend to maintain that position.

Teacher Numbers

6. Mrs Mary Mulligan (Linlithgow) (Lab): To ask the Scottish Executive what progress is being made on increasing teacher numbers. (S2O-7279)

The Minister for Education and Young People (Peter Peacock): Very good progress is being made. We have significantly increased recruitment to teacher training courses and we are on track to deliver our commitment of a teacher workforce of 53,000 in 2007.

Mrs Mulligan: I am pleased to hear of that progress. The minister will be aware that West Lothian Council has been successful in attracting new graduates, particularly from Northern Ireland—in fact, it attracted another 12 this week. However, we are anxious to ensure that new teachers are supported by experienced teachers. How does the Executive intend to support older teachers to stay in our schools—perhaps by working more flexible hours—so that they can offer the quality and experience that are so important for our students and to complement new teachers?

Peter Peacock: I am glad to hear of the progress that is being made in recruiting people from other parts of these islands. We recently heard from the General Teaching Council for Scotland that registration of teachers who were recruited from outwith Scotland has increased by almost 40 per cent in the recent past, including in our target groups of teachers of English, maths, physical education and other subjects. I am pleased that West Lothian is sharing in that progress.

Mary Mulligan's point about the support that is given to new teachers is important. In the past few years we have radically reformed the support that is available to new teachers in the probationer year. Indeed, Scotland is now regarded as leading the world in that respect. The system requires new teachers to have a smaller teaching workload in their first year, but it also requires proper mentoring and tutorial support from existing experienced members of staff to be built around new teachers. That approach has brought huge benefits to students who move into the teaching profession.

Another part of Mary Mulligan's question related to the opportunities that students have in schools. We have learned a lot from the changes that we

have made to the probationer year and we are considering how to apply those lessons to the support that is given to students during their school placements.

The Deputy Presiding Officer: Maureen Macmillan may ask a brief question.

Maureen Macmillan (Highlands and Islands) (Lab): What support is given to graduates in remoter areas to access postgraduate teacher training?

Peter Peacock: One of the great innovations of the recent past is the scheme that is run by the University of Aberdeen and Highland Council—partly in the area that Maureen Macmillan represents—for part-time distance learning postgraduate teacher education over a two-year period. The course allows people to stay at home and to undertake the training in a way that people could not do previously. The scheme is increasing the supply of teachers in remote and rural areas and we want to build on the idea considerably in the future.

The Deputy Presiding Officer: That ends questions to ministers.

Dennis Canavan (Falkirk West) (Ind): On a point of order, Presiding Officer. As only two members wish to ask further supplementary questions to the final question, would it not be in order to have a slight extension of question time to allow us to ask them, especially given that there is such a shortage of speakers for the subsequent debate that the whips have been going round twisting party members' arms to participate?

The Deputy Presiding Officer: The business managers and the Parliament have agreed to the timetable for the week. More than two members pressed their request-to-speak buttons during the question. The last time that I looked, I was in the chair.

Legal Aid Reform

The Deputy Presiding Officer (Trish Godman): The next item of business is a debate on motion S2M-3012, in the name of Cathy Jamieson, on legal aid reform.

14:57

The Minister for Justice (Cathy Jamieson): I am pleased to open the debate. I hope that the business managers have persuaded members to speak in it, because the issue matters to the people of Scotland. Good-quality legal advice and representation that are paid for where appropriate by the public purse are essential gateways to justice for all Scotland's people. They protect individuals and families; they underpin public confidence, not least through the sense of security that comes from knowing that such services are available should we need them; and they benefit us all by helping people to reach an early resolution to legal problems.

Members have heard me mention before the Executive's commitment to a safer, stronger Scotland. We are embarked on the most wide-ranging reform of our justice system in a generation. Our reforms support victims and witnesses and recognise their rights and needs within a more effective and efficient justice system. That system protects people and their communities, tackles antisocial behaviour, deals with youth offending, reduces re-offending and challenges offenders to return to law-abiding lifestyles.

Maureen Macmillan (Highlands and Islands) (Lab): Does the minister accept that, according to a Scottish Women's Aid survey of the legal profession, the present legal aid system severely restricts access to the Protection from Abuse (Scotland) Act 2001—which gives protection from abusers through interdicts with powers of arrest—either because of the contribution that women have to make or because of the block fee that is paid to solicitors? Will the proposed reforms alleviate that problem?

Cathy Jamieson: I will lay out what some of the reforms will do during my speech. I am aware of the view that Scottish Women's Aid has taken and that it has been in contact with solicitors and MSPs to argue its case strongly. I want to consider the issue during the consultation on our review. We would be happy to discuss the matter either with Maureen Macmillan or with Scottish Women's Aid during the consultation process. One issue that is canvassed in the consultation paper is the possibility that the Scottish Legal Aid Board could employ solicitors to undertake some of the family

and other civil legal aid work to which Maureen Macmillan refers. I want to consider that carefully.

It is important that as we reform our justice system to meet people's needs we must also look closely at how we ensure access to justice. How do we provide the right advice and representation at the right time for people who face legal problems? A publicly funded service with access to justice at its core is a basic building block for a reformed justice system.

"Advice for All", the consultation paper that we launched last week, lays out our proposals on the way forward on legal advice paid for by public funds. Today, Parliament has an early opportunity to debate those proposals, raise issues and help to shape the way forward.

Phil Gallie (South of Scotland) (Con): I regret that I cannot stay for the debate, but I want to ask the minister an important question about justice. Many small businesses find themselves in great difficulty with respect to defending themselves in certain situations. Under such circumstances the individual has no right to legal aid. Would it be possible for the minister, somewhere along the line, to find a means of considering the rights of small businesses?

Cathy Jamieson: I have had representations made to me on that issue at various stages. Perhaps we can consider it in more detail during the consultation. We could perhaps consider some of the real-life examples with which, no doubt, Mr Gallie could supply me from people who have contacted him, because that would be helpful.

Mr John Swinney (North Tayside) (SNP): Will the minister give way?

Cathy Jamieson: No. I want to make progress.

Our system of legal aid and advice and the provision of other advice by lawyers and other professionals on such matters as housing, employment and debt has many positive features, but those systems are far from perfect. We are all aware of the difficulties that arise when people with a deserving case are unable to pursue it because their income is just over the eligibility limit for legal aid. I am sure that other members will have heard such stories at their surgeries and in their case work—I hear about them from members subsequently.

We are all aware of the frustration that ordinary, hardworking people feel about cases in which those who face criminal charges have their cases subsidised, even when they are apparently well able to afford the costs. On the one hand is the situation that Mr Gallie describes and, on the other hand, is the fact that the public perhaps feel that others are subsidised.

Ms Sandra White (Glasgow) (SNP) *rose—*

Rob Gibson (Highlands and Islands) (SNP)
rose—

Cathy Jamieson: I think that about three members want me to give way, but I want to move on because I want to try to accommodate some of the interventions—

The Deputy Presiding Officer (Murray Tosh): Indeed, minister, but I can compensate you for interventions today if you are willing to take them.

Cathy Jamieson: That is extremely helpful. In that case, I will take an intervention from Mr Swinney, because he was first.

Mr Swinney: That is very gracious of the minister.

Before Mr Gallie's intervention the minister mentioned access to legal services. Does she accept that a particular component of access in rural areas is that, although a service might be funded by legal aid, issues of geography make it difficult for people to get access to a local legal practice?

Cathy Jamieson: That is important. When I come to discuss our proposals in more detail I am sure that Mr Swinney will recognise that they cover the areas that we need to consider. We have to consider the dilemmas that we will face in future and how best we get to the point that, wherever someone is in Scotland, they can get advice when they need it—in the right place and at the right time.

The information that we have so far indicates that two problems come up time and again. First, we lack a central direction for the provision of publicly funded legal advice, information and representation. Secondly, we lack a clear mechanism to relate the supply of services to the assessment of need: we are not able to ensure that the right advice is available to the right people at the right time. We must address those shortcomings.

Our vision is fairly straightforward: we must provide better access to advice and information for those who need it, when they need it, and, in response to Mr Swinney's point, where they need it. To do that we have to consider how that help and advice are planned and delivered. That will take time and there is no simple solution. I do not believe that simply putting in more and more funding is the answer. I see that Kenny MacAskill is nodding; I hope to hear more from him on that when he makes his speech.

We clearly need to build a flexible, responsive and fair system that includes advice and assistance from a range of providers in the public, private and voluntary sectors. The system must be well planned and co-ordinated if it is to deliver what people need. Currently, no one body in

Scotland has the powers and remit to achieve that or to develop and research the need for legal and other advice. In the longer term, we think that a new national body is required to fulfil such a role.

However, we know that much can be done now. We believe that the Scottish Legal Aid Board can develop its role in securing the appropriate provision and advice when and where it is needed. Under our proposals, the Scottish Legal Aid Board would be able directly to fund solicitors and non-solicitors who provide civil legal advice and to extend the direct employment of solicitors, including those in the Public Defence Solicitors Office.

We must ensure that best value is provided for public money and that effectiveness and efficiency are pursued with equal vigour—no member would disagree with that. I believe that we have achieved the right balance in our proposals. In order to provide value when public funds are used, we intend to ensure that the ability to pay remains a factor in an individual's eligibility for publicly funded legal assistance.

Ms White: On financial eligibility, will reform take into account pension credit, which is a new, means-tested benefit for over-60s and is not disregarded for civil legal aid? The equivalent means-tested benefit for people who are under 60—income support—is disregarded. Many people who are over 60 will therefore be left at a disadvantage with legal costs.

Cathy Jamieson: We need to consider such matters further. I mentioned difficulties that relate to people who are perhaps just above the limit and who find themselves receiving no assistance at all. It is also important to recognise that people can often access appropriate advice differently from the way in which they currently seek that advice.

I emphasise that we have no plans to cap the legal aid fund with a view to saving money—that should be clear and on the table at this point. We believe that the individual's circumstances and the interests of justice are the most important considerations in the application of the legal aid fund, but that that fund must be managed efficiently to ensure best value for money.

Rob Gibson: Crofters' access to the Scottish Land Court is a small part of the minister's work, but it is important for people who are often on the margin. Has the minister surveyed access to the Scottish Land Court, as getting justice on matters that relate to appeals to it is expensive? That matter needs special attention and I hope that the minister will confirm that special attention will be given to it.

Cathy Jamieson: I hope that Mr Gibson will participate in the consultation process—I am sure that he will on behalf of his constituents—and will

make his points in the same detail that I suggested to Mr Gallie that he should, so that we can consider them.

It is important to recognise that there has been a substantial increase in the criminal legal assistance bill—a rise of 28 per cent in four years cannot and should not be ignored. Measures such as allowing the Scottish Legal Aid Board to grant legal aid in solemn criminal cases will allow better control over the application of funds. The proposals will also ensure that changes in the financial circumstances of the accused are taken into account, which means that people whose income or assets increase for whatever reason could have their support reduced or withdrawn completely if they are no longer eligible. We are also consulting on the principle of criminal legal aid contributions for those who can afford to pay towards the cost of their case. The measures that we propose are aimed at making the system fairer and more transparent.

New and innovative approaches have already been taken in providing access to justice. In-court advice services have been piloted in Scotland and evaluation is under way of the direct employment of solicitors by the Scottish Legal Aid Board to address specific needs in criminal cases. The legal profession and other, non-legally qualified advisers in Scotland provide good-quality advice in civil cases. That is a key strength of the Scottish system and I commend the valuable work that a wide range of local and voluntary providers already carry out.

Providers of legal advice in Scotland are working all the time to provide better access to advice and to ensure that the quality of provision is high. We are working with the Scottish Legal Aid Board to develop an overarching quality framework for advice in Scotland, so that people can be confident in the quality of the advice that they receive. In recent months, the legal profession has led the way in quality assurance, especially through the development of peer review, and there is much more to come on that.

Recent developments on homelessness, housing and money advice show the important role that the right advice can play in supporting people to find routes out of poverty. That is, of course, very much in line with our general approach to social inclusion and to closing the opportunity gap.

Concerns have been expressed about access to advice on civil issues. In particular, we have heard that people on modest incomes are not getting the access to justice that they need because of a fear of the open-ended financial risk of instructing a solicitor privately. Those who are on lower incomes are eligible for legal aid, but those who are just above the eligibility levels can be excluded

from access. We have set out proposals to address that while ensuring the efficient use of public funds.

I believe that our package of proposals for better access, modernisation and better value for public funds is key to the future of publicly funded legal assistance. Many of the proposals—though by no means all of them—are technical, but all are inspired by the need to revitalise our systems and to improve the quality of access to advice for Scotland's people. I hope that we can look at the provisions in more detail this afternoon; that the debate will contribute towards our thinking as we proceed; and that the Parliament will be able to support the motion.

I move,

That the Parliament recognises the crucial role which publicly funded legal aid, advice and information has in guiding individuals towards resolution of legal problems; welcomes the Scottish Executive's consultation on improving the effectiveness and efficiency of publicly funded legal assistance, and supports the Executive's determination to continue to work in partnership with the legal profession and the public and voluntary sectors to develop a system that effectively supports those who require it.

15:12

Mr Kenny MacAskill (Lothians) (SNP): I accept a great deal of what the minister said. The Scottish National Party welcomes the debate and the consultation, which is long overdue. We accept that immediate action is required because the system is fragmenting. The purpose of our amendment is to draw the attention not just of the Executive but of the Parliament to the fact that we require not simply a short-term fix but a long-term solution.

We must bear in mind the fact that the field is complicated. As the minister said, there is no simple solution and it is not a matter of just pouring in more funds. The conflicting pressures on health, transport and the economy mean that that is not an option. We need to consider not just the service that we offer—which we must improve—and by whom it is offered, but how that service is provided. We must consider the structures that should be put in place, as they fundamentally affect the service and its consequent cost. That is where we are coming from.

We appreciate that the consultation is necessary to ensure that we get the current system—albeit that it is struggling—up and working, and we appreciate that the Executive may not feel capable of making a commitment today to establish a commission. However, we ask the Executive to recognise the spirit in which we lodged the amendment and the points that we will make in the

debate. At some stage, rather than simply trying to improve the leaking bucket, we should consider recreating the entire system. We are in the 21st century, but our legal aid system is from the 1960s and 1970s. The problem is its structure, which is what we must change.

We will support the Executive consultation and its desire to improve the situation that we face; however, we must fundamentally change the system, which is clearly struggling. From advice centres to the legal profession, there is a significant problem. Advice centres have to cope with a plethora of matters that are coming before them because of the changes in society. They are having difficulties with funding and with requests from a population that is much more conscious of its rights.

The legal profession has seen legal aid rates diminish and is now voting with its feet. Simply increasing the legal aid rate is probably not going to work. Even if we increased the legal aid rate substantially, increased student debt and the fact that the legal profession is now a much wider-ranging profession that offers opportunities in information technology, construction and other matters, mean that young law school graduates no longer want to work for legal aid firms. Even a substantial increase in legal aid rates will not change what has happened in the profession. We might require to consider paying lawyers a lot more handsomely to work in a narrower field of activity. We might have to recognise that other areas will be better dealt with by different structures, whether they be voluntary or public sector agencies. I do not think, however, that we can change what has gone on in the Executive.

Why has it happened? It is not a matter of apportioning blame; it is about recognising that the system has changed. The criminal legal aid system was created in the 1960s and the civil legal aid system was created in the 1970s, but the world as we know it is much more complicated. It has moved on and there has been a change in society, the economy and people's consciousness of their rights. That has to be considered.

I can give some examples. Michael Clancy of the Law Society of Scotland made the point to me that when criminal legal aid came in, the criminal law of Scotland could be contained within one book. Now there is more than one book for road traffic regulations. We have created new sanctions for technology and telecommunications crime and a plethora of other matters. We needed to do that and, whether it was the Scottish Parliament or Westminster, we were correct to bring in such legislation. It has, however, caused problems that we must address. The system is struggling to cope with those changes.

Our civil society has changed. Since the late 1960s and the early 1970s, we have become the property-owning democracy. People own their houses and have disputes with their neighbours that were previously regulated by councils or housing associations. People now also leave legacies that cause arguments and difficulties. Our society is much more consumer-orientated; people have more possessions than ever and they want to be able to litigate or act to protect them. None of those matters was considered in the beginning, so it is not a matter of apportioning blame, but of recognising that the ground under our feet has shifted and the society in which we live has changed, and the legal aid system cannot cope unless we review it fundamentally.

New issues have arisen that we must provide for, such as immigration and asylum, and there has been recognition of the needs and wants of those who suffer from mental health problems. Such issues were not anticipated back in the 1960s, but they are a drain upon resources and funding and we must change the system and review the structures, not just try to manage a system that is not operating.

What do we do? We must conduct a root-and-branch review rather than the piecemeal reform that is being proposed, although that is welcome. At some stage, and on a cross-party basis through a commission, we require to work out what sort of structure we need, and who will deal with what in this complicated society. That should be done by a commission because it has to be non-partisan. We have done it before on other fundamental matters—with Kilbrandon and more recently with Cubie, Sutherland and Arbuthnott. When the issue is not party political, we should ask the great and the good of our society to consider anew where we are going.

What will we ask the commission to consider? The current position is that someone may litigate because their car has been shunted by another and they sue for £450. Do we really have to pay a sheriff £119,000 per year, plus pension, to arbitrate on whether the minister, for example, should have signalled, or whether I was going too fast? A fundamental point of law has to go before a sheriff, but should public resources be used when it is a simple matter of fact?

It is not just about the rate at which legal aid will be payable. Should such a matter be put before the sheriff court at all? Should we be replicating systems that are used elsewhere that use evening courts, for example, or an investigatory magistrate procedure whereby legal aid is not available and lawyers are excluded. The procedure is one where the magistrate asks questions such as, "What were you doing, minister?" and, "What speed were

you going at, Mr MacAskill?" and we would have to bring witnesses.

We also have to consider other aspects of civil litigation. The minister pointed out that people are rightly bemused when a husband who batters his wife gets legal aid with no contribution, but the wife who has been battered and is living on credit and scraping to keep the family together has to pay a substantial contribution. That is not justice. It is difficult to find a solution, but our amendment makes it clear that the interests of justice are paramount and I believe that our society wants us to review such injustice.

We have to ask whether the new matters that have arisen, such as questions over immigration, mental health and consumer issues, might not be better dealt with by trading standards officers, advice agencies and immigration advisory services. As I suggested at the outset, we should pay lawyers very well for the narrow fields of law in which they should be expected to operate, but we need to provide other sources that can deal with other matters in other ways. Instead of using a system that is croaking and creaking, we should consider changing the whole structure.

Our approach recognises that there is no simple solution and that we need to make difficult choices. As my friend John Swinney said, it is probable that what is capable of being delivered in urban Scotland will not necessarily be available in rural Scotland, so we might need to deal with some aspects in different ways in different circumstances. However, the fundamental point is that we cannot go on as we are.

We support the minister on the need for a consultation to ensure that we get immediate action to review the current situation, which is failing. However, as the Parliament for the people of Scotland in the 21st century, we need to review not just the services that are provided but the whole basis upon which those are predicated. We need a review that starts with a blank sheet of paper and brings in people to work out how we will operate for the next 50 years.

I move amendment S2M-3012.1, to leave out from "welcomes" to end and insert:

"notes with concern current difficulties in the funding, staffing and resourcing of a variety of legal services through a multiplicity of agencies, professions and services; believes that the provision of legal and advice services requires a fundamental review in order for it to meet the new challenges and needs of the 21st century, and calls for a commission to be established with a wide remit, predicated on the principle that access to justice for all is paramount, to consider and advise on the best method of delivering such access and the best use of available resources within the judiciary, legal profession and the public and voluntary sectors."

15:21

Miss Annabel Goldie (West of Scotland) (Con): I apologise to the Minister for Justice for arriving after the commencement of her speech, but I was at a meeting with my Justice 2 Committee clerk. I should also declare an interest as an enrolled solicitor in Scotland.

Public funding of legal services is not, I admit, a subject that is likely to have people on the edges of their seats, but it is vital for three reasons. First, it is right that people who need advice to ensure that justice is done are able to get that advice. Secondly, it is necessary to ensure that a reasonable scheme operates to assist in funding procurement of that advice for individuals who have little or no means with which to pay for it. Thirdly, without such a scheme, the main providers of that advice—lawyers—will wither on the vine and the quality of the service is likely to deteriorate, which would lead to the shrinking of Scotland's legal profession. The losers would be the very people who need the advice and assisted funding in the first place.

I will deal first with that last point. I am aware that emerging evidence suggests that the number of solicitors who are willing to undertake criminal and civil legal aid work is declining; already, there are indications that people are unable to access justice and advice when they need to do so. Alarming, clear evidence suggests that law graduates are increasingly opting not to do that type of work. Indeed, that view was declared to me during a recent visit to a university.

I welcome the Executive's motion. My party will support the motion even though it is perhaps a little bit premature, given that the consultation was launched only on 17 June. I believe that the issue requires broad discussion and debate, so it will be instructive to read the responses to the consultation.

I am aware that a report on legal aid was published by the Justice 1 Committee in 2001 and that the then Minister for Justice announced a strategic review of the matter on 24 October 2003. The Justice 1 Committee report floated some useful ideas that merit attention. I shall return to those in more detail in a moment.

Legal aid and legal advice and assistance cost a lot of money—approximately £150 million per annum. Some people will find it tempting to approach the debate from the simple standpoint that lawyers get far too much money, whereas others—not surprisingly, they will predominantly be lawyers—will say that lawyers find that legal aid work is not worth doing. Such simplistic approaches lead to the equally simplistic and misguided conclusions that we should either cut the money or provide more money on the basis of

current structures. I disagree with both of those conclusions. I was interested to hear the minister's comments on that issue in her speech.

We need to analyse radically not only how we provide advice and assistance and representation in court, but whom we ask to provide them. Mr MacAskill made a similar point, but I do not support his idea to establish a commission, because that would result in unnecessary delay and possible expense. I actually believe that effective change can be made on the back of the consultation and that such change could be made quickly.

Most lawyers would agree that the initial guidance and advice that many people seek in respect of everyday problems can probably be conveniently and competently provided by a range of organisations, such as citizens advice bureaux, law centres, certain local government advisory facilities and, indeed, organisations such as Shelter. It may be more sensible to use such sources of advice than to expect individuals to seek out solicitors, fill up legal advice and assistance forms and enter into the now necessary protocols for someone to become a client of a solicitor.

Mr MacAskill is correct to say that such sources need to be resourced. It must be recognised that those advisory sources, although they are in many respects excellent, have limitations. If it is clear that the individual has a problem that might have significant personal or financial implications, legal advice may be necessary, and the sooner it is obtained the better. It seems to me that, if we can clear our minds about what may be appropriate for that stratum of general provision of advice, which is sought and required throughout Scotland, we may be able to leave solicitors to concentrate on clients for whom specific legal advice is required. It is certainly worth examining the current structures that govern funding of such advice.

As I said at the beginning of my speech, it is not in the interests of the public or of justice as a whole if solicitors are walking away from legal aid practice. It is also not in the interests of the legal profession if good court lawyers have no interest in staying in that area of practice. I know that it is popular to disparage and denigrate lawyers, but the great majority of lawyers do a good job and bring much comfort to clients. In my opinion, the Justice 1 Committee's report was on the right lines in suggesting that payments under the legal aid and legal advice and assistance schemes should be linked to introduction of a quality assurance scheme. I support that, as I support peer review.

Lawyers are no different from any other group of workers. When they are young, they are inexperienced, and they need to acquire experience. When they have acquired that

experience, they are a valuable source of advice to clients and of education to the legal profession. The best example that a young lawyer can have in the profession is an older, more experienced and wiser colleague. It seems to me—these are my personal suggestions for consideration—that we need to move on to a system in which the level of payment depends on the seniority and accredited expertise of practitioners. To give a purely illustrative example, the first level might be for solicitors with five years' experience or less, the next for five to 10 years' experience and the next for perhaps 10 to 20 years' experience. That could be conjoined with higher payment for accredited expertise in specific areas of practice, such as medical negligence cases.

Stewart Stevenson (Banff and Buchan) (SNP): I am interested in what Annabel Goldie is saying, but does she accept that there is a substantial difference between having 20 years' experience once and having one year's experience 20 times? Two lawyers may have been in the business for 20 years, but with quite different results.

Miss Goldie: I am saying that, with their general level of workload and experience, most young lawyers will spend five years getting a grasp of general practice and experience and that, after that, they will become more useful practitioners. I was careful to say that that facility could be conjoined with accredited expertise. If a practitioner specialises and qualifies in a certain area of work, I think that that practitioner would want accreditation, which could be acknowledged in any consideration of a legal aid formula.

My suggestion would mean that, from the earliest stage, a client had the option of seeking general or more specialised advice. I would have thought that that could only be helpful to the process of a case and to the Scottish Legal Aid Board having confidence in the suitability of the practitioner to handle the case. That approach may be particularly relevant at the legal advice and assistance stage. We tend to get hung up on legal aid and funding of cases in court, but if an expert experienced solicitor advises a client early, the advice may be that there is no case, so the matter will never proceed to court. The advice might also be, "There is a case, and with my expertise I can negotiate a settlement." Such a settlement could be successfully effected without a case going to court, which would mean that the legal aid fund was not required or accessed to fund litigation.

I see no reason why that general approach could not work equally well for civil and criminal cases. What is becoming unsustainable is a set payment for work, regardless of whether a solicitor is 23 or 43 and regardless of whether a solicitor

has no specific expertise or professionally acknowledged and accredited expertise. That system is no longer serving the public interest or the public purse, and it is no longer serving a soundly based, roundly qualified legal profession.

Change can be made, and I think that it can be made without another national body being set up. In that connection, I sound a cautionary note. I am a little apprehensive about any proposal to introduce bureaucracies. All the components exist to effect and deliver change, provided that we are able to give political leadership on what form that change should take. I urge the Executive to be ambitious and to have a vision for a soundly structured and well-qualified legal profession in Scotland; if it does not, it will be the public rather than lawyers who are failed.

15:30

Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD): I await advice and assistance on the election of our new party leader. I have not received information on that, but I trust that there is not a recount. Having been through two recounts in my constituency, I hope for the sake of both candidates that there will not be one on this occasion.

I apologise for the fact that I will not be in the chamber to catch all the winding-up speeches, although I will be here as much as I can be.

This is my third speech on justice in recent weeks in which I have argued that, for Liberal Democrats, our justice system needs to be efficient, effective and transparent. Inefficiency is one of the biggest contributors to communities and individuals giving up on the justice system. That can take the form of a crime not being solved; a criminal going free as a result of bureaucratic or legalistic muddles; delays; or the handing out of inadequate or ridiculously short sentences, which might be the result of an offender playing the system or of the system being ineffective because the statutory bodies—the police, the prisons or social work departments—have not been able to reform individuals or to support individuals to reform themselves.

The system needs to be more transparent, but one of my fears is that without a more radical approach than that which the Executive has said it wishes to adopt, it will not be as transparent as we would like it to be. As well as being about justice being seen to be done in a community, transparency is about justice being accessible. All members will have noted the growth that has taken place over recent years in one aspect of the legal system; that is, the more unscrupulous and aggressively marketed online or call-centre lawyers who make no-win, no-fee offers or who

provide ambulance chaser-type legal services. Although their marketing is very easy to understand for many of their users, they do not have the approach to the provision of advice on the legal system that Annabel Goldie spoke about in her speech. It is important that individuals receive proper high-quality advice.

Soon after I became the justice spokesman for the Liberal Democrats, I said that, as someone who had no legal background, I was not necessarily at a disadvantage in speaking about justice. I am confirmed in my view that it is simply not acceptable that parts of our justice system seem almost to be designed to be exclusive, elite and inaccessible. I confess that that is a provocative generalisation because there are some fantastically dedicated individuals in the legal system who work tirelessly for people who are not fortunate enough to be able to afford the best lawyers. A basic tenet of provision of legal aid is that the person who cannot afford one of the best lawyers can be represented by just such a lawyer.

My assertion was also a generalisation in the sense that some of the more modern reforms to our justice and protection system in Scotland, such as the establishment of the children's hearings system, are good examples of where we have got it right. However, the archaic language and procedures that are associated with much of the legal system in Scotland are examples of where we continue to get it wrong. It is interesting to note that legal aid was introduced at roughly the same time as the children's hearings system. In both cases, we have the right principles and in both cases the Executive is committed to reform and to ensuring that the systems are fit for purpose in the 21st century.

Many individuals want to access advice at times of crisis and stress in their lives, but complex language and jargon can compound people's confusion about accessing the system. I will make another generalisation: many people who are in business—as we heard Mr Gallie say—and in other walks of life think that getting legal advice involves hiring at great expense a lawyer who confirms to them what their gut reaction was in the first place. They feel that it is only because the lawyer can write a letter in the right language that their opinion becomes a legal view. In saying that, I mean no offence—or perhaps not a huge amount of offence—to the lawyers in the chamber. We see that happening in planning disputes, employment cases and even small claims cases. There is now a website that allows members of the public to translate the jargon, terminology and procedures: the relevant page of the Victims of Crime in Scotland website is headed "Jargon Buster".

Many MSPs' hearts go out to their constituents when they are approached about a legal issue and have to inform the constituent to seek independent legal advice. Sometimes that opens up a minefield for constituents. They may encounter difficulties not only in the course ahead of them, but even in accessing good advice in the first place.

Miss Goldie: I hope that Mr Purvis is not implying that the legal profession in Scotland as a whole does not provide a soundly based and professionally discharged service. He may be doing so inadvertently.

The Deputy Minister for Justice (Hugh Henry): Heaven forbid.

Jeremy Purvis: I am not implying that the legal profession is not soundly based, but some of the structures, procedures and language that are associated with it put off many people. For that reason, support for members of the public in accessing the clear advice and information that the justice system provides and advice on their rights is vital in both civil and criminal situations. Inevitably, finance is a consideration, but the priority must be to ensure that there is good quality, clear and simple information on how the system works, what roles individuals have and what rights we enjoy. Such services must be accessible through websites, libraries, community councils, trusted individuals and organisations, as well as in schools. The basic tenets of law should be an integral part of citizenship education in schools. The legal rights that we enjoy are rights only when we can exercise them.

When they need it, people should be able to get legal advice in civil and criminal cases, on employment rights and in a range of other areas, regardless of whether they are young or old or whether they live in a rural or an urban area. I am glad that the Executive has been frank about identifying some of the areas where access is not at the moment fair and equitable for many people. People may not satisfy the financial eligibility criteria for civil legal aid. The introduction of a tapered system would represent progress. I hope that over the summer the Executive and the Scottish Legal Aid Board will give detailed consideration to how such a system could operate.

Donald Gorrie (Central Scotland) (LD): As a former justice spokesman for the Liberal Democrats, I can clarify one point for the member. Nicol Stephen has been elected by a majority of approximately three to one.

Jeremy Purvis: I am grateful to the member. I would not wish to confess to the Presiding Officer that my pager went off, because we have instructions to turn them off. I make no comment on my new party leader, other than to say that I think that he will be excellent. I suppose that I

would have said that regardless of who the party leader was.

The exclusion of many people who are on relatively low incomes is one of the weaknesses in the current legal aid system. The minister also mentioned the lack of strategic and overall direction of the bodies that provide information and advice. The lack of a clear mechanism to relate the supply of services to the assessment of need, especially in rural areas, and the lack of a clear means to ensure and maintain a supply base of adequate numbers of solicitors for legal aid work or sustainable provision by the not-for-profit sector of non-legally qualified advisers are also weaknesses, as is the variable quality of information, advice and representation that are provided. All those areas are highlighted in the Executive's consultation. All the issues that Mr MacAskill raised need to be addressed.

I hope that we can move towards an overall reform programme that ensures that citizens know that they can receive not only good advice and information on civil law, but welfare rights advice, debt and money advice and consumer and housing advice, and that they have access to mediation services locally. Many of those services are provided by local authorities. Some are supported directly by the Scottish Executive, whereas others are supported through local taxation. Some of the services are very good. In representing Tweeddale, Ettrick and Lauderdale, my predecessors and I have been lucky to have been supported by dedicated citizens advice bureau staff, as well as by the very good services that are provided by Scottish Borders Council's welfare and benefits advisory service. However, consistency of approach and funding is necessary.

There has been discussion about funding. In 2003-04, £146 million was spent on funding legal assistance and £102 million of that was for criminal legal assistance. We recognise that the service is predominantly demand led and that being better able to match demand and supply is vital for effective future management of services.

There is still debate about whether a national co-ordinating body is the correct approach to take or whether a greater proportion of expenditure can be directed through local authorities that currently provide advice and assistance on a non-legally qualified basis, and which already have close relationships with the voluntary sector, which in addition, provides much-valued support, advice and information. For example, the Borders Voluntary Community Care Forum and the Borders voluntary youth work forum are both excellent bodies to which more direct core funding, rather than pilot funding, could be provided and in which provision of legal advice and support is

mainstreamed with other forms of citizenship advice and support.

Kenny MacAskill asked good questions that a commission would ask. I hope that not just experts in the field will contribute to the consultation process that the Executive has begun, and that people who have gone through the system and people who have experienced difficulty accessing it will do so. I hope that people who are currently excluded—community groups, small businesses and others—will be able to add their views and contribute to overall reforms.

I hope that the strategy that the Executive has outlined will be broad in its outlook. We must move away from the perception that the law is just for the lawyers; we must widen it and get rid of jargon so that our fellow citizens will not be excluded from, scared of or lose faith in the legal system.

15:41

Jackie Baillie (Dumbarton) (Lab): I depart from my scripted speech to congratulate Nicol Stephen on his election as leader of the Liberal Democrats. I will certainly enjoy watching his colleagues' attempts to outstrip one another in the effusiveness of their praise for him as he contemplates his ministerial team. It will not be lost on him that Jeremy Purvis was first out of the traps.

I start my speech proper by welcoming the Executive's consultation on the proposals for reform of the legal aid system. Many of my colleagues across the parties have already acknowledged that there are substantial weaknesses in the existing system, which have been identified by research, by members' experiences as lawyers or, indeed, by our experiences as MSPs as we try to assist constituents in gaining access to legal aid.

Some of the weaknesses that the Executive rightly seeks to address include the lack of strategic vision and the lack of co-ordination in the provision of publicly funded legal advice, information and representation; the genuine variation in the levels and quality of that provision; the differential access that we have all experienced; the very low income cut-off point of something like £9,570, which excludes huge numbers of people from accessing legal aid; and the decreasing numbers of solicitors who engage in legal aid work. In addressing those difficulties, I am sure that ministers will be mindful of the view from Labour and other benches that although we want an effective, efficient and modernised justice system, we want it above all to be accessible and fair. We need a system that ensures that the people who need the law will not be excluded from using it because of prohibitive cost, lack of knowledge or lack of available help.

It was once said to me by a lawyer in this place that the people who can access legal representation are either very well off or on very low incomes that qualify them for legal aid. Our existing system of financial assistance can indeed be harsh on those who are just outside the eligibility criteria. The number of grants for civil legal aid has been falling steadily for more than 10 years, which might suggest that people are not getting the services that they need because of a lack of funds.

I support the proposal to restructure financial eligibility and I welcome in particular the proposal to consider tapering support and raising the maximum income threshold to above the £9,570 that I mentioned earlier. That will ensure that people who are on moderate incomes are not excluded from pursuing justice.

John Swinburne (Central Scotland) (SSCUP):

Does the member agree that if the legal system's costs were made clearer to Parliament—through, for example, publication of hourly rates for different grades of legal aid—we laymen would be in a better position than we are at the moment to judge whether we are getting a fairer return for our outlay?

Jackie Baillie: That is certainly one way of tackling the problem. However, I prefer to ensure that the system is sufficiently accessible to all. Instead of engaging in a direct debate with the public over differing legal rates, we should ensure that they get a service that is of the best possible quality when they need it.

Although I believe that changing the eligibility criteria will make a key difference to many of my constituents, it will do so only if sufficient solicitors are available to undertake legal aid work. Although I broadly support all the Executive's suggestions for improving matters—such as improving the cash flow of legal aid firms, assisting the repayment of student loans for trainees in legal aid traineeships and so on—I accept that we probably need a more fundamental review. However, I do not share the desire to set up a commission, because the consultation already offers us the opportunity to have a fundamental review if we are so minded.

Stewart Stevenson: Just to be clear, I should point out that the suggested commission is not necessarily meant to be an alternative. Clearly, we need a consultation to find out whether we can stick a finger in the dyke and fix things now. The commission will be for the long term.

Jackie Baillie: It is not beyond the wit of members to focus on the short term and the long term in the consultation.

One short-term solution is to give SLAB more flexible powers either to employ solicitors directly

or to contract private practitioners to provide legal aid services. I think that I am right in saying that part V of the Legal Aid (Scotland) Act 1986 enables SLAB to employ solicitors directly, but the power is not really used in a civil context. However, it has been used in a number of pilots including an asylum and immigration project in Glasgow which, although it was most welcome, was introduced a little while after it was most needed. I also understand from Maureen Macmillan that, in Inverness, a solicitor has worked with Citizens Advice Scotland in providing advice indirectly on problems so that clients can be better prepared when they go on to see solicitors.

I also welcome the minister's comments on the Public Defence Solicitors Office. The experience of the five-year pilot in Edinburgh has been positive enough for the service to be extended to Glasgow and Inverness. Needless to say, I am very keen that everyone should benefit from it. I wonder whether, in any specific plans to extend the pilot, ministers will be mindful of the need to start with the most disadvantaged areas.

I echo the concerns that were expressed by Maureen Macmillan and Kenny MacAskill about access to justice for women who have experienced domestic abuse. I would be grateful if the minister would urge SLAB to examine the matter urgently. Indeed, on a wider issue, I encourage SLAB to use its existing powers imaginatively to ensure that all people, particularly the most vulnerable people, have access to legal services.

As far as prevention is concerned, early identification and resolution of legal problems will ensure that problems do not escalate and thereby have greater financial and social costs for the individual and society. Like other members, I believe that better co-ordination between agencies to provide advice on welfare rights and consumer and debt issues, to tackle homelessness and to extend the services that community law centres provide so effectively might offer a useful way forward. I say to the minister that whatever changes are made, we should always be guided by the need to ensure that our legal system is accessible and fair to all.

15:49

Christine Grahame (South of Scotland) (SNP): I declare an interest as an enrolled but non-practising solicitor with historic experience as a civil legal aid lawyer for 12 years. It has been six years since I last practised but, even then, the legal aid system was imploding. Solicitors were voting with their feet and partners in some firms were not prepared to allow anyone to continue to do legal aid work, because it was being subsidised

by their fees. This crisis has been a long time coming. I will come later to the Justice 1 Committee's report, which, as members will recall, is now five years old; there are things to say about how little we have moved forward since then.

I agree with much of what members have said. Simple things such as cash flow, which Jackie Baillie mentioned, can be relevant. If small firms in particular did legal aid cases, that might keep them doing business for the time being.

There is a lot of merit in Annabel Goldie's suggestion about accredited solicitors with different rates. There is merit in suggestions that have been made all round the chamber.

Jeremy Purvis referred to mediation. I went to Baltimore two years ago to look at how mediation operates there: it is taken seriously and used in large commercial cases. Companies no longer go at each other in court like bulls, thereby wasting money and court time. They mediate because they know that most civil litigation ends in compromise, either between the parties or imposed by the judge. That saves a great deal of public money all round. In Baltimore, mediation is also used in criminal cases. I do not know whether the ministers have visited Baltimore yet, but mediation is pushed by the leader there, who has made a great change to the system. The good thing about mediation is that parties have agreed to it. It is not adjudication; it is mediation. Parties buy into the solution and have to stick by it.

I refer to the briefing paper from Citizens Advice Scotland. CAS does a lot of good work, at a basic level, on the issues that Jackie Baillie referred to. Those issues include housing, in which many solicitors do not have technical expertise; hire purchase and debt; and employment, which is a specialist area. CAS also does great work on state benefits. However, its work is patchy and it is underfunded. It depends very much on volunteers, and on volunteer solicitors, who work in the evenings to give advice on criminal or civil matters. We must consider all those aspects.

A point was made about the costs of legal aid. I was pleased to hear the minister talk about contributions to criminal legal aid, because there is always an issue about how big the legal aid bill is. In civil legal aid, though, many people contribute. I note from the Legal Aid Board's figures that 30 per cent of civil costs are recovered, so to some extent civil legal aid pays its way through expenses.

I am disappointed that the report from the Justice 1 Committee—of which I was a member at the time—has made so little impact. The parties from which the committee took evidence are to be consulted again. We took evidence from Professor Alan Paterson; the Scottish Consumer Council; Citizens Advice Scotland; the Equal Opportunities

Commission; the Faculty of Advocates; Victim Support Scotland; the Association of Scottish Legal Advice Networks; Scottish Women's Aid; the Glasgow Bar Association; the Law Society of Scotland; the Association of Chief Police Officers in Scotland—I could go on. All that evidence is contained in the report and, as far as I can see, nothing in the system has changed.

Sandra White talked about inconsistencies in the use of the pension credit. Recommendation 52 in the committee's report says:

"The Committee is concerned about inconsistencies in the treatment of benefits and recommends that as a matter of urgency the Executive should examine this matter with the aim of seeking to simplify the system"—

Hugh Henry: I accept Christine Grahame's point about the Justice 1 Committee's report. The Executive considered the report; indeed, it helped to inform what we did. Does she agree, however, that notwithstanding whether we accept any or all of the report, it is appropriate for the Executive to take soundings and to consult before it implements anything? Indeed, we would have been criticised had we not done so.

Christine Grahame: Unfortunately, we took that evidence five years ago. Five years ago, we told the minister about the inconsistencies in the system. That situation could have been remedied. There are still inconsistencies in the benefits system and we said that we looked forward to receiving proposals at an early stage. Likewise, in recommendation 116 we said:

"the Committee is seriously concerned about the lack of a strategic overview, planning and delivery of the provision of legally aided services in Scotland".

We said that five years ago. We said at the time—to be fair I will read it—that the committee

"is not yet convinced on the need to set up a legal services commission."

However, we have moved on.

My heart is with civil legal aid, having practised as a civil legal aid lawyer for 12 years and my concern—I say this to the minister to be helpful—is that, once the Executive has finished its consultation and implemented the Justice 1 Committee's report, we must have an independent commission to take a strategic overview on how we draw together all the skills in the interest of access to justice across the board, whether locally or nationally, and in the interest of the public purse. I welcome the minister's announcement that the fund will not be capped, but we must make the best use of the money in a society that is litigious—rightfully so, sometimes, given that people are more aware of their rights. That is the case especially now that we have the European convention on human rights and the Disability

Discrimination Act 1995, which will raise other issues on access to buildings, for example.

I do not say that to be hostile. I ask the Executive not to waste the Justice 1 Committee's work and not to spend time doing another consultation with the same people—we could almost write their responses now—but to have an independent commission take a strategic look at the delivery of legal aid services throughout Scotland.

15:56

Bill Aitken (Glasgow) (Con): In any debate such as this, there must obviously be a tight balance between the public interest and the interests of justice on one hand and, on the other, value for money. It must also be appreciated that there are problems. Therefore, it is proper for the Executive to go down the lines that it suggested today. However, I hope that the fact that it has made a statement prior to the consultation does not indicate that some solutions have already been pencilled in in biro; we shall see what comes out of the consultation.

The costs of legal aid are clearly a matter for concern. Despite the fact that, last year, there was a 3 per cent drop in the number of legal aid grants, the costs have risen, partly because there are many more complex, long-running trials in the High Court. The number of cases for which legal aid may be granted should fall if the Executive follows through with its proposals to deal with many of the simpler matters by means of conditional offer. I do not approve of that approach to justice, but it would certainly save money, although its consequences elsewhere in society would be profoundly damaging.

The second serious concern is that lawyers are simply not willing to do legal aid work. One is reminded of the difficulties that arise in dentistry in some of the more remote regions of Scotland, where it is simply not economic to be a national health service dentist. Similarly, in some respects, it is no longer economic to be a legal aid solicitor. It must be remembered that many solicitors are doing legal aid work as a loss leader, because they are faced with a maximum legal aid fee of about £525 for a summary criminal trial. In some cases, that might give them a reasonable amount of profit. In other, complex cases, they will not make any money out of that fee but will do the case on the basis that there is the prospect of the accused person, his family or his associates committing further, more serious crime and that they will then come back with a solemn case that will provide some profit for the lawyer. I suggest to the minister that that is an unhealthy situation. If she proposes solutions that will improve that, they will be welcome.

Legal aid is an important aspect of our criminal and civil justice systems. I ask members to put themselves in the position of an 18-year-old boy.

Stewart Stevenson: None of us can remember that far back. It is too far.

Bill Aitken: I fully accept that it is too far back for Mr Stevenson.

The boy is 18 years of age and has not had a job since leaving school. He has been through the various new deal opportunities and other schemes but has no permanent employment. He decides that he will join the armed forces and is accepted for the Army but, when he is walking down the road one day, two police officers come up to him and say, "You're getting done for vandalism. You were seen spraying something on the wall. Turn out your pockets." He has an aerosol canister of blue paint in his pocket, but the police officers will not listen to the fact that he was spraying his uncle's car or that, while the offence was being committed, he was in his uncle's garage some distance away.

We have every complexity in a legal case in that scenario: there are possible difficulties of corroboration, there is best evidence, there is the question of alibi and there is a special defence. If an 18-year-old boy who has never worked can conduct his own defence on that basis, he must be an awful lot cleverer than I am—or, I suggest, than anyone else here is. The consequences of that case could be quite serious. If that individual is convicted, he could be fined £100. In itself, that is not all that serious, but he would then be precluded, on the basis of that conviction, from joining the Army. Whatever happens, we must not have a situation whereby legal aid is not available for such cases. Many people might be tempted to say that, given the costs, that case was a minor matter, for which legal aid need not be made available. The consequences of the conviction might be very serious, however.

It is essential with respect to the law and to European provisions—and, in fairness, to legislation that is in force here—for any person who faces custody or disqualification to have the opportunity of being represented. That must be remembered.

Let us consider the case of an elderly owner-occupier who gets somebody in to do some work on their house. Their roof is left exposed, water pours in and £1,000 of damage is caused. If that person discovers that they have not renewed their household insurance, they have to find £1,000. How do they pursue that tradesman? That is the sort of situation that can arise with respect to civil legal aid.

The solutions are complex. There would be dangers, however, in departing too radically from a

system that has served Scotland well for 50 or 60 years. Nothing in this world is preserved in aspic, and the system must be examined. The Executive is quite right to do so. In the end, however, people will still require legal representation, and that must surely be available to them.

I hope that the Executive will come up with a comprehensive response to the consultation. It will be particularly interesting to find out what the legal bodies say on the matter. It will also be interesting to hear what the general public say. I suspect that there will not end up being any great difference between what exists today and what might be implemented in the future, but it is proper and correct for the Executive to test the system.

Despite the fact that Mr MacAskill's speech had much merit in it, his amendment proposes the establishment of a commission, which I think would be a time-consuming process and unlikely to bring about a result. As such, we are unable to support the amendment.

The Deputy Presiding Officer: Thank you, Mr Aitken. You must tell us on a subsequent occasion what happened to the elderly MSP who vandalised his desk.

16:03

Mr John Home Robertson (East Lothian) (Lab): I had hoped that Bill Aitken would tell us what he was doing with the blue aerosol paint can, but that is perhaps for the future.

I make one point in passing. The last time that I spoke in the chamber, I had just one minute to address a rather important amendment in the stage 3 debate on the Charities and Trustee Investment (Scotland) Bill. Many colleagues were not able to take part at all in the debates on amendments; even ministers did not have time to get important points on the record. Today, on the other hand, there seems to be a lot of time to ruminate on the preliminary stages of a public consultation on legal aid. That subject is entirely worth while, but I think that the contrast illustrates a problem in the allocation of time by the Parliamentary Bureau. I agree with Donald Gorrie about very few things, but I agree with him about this one.

I had better turn to the debate, before the new Deputy Presiding Officer, who has just taken over in the chair, calls me to order. There is understandable concern about the expenditure of taxpayers' money on lawyers' fees. However, I will resist any temptation to be unkind about the legal profession. On the contrary, I express my thanks to local solicitors who undertake legal aid work in the sheriff court and district court in Haddington, and to others like them all over Scotland, in both local courts and the supreme courts.

I agree with Annabel Goldie and Kenny MacAskill, who said that there is a need to attract more talented solicitors and other lawyers to get involved in that essential work. The work might not be glamorous, but it is vital that citizens, particularly innocent citizens, who find themselves before the courts should have the benefit of proper, professional legal advice and representation. That work forms an essential part of our justice system and it should be properly supported.

The Executive's proposals aim to improve access to justice and to achieve better value for money and greater efficiency. I hope, and I am sure, that nobody will argue against that. I like the idea of there being better access to legal aid on civil matters. We all know that it is extremely difficult for ordinary citizens to take civil cases to court. One topical example is that there is no accessible legal remedy for most victims of defamation in the press. Unless they have the money of Mohammed Al Fayed or the connections of George Galloway, everyone else has to suffer in silence. If we are serious about the provision of access to justice, there is also a need for better access to civil justice; the idea of doing something in that regard is interesting.

I turn to criminal legal aid. A story appeared in *The Herald* of 16 June under the headline "Legal aid plan for accused to pay unless found innocent". Although I see no specific proposal of that sort in the consultation document, I have no problem with the principle of making the guilty pay for their defence if they can afford to do so. That said, we should be very cautious about anything that might drive innocent people to plead guilty in order to avoid the risk of incurring crippling costs. If the point were to come under consideration, it would need to be considered very carefully indeed.

I want to touch on a couple of further points that could usefully be considered in the context of the proposals. One of those points—access to justice on small claims—has been the subject of discussion with the minister over a long period. The other point, which arises from the Scottish Labour Party election manifesto of 2003, was raised earlier by Maureen Macmillan and Jackie Baillie. The manifesto says:

"We will review legal aid eligibility to improve coverage of domestic abuse and mediation services".

From our constituency work, all members know that that issue is extremely important. I wrote to the Solicitor General recently about a worrying incident in which a victim was very unhappy about the plea bargain that the fiscal had struck in her case. She had gone to a lot of trouble and had taken risks because she wanted the case to be

taken to court, but in the end she was denied that opportunity.

I cannot overemphasise the importance of ensuring that criminal domestic abuse cases are prosecuted effectively. I suggest that the review should implement the Scottish Labour Party's commitment to improve legal aid for the victims of domestic abuse. I hope that the minister will respond to that point later.

The Deputy Minister for Justice knows what I am about to say next. There is wide consensus about the urgent need for consumers to have proper access to justice when they find that they have been sold dodgy goods or services. The current limits on access to the small claims courts are ridiculous: cases relating to anything that costs more than £750 have to go through complicated and expensive higher court procedures. The situation not only obstructs justice for many consumers but, for those cases that get to court, gives rise to significant legal aid costs. The case for raising the threshold to £5,000 is overwhelming—indeed, that is what has been done in the other United Kingdom jurisdictions. I remind the minister that, in a reply that he gave in the chamber on 11 November, he said that that uprating should be made in Scotland "sooner rather than later". That was seven months ago and we are still waiting.

I know that the minister is facing rearguard opposition to this long-awaited reform from a firm of solicitors with very influential connections, but I put it to him that Scottish consumers are being denied access to justice. It should be possible to make the necessary adjustment to the regulations without causing detrimental consequences for personal injury claims. If the Executive is serious about improving access to justice, by all means let us move forward on all the points that are covered in the consultation—indeed, I think that there is consensus on that in the chamber this afternoon. The minister cannot allow Thompsons to block indefinitely progress on Scottish consumers' access to small claims courts.

I first raised the issue on behalf of a constituent almost three years ago. In February of last year, a large number of members signed my motion calling for the limit to be raised. How much longer will consumers in Scotland have to wait for improved access to the small claims procedures? Although I welcome the proposals in the document, I must press the minister to address the long-delayed matter of access to justice for Scottish consumers in the small claims procedures.

16:09

Patrick Harvie (Glasgow) (Green): I, too, was disappointed to hear that the whips had been

scouring the corridors in an attempt to round up speakers for the debate. It is, however, just possible that the relationship between the level of interest in a debate and its importance is not always a direct one.

The minister began her speech by talking about the importance of legal aid reform. We should also recognise the importance of the Executive's general theme of access to justice, which covers attempts to address the physical barriers and barriers that stem from intimidation and emotional factors and the need to support people in a variety of ways to ensure that they have access to justice. However, the financial barriers to justice are also extremely high. Even if every other aspect of the Executive's work in this area was 100 per cent successful, the financial barriers alone would be enough to make us extremely worried.

In its letter—I assume that it was sent to all of us—the Scottish Legal Aid Board states:

“Scotland has a well developed legal aid system which provides wider scope than in the vast majority of other jurisdictions”.

That may well be true, but the fact remains that access to justice is dependent upon being on one side of the ever-increasing wealth gap in our society. For people on one side, access can be found through legal aid if they are lucky. For people on the other side, the ability is there simply to buy access to law and justice. However, for most people in the middle the prospect of legal action can be financially terrifying. Even minor action can put a huge dent in the average bank account. If substantial, long-running or complex actions arise, the pressure to simply give up the search for justice can be huge. Phil Gallie was right to say that that applies not only to individuals, but to small businesses, charities, community groups and campaign groups.

My experience in that regard relates to two specific issues. One was the section 28 case, when affected organisations and charities had their funding frozen because of action that was taken not against them, but against the city council. To ensure that they had access to justice in the judicial review that took place, they had to ensure that they were represented. The only way in which they could do that was to find lawyers who were prepared to work essentially for nothing because of their sympathy with the case. The other case, with which there might be less sympathy on some benches, is the M74. Whatever people feel about whether the road should be built, the people concerned should have the right to challenge the minister's decision. They should not be barred simply by the threat of facing tens of thousands of pounds of expenses.

On the specific proposals, allowing legal aid to fund non-solicitor advice is welcome. I am sure

that we have all seen much in the Citizens Advice Scotland briefing about the great range of work that is already going on, and the thousands of cases in which citizens advice bureaux around the country are providing support.

We need to be careful of some of the consequences. As Jackie Baillie mentioned, one consequence of providing more alternatives when people cannot access solicitors through legal aid is that people might feel that they have no option but to use the alternatives as substitutes for professional legal advice, when professional legal advice is what is required. As Scottish Women's Aid has argued, in some circumstances not accessing professional legal advice could have devastating consequences for people's personal safety and that of their children. Some of the alternative services that we support, such as mediation and alternative dispute resolution, are not always appropriate in, for example, domestic abuse cases. However, we should remember the large number of cases for which those alternative services are appropriate.

I see that Christine Grahame is not here—everyone I have mentioned in this debate has left the room before I have got to them. She mentioned her experience of Baltimore. Many European countries are making much better use of mediation and alternative dispute resolution than we are. Those services can lead not only to satisfactory outcomes, but to a far greater sense of participation and ownership of the solution to a conflict or a problem. I welcome the Executive's proposals on that issue.

Although some proposals have been on the table for several years, progress on them has been slow and conservative so far. I hope that the questions that are raised through the consultation will help to move matters on. I have sympathy with Kenny MacAskill's comments. He argued strongly for much more fundamental and radical reform of the system. I wonder whether, constructive though the consultation is as part of the process, it will lead to fundamental reform. Therefore, I intend to support Kenny MacAskill's amendment.

In my final few moments, I will say something about the fundamental reasons why we need to consider access to justice carefully. We all, I hope, want to arrive at a situation in which everyone is equal under the law. We are not there yet, but we may get there eventually. However, even if we are equal under the law, if access to the law remains a commodity, inequality and injustice in the system will persist. People have a right to health care, which is why we have a national health service and why we do not charge people to see their doctor or to visit their relatives in hospital; instead, we pay for that collectively. People have a right to education, so we have created schools that do not

charge for lessons or exams; instead, we pay for them collectively. People have a right to speak to their elected representatives, so we do not charge them to come to surgeries, to vote or to put petitions before Parliament—we pay for that collectively. If access to justice and justice and equality under the law are rights, we should increasingly move towards paying collectively to ensure that people have no financial hurdles to get over to access their rights under the law.

16:16

Mr John Swinney (North Tayside) (SNP): I reassure Patrick Harvie that the whip of the SNP group has not been frogmarching anyone into the chamber to speak. Last Thursday, I was a willing volunteer for the debate, which is important.

Mr Gorrie helpfully told us the result of the Liberal Democrat leadership election. Earlier today, when I met Nicol Stephen in the corridor, he asked me, from my position of wisdom about party leadership, what advice I would give him. I simply said, "Don't do it." Unless he has resigned already, he has obviously not taken my advice. I hope that those on the Government front bench take my comments in the debate more seriously.

I welcome the Government's consultation document. The debate about the SNP proposal for the establishment of a commission and the Government's position on that hinges on the degree to which the consultation fits into a more strategic perspective and overview of legal services in Scotland. I accept that the Government has several initiatives under way to examine different components of the legal system. Ministers will be aware of the interest that I have taken in the regulation of solicitors. However, some of our uncertainty hangs on the extent to which all those different initiatives will be linked together to give a truly radical and comprehensive perspective of the reform that is required in the legal system in Scotland. I hope that the ministers will take seriously the case for strategic change that Kenny MacAskill made effectively.

I was prompted to speak in the debate partly as a result of representations that I received from solicitors in my constituency on an issue about which I subsequently wrote to the minister. The issue relates to the preparation of reports in the legal system on the welfare of children. Invariably, an element of legal aid is involved in the payment of solicitors to undertake that independent curator role. However, several solicitors have told me that they find it difficult to secure payment for that important work, which they undertake for the welfare of children and which relates to residency issues and other matters.

The problem arises because the Scottish Legal Aid Board deals with the solicitor who acts on behalf of the child, but the curator is an independent solicitor who is paid by that other solicitor, which means that the system never marries up and payments are never made on time. Solicitors have come to me with cases in which they have still not been paid for reports that were done four years ago. The Scottish Legal Aid Board washes its hands of all responsibility and says that it is for the solicitors who were commissioned to undertake the work to pay the bill, so the matter is for the Law Society of Scotland.

The reason why I cite that example—I am sure that the minister will respond to the points that I have raised in due course—is to add it to the concern that many members have expressed about the unattractiveness of legal aid work to many solicitors. If a lawyer cannot get paid for the work that they are doing, partners in their firm will start asking why that lawyer is doing it. Not everyone is motivated by the sense of public duty by which we would like them to be motivated; businesses have to get their fees. I hope that ministers will consider that issue as an example of how legal aid services are becoming unattractive. As I said to the minister during her opening speech, I am becoming concerned at the number of firms in rural Scotland that are now withdrawing from legal aid services. If there are only three solicitors firms in a town and the one that does legal aid work gives it up, the nearest legal aid firm can be 20 or 40 miles away, which undermines access to legal services.

I am attracted by some of the arguments that are put forward in the consultation paper about using alternative mechanisms for ensuring that advice and assistance are available much more widely through different channels, particularly in rural Scotland. I have the utmost admiration for the range of citizens advice bureaux services and welfare advice services that exist in my constituency, but they are operating in small towns where the case load is not enormous and if the funding streams are not there, they fall into jeopardy. There could be the double whammy of the removal of legal aid services and a lack of access to what we could describe as publicly funded advice and assistance services, which are essential to give people the quality advice that they require.

Kenny MacAskill spoke about the difficult balance in how legal aid is allocated between those whom we might perceive at the outset to be the victim and the aggressor, particularly in domestic violence cases. It might get allocated to the person whom we consider to be the perpetrator and not to the person on the receiving end of the aggression. That is a terribly difficult issue to resolve, but we have to resolve it,

because the box that says “justice” is not being ticked. It is a difficult decision for the Scottish Legal Aid Board or any other organisation to make, but we have to find a way to give people greater comfort that justice is being dished out in the allocation of resources through the system.

I was pleased to hear Kenny MacAskill say—and to hear this being welcomed warmly throughout the chamber—that this is not a case of throwing more money at the problem. I do not come from the more-money school of politics. *[Interruption.]* Mr McNeil might laugh, but if he checks the record, he will find that that is true. I come from the more-value school of politics. A tremendous amount of money is being spent in this area of activity that could be better deployed if we had some of the flexibility to which the consultation document refers, funded more public services, ensured that some of the citizens advice bureaux services are more actively supported and distributed the cake in a different fashion from how we are distributing it just now.

No speech in a debate about access to justice would be complete without referring to the important issue of people’s ability to complain about the justice system if it does them down. I welcome the consultation document that the Government has published on the issue and will respond to it. I am not sure whether that will be met with a sense of doom or with enthusiasm by the Executive. The consultation is an important step in re-engaging the public in judging the quality of these important services.

The Deputy Presiding Officer (Trish Godman): I call Kenny MacAskill. *[Interruption.]* Sorry, I meant Kenny Macintosh.

16:24

Mr Kenneth Macintosh (Eastwood) (Lab): There is such a wealth of talent before you, Presiding Officer. I thank the Executive for bringing the debate to the chamber and for the launch of its consultation on improving publicly funded legal assistance. I recognise that the steps that the ministers are taking are part of a series of measures that we have taken over the past six years to improve access to the justice system. I also have no doubt that the reforms are necessary.

I will describe the situation from my perspective as a constituency MSP. I imagine that my experience is not untypical; indeed I will echo many of the points that the minister made in her opening statement and which others throughout the chamber made. Perhaps the most common problem that I have come across concerns individuals who have been—or feel that they have been—denied access to the law and to justice

because they cannot afford it. I am tempted to put the word “justice” in inverted commas because I am sure that we all know that the law and justice are not synonymous. Despite the reforms that have taken place, the perception remains that the wealthy and the powerful will always be able to use the law and that, through legal aid, the poorest may have access but not necessarily choice—Jackie Baillie made that point. For the vast majority of people, lawyers remain an expense that they can ill afford.

We must clarify the principles on which legal aid is granted. To be specific, we must move to a system that better reflects the needs of people in our communities when they need it most and that still secures value for taxpayers’ money. We must also ensure that legal aid is applied fairly and even-handedly across the board in civil and criminal cases. The current open-ended nature of the system, in which there is no upper limit on legal aid, must be examined. Not only can such a system lead to disproportionate sums of money being spent on a few cases; it creates an incentive to keep cases going without reaching a speedy settlement. I have no doubt that we can improve the current system, but I am under no illusion that, wherever we draw the line for financial assistance, things will be difficult to bear for those who are on the wrong side of that line.

Difficult and bitter divorce wrangles over child custody, maintenance or property are perhaps the second most common types of case that I hear about from constituents. One side qualifying for legal aid in such cases can often generate huge resentment or feelings of unfairness. Whether or not the accusations of untruths or fraud that flow back and forth in such cases are justified or upheld in the end, the lack of transparency that surrounds legal aid decisions and the consequent lack of confidence and trust in the system further exacerbate arguments that are already difficult to resolve. I appreciate that client confidentiality is an important principle, but greater openness and transparency and robust procedures would engender greater confidence in the system.

From comments on legal aid that many people have made, I have picked up the underpinning feeling—unfair or otherwise—that the system is run by lawyers for lawyers. At worst, there is a feeling that people play the system, but at best there is consensus that the system is demand led, that it does not address the needs of communities and that it is not fair and equitable to everybody. I think that legal aid increasingly goes to cases that fit the qualifying criteria rather than to those that are most deserving or of most merit—in other words, the system is self-serving. A proposal that is out for consultation—which the minister mentioned—is trying to address that matter through a planning framework. We must make

progress along those lines. I recognise that the suggested new national co-ordinating body presents difficulties, but we can do much now to improve planning and access. I will expand on that point in a moment.

I have mentioned bad experiences, but before Annabel Goldie intervenes on behalf of colleagues in the legal profession, I should say that I do not universally condemn legal aid or lawyers. The cases that come to my attention tend to be cases in which the legal process or legal aid has broken down, but there are many successes. In recent years, developments such as the Public Defence Solicitors Office have shown how we can marry efficiency, choice and quality in a publicly funded legal service. I am delighted that that service has been expanded to Glasgow and hope that that has happened with a view to its becoming universally accessible.

I conclude by mentioning the most important development that the Executive's consultation has flagged up: proper funding and support for non-legally qualified advisers as well as solicitors and advocates. There are many providers throughout the country—in fact, much advice is provided by local authority-run services—but the citizens advice bureaux are probably the best known of the alternative providers. There will be many benefits as a result of putting such advice on to a more secure footing, coupled with the quality assurance that are also part of the consultation. On quality assurance, I recognise the fear that Patrick Harvie mentioned. The system should not be allowed to become a second-best system.

Many people turn to local CABx at least initially for information about their rights and the courses of action that are open to them or when they need an advocate or someone to accompany and guide them through a legal process. Many lawyers will provide a free initial consultation, but CABx can do the same without individuals worrying at that stage about potential legal bills or expenses. CABx can also suggest alternatives to the courts or legal routes to resolve disputes or differences. However, CABx services—like other voluntary providers—are vulnerable as a result of their need for funding, and short-lived services do not fill users with confidence or give the same guarantees of proven experience and quality.

For example, my local CAB in East Renfrewshire supported an excellent and well-attended legal advice clinic that was provided by a local solicitor but delivered under the CAB's auspices. However, when that firm closed its local branch, the service was discontinued and, so far, a replacement service has been difficult to establish. Not only would funding the CABx and other organisations to provide legal advice services be one of the most cost-effective ways of

opening up access to the legal system for many people; it would break the monopoly of legal aid work that is enjoyed by solicitors and advocates. It would open up a closed system and support appropriate alternatives in the court.

Many colleagues will have seen the submission from Citizens Advice Scotland. I whole-heartedly endorse the principles that it outlines. Civil justice should be needs based, not demand based; it should be client centred, not institution centred; it should lead to the greater empowerment of citizens; and it should be preventive as well as responsive to crises. The submission outlines the successful in-court advice projects that are run by the CAB in Aberdeen, Airdrie, Dundee and Hamilton, which are funded by the Executive.

I do not pretend to have covered the full range of issues that are under consideration in the Executive's consultation on legal aid. However, it is clear from comments that have been made from members on all sides of the chamber that there is broad agreement on the issues that we need to address: access; fairness; a needs-based service; appropriate use of alternatives to the courts; structures to improve the quality of advice from professional and voluntary services; and value for money. I believe that the Executive addresses all those issues in its consultation on legal aid, and it is already supporting some projects in practice. I hope that we can build a similarly broad agreement on the measures that are needed to reform legal aid and to ensure that the justice system works for us all.

16:31

Donald Gorrie (Central Scotland) (LD): I endorse what John Home Robertson said about the length of debates, but I pay tribute to Margaret Curran, who recognised members' dissatisfaction with stage 3 of the Charities and Trustee Investment (Scotland) Bill. I welcome the fact that more time is being given next week to consideration of the Transport (Scotland) Bill and to the Smoking, Health and Social Care (Scotland) Bill, with the promise that the matter will be addressed more thoroughly in the autumn. Progress is being made on the important point that John Home Robertson raised.

I was a member of the previous Justice 1 Committee. I also spent a lot of my youth running round a running track, and I think that a lot of politics is like that: we do not go round the track just once. It is certainly not a 400m race, and it is not even an 800m race—it is more like a 10,000m race, and we see the same points again and again and say, "Oh, we have been here before." We are not very quick at pressing on and advancing matters. Perhaps we could look at that. There obviously has to be consultation, but I think that sometimes there is a lack of progress.

Nevertheless, progress has been made in some quarters, to which I must pay due credit. At lunch time, I had a discussion with a senior police officer, who gave me examples of distinct improvements that have been made in the speeding up of the courts process. It has always struck me as a very bad aspect of the system that it takes months and months for cases to come to court. There are now quite a lot of examples of things being done better, which is excellent. We also passed a bill some time ago to reform the Law Society of Scotland's internal procedures. That has resulted in a better way of dealing with complaints against solicitors, with more lay involvement and more speedy resolution of the problems. So, life is not entirely bad.

I endorse the point that was made by Jackie Baillie and others, which is that to be involved with the law someone has to be either very rich or very poor. The great bulk of people in between get a raw deal at the moment. It is difficult for a Liberal to support means testing, as we are, by nature, very much against it; nevertheless, I support means testing on this specific issue. The proposed tapering scheme, whereby people pay a bit towards their legal expenses and get a bit of help from the state, with the size of the two bits varying depending on their income, is the right way forward. There are some good points in the Executive's proposals, of which that is one.

I was appalled by a statement in the document that one of the featured proposals was to

"properly reward early investigation of the case",

which is good,

"and remove existing financial incentives to resolve cases at a later stage".

If there is any financial incentive to postponing or delaying cases and thereby fouling up the courts, we certainly want to remove it. I was not aware that there was such an incentive and we have to sort that out.

This is a subject for my standard prevention-not-cure speech, which everyone has heard before several times, so they can switch off. Kenneth Macintosh made the point that if we get involved earlier on and help organisations such as the citizens advice bureaux to help people to sort out their affairs, we will save a lot of money and court time and keep people out of the legal system, which would be doing them a great favour.

I understand that there is a good system in the Highlands whereby the Scottish Legal Aid Board pays a solicitor to work with the CABx. That seems to be working very well, so we should extend it right across the country. We should also encourage the volunteer solicitors who play a big part in CABx by being available at certain times to help people whom the CABx refer to them. Many

solicitors volunteer in that way to develop their experience and get something good on their curriculum vitae.

I endorse entirely what Kenneth Macintosh said. CABx and similar organisations must continue to get secure funding. That would help to create a much better society than the one that we have at the moment. I support SLAB being given more powers to plan services better, to fund non-legal services as well as legal services, and also to fund CABx. The direct employment of salaried solicitors would avoid the difficulty caused by solicitors no longer being willing to work under the legal aid system.

There are some good things in the proposals that are before us. I hope that we can make progress and that we do not just end up with another consultation document in a year or two.

16:37

Margaret Mitchell (Central Scotland) (Con):

Although I am aware that the consultation is divided into two parts, I intend to concentrate on civil matters.

I note that the consultation refers to publicly funded legal assistance as

"advice on matters which raise a legal issue or which, if not resolved earlier, could result in legal action".

I welcome the fact that legal advice is defined as advice about the law that can come from a variety of sources and agencies and is not necessarily legal advice from a solicitor. That point was well made by John Swinney. Legal advice can come from advice agencies or public bodies such as local authorities or voluntary sector organisations on the basis that the majority of those organisations receive some public funding.

I am pleased that the Executive recognises that

"funding arrangements for voluntary sector provision are often described by service providers as insecure, thus threatening continuity and development of services"

That view was echoed by Kenny Macintosh and Donald Gorrie. It is certainly my experience in Central Scotland and the experience of others throughout Scotland that voluntary organisations often have to compete with local authority projects in a potential conflict of interest. The challenge is therefore for the civil aspect of the consultation to establish the best framework and strategy for the delivery of publicly funded legal assistance.

However, I note that the Executive's consultation document also states:

"Each local authority is ... better placed than any other organisation ... to take on the function of planning and ensuring appropriate local civil PFLA provision in its area".

In addition, I note that the Executive favours

"a consensual approach ... based on close co-operation between local government, the Scottish Executive and a national co-ordinating body".

My question to the minister is how she envisages that the proposed new arrangements would address the current unfair and inequitable situation that is highlighted by the experiences of my constituents in the North Lanarkshire Council and South Lanarkshire Council areas, where local people and communities have been refused legal aid that would have allowed them to challenge the local authority's decision to grant planning permission for projects at Bothwell park in Hamilton and Dunbeth park in Coatbridge. In both those cases, the ground was gifted to local communities for the common good. How would the proposed arrangements ensure a level playing field in legal representation to redress the injustice whereby the local authorities have used taxpayers' money to employ Queen's counsel to represent them in the Court of Session, where they applied for the waiving of the provision against the granting of planning permission in those parks?

Those important points—like a number of those that were mentioned by Patrick Harvie—require to be considered, given what the minister said about accessibility being a fundamental issue in the consultation. Indeed, fairness is one of the main criteria that are mentioned in the consultation, which seeks to ensure that any strategy that is decided on is fair to the vulnerable, to hard-working people and to communities.

I regret that I do not have time to consider other aspects of the consultation in more detail, but I urge the minister to consider extending the pilot project to which both Jackie Baillie and Donald Gorrie referred, which was started in 2002. The project is delivered by CAS, but it involves the Scottish Legal Aid Board providing the funding for an Inverness-based solicitor to work with citizens advice bureaux in 13 locations in the Highlands and Islands. According to the Deputy Minister for Justice, the project has worked well, so I believe that it could be rolled out throughout Scotland without the need for further consultation.

In conclusion, on the second part of the consultation, I welcome any measures that strive to deliver increased consistency and transparency in the funding arrangements for criminal PFLA. As Annabel Goldie indicated, we will not support the SNP amendment. I fully recognise that the amendment is well intentioned, but it would not be in the interests of justice, as setting up a commission to consider PFLA generally would lead merely to an unacceptable delay in the introduction of the necessary reforms. Those reforms must be put in place as soon as possible to increase access and to ensure that the system of legal aid and advice is fair to all.

16:43

Stewart Stevenson (Banff and Buchan) (SNP): Well, this is like being back in school. I thought that the exams were over, but here we have a question paper with 40 questions on it. Unlike in most school exams, though, it appears that we are required to answer all 40 questions. I will return to the consultation document in a minute or two.

I thank the minister very sincerely indeed for giving MSPs the opportunity to discuss the lives of a group of people—namely, lawyers—who are considerably less popular than even we are. In the States, anti-vivisectionists who campaign to stop the use of rats in laboratories have said that they have no objection to lawyers being used instead, as there are more lawyers than rats and the lawyers are less popular.

That said, let me be absolutely candid in saying that my personal experience of lawyers is that they are impeccable. In my business life, when I worked in the bank, I found that the lawyers with whom I had to draw up contracts were, frankly, the best people to deal with, because they came back rapidly and they responded to my needs. In my civil life, my personal, family lawyer is disappointed to have been moved down from his previous position at the top of the Scotland Against Crooked Lawyers list to the halfway point. I have known him for 50 years and I think that he is a great guy. Even though he is a Tory—and therefore I fundamentally disagree with him politically—he has served the needs of my father, my mother, myself and my siblings. Lawyers fulfil a key role in our society and, by and large, they do so well. They have a public relations problem, but it is not my job to fix that one way or the other.

One interesting little thing might be derived from Kenny MacAskill's contribution, if I may reinterpret some of what he said. It was said yesterday that it costs the United Kingdom £37 million to have the royal family. Of course, prosecutions are made in the name of the Crown—we have the Crown Prosecution Service and, in Scotland, the Crown Office—because the monarch used to be the source of justice. King Solomon was asked to decide who was the mother of a child, and he said, "I will divide this child." Of course, one mother—the real mother—stepped forward and said, "Don't! Give it to the other woman." Justice was served by going to the king. Kenny MacAskill's call for an individual who could resolve small criminal issues as well as civil issues would return us, perhaps, to a tradition that is thousands of years old. I suspect that he did not have that in mind, but nonetheless I ask him to consider, when making his speeches, how others, including myself, might interpret them.

There are sources of legal advice other than lawyers. As an MSP, I find that I almost never

have a surgery without saying to somebody, "My experience suggests that this is likely to be how the law works, but if you want to act on it, don't take my word for it. I'm not a lawyer. You'll have to see a lawyer." I suspect that that is true for other members, too. Many people come to see MSPs with legal problems, because they have already paid for us. We are on the public purse and there is no price to pay at the door.

The CABx are excellent organisations, but there are not all that many of them in the north of Scotland. I have one in my parliamentary constituency, but where I live is more than an hour's travel away from it, and many of my constituents are not nearly so well off in that regard. The minister has indicated a willingness to open her mind and the minds of her colleagues in the Executive to new ways of looking at things, and I very much welcome her willingness to use, as it were, barefoot lawyers.

Let us consider the consultation document. Our amendment turns on the document and on what we would wish to do in the longer term. The document contains 40 questions. Who is going to answer the questions? It will be the people who select themselves to do so and choose to respond to consultations—the usual suspects. If we open up the document, we discover that it is not immediately accessible to the general public and laymen, because it does not have a codified explanation of the terms that are used. Almost all of them are explained at some point in the text, but question 13 refers to

"an enhanced rate for solicitors undertaking civil A&A work".

That is fine, but where is "A&A" defined? It is defined on page 4, right back at the beginning of the document, embedded in a footnote. Like many consultation documents, the document is designed for those who already know the system and who are probably already interacting with the Government on public policy formulation.

The commission would be a different animal. It would have to be proactive and to go out and look at what there is elsewhere in the world. It would have to talk to ordinary people who have had life-changing experiences of the legal system, civil or criminal.

Miss Goldie: Will Mr Stevenson give way?

Stewart Stevenson: I am really running out of time. I would have accepted an intervention had it been made earlier.

Talking to ordinary people is one of the things that a commission can do. It will take longer—and we must not avoid making changes while it is doing its work—but if we do not have it, we will be back here in five years' time making further

changes to the legal aid system. We are quite content to support the Executive's motion—with which there is no problem; we simply think that it can be added to.

There are things that we could do that might lower the cost of law in Scotland. For example, codifying the legal system would make it more accessible. That would be a long-term project, because the law is scattered all over the place. I am not saying that that proposal is SNP policy, and certain lawyers are not necessarily in favour of it. The point is that we must think radically because we have a serious problem. If we do not engage and consider such possibilities at this stage, we will not make the progress that we need to make.

Justice is not delivered in a court; it is delivered when victim and defender are reconciled to each other's actions and their effects. We can use lawyers to deliver justice, but we can often deliver it without them.

I support my colleague's amendment.

16:50

The Deputy Minister for Justice (Hugh Henry): We have had a fascinating debate in which members of all parties have made good points.

I think that it was Bill Aitken who asked why we were having a debate before the consultation had finished; he said that he hoped that we did not have a closed mind. What we have heard confirms why we had the debate—it represented an opportunity to open up the discussion. Far from having a closed mind, we want to solicit a wide range of views, regardless of how challenging they might be to what we or others think. I thank members of all parties for sending out a number of extremely good, fascinating, well-constructed and positive messages.

I want to pick up on another point that Bill Aitken raised, which Stewart Stevenson echoed when he talked about the consultation document and how the consultation is proceeding. If Stewart Stevenson thinks that the consultation document is bad, he ought to have seen the original. His point is valid. I put on record that, even though the consultation document has been issued, the Minister for Justice and I are still striving to ensure that the consultation goes beyond the usual suspects; we have again instructed officials to that effect this week. We do not want it to be confined to lawyers—we want to hear what ordinary members of the public have to say and we do not believe that the solution is simply to stick an advert in a newspaper somewhere and hope that people will respond. We have told our officials that we want them to explore other ways of ensuring that

the widest possible audience is engaged in the process. We have a genuine desire to hear from people. We are not bereft of ideas—we have put suggestions to our officials—but if anyone has anything to say about how the consultation can be widened, we will be more than delighted to hear from them.

Mr Swinney: I welcome what the minister has just said about the openness of the consultation process. Will he have a similar discussion with his officials about encouraging open communication on the regulation of the legal profession consultation, to ensure that it is as broad as possible?

Hugh Henry: Indeed—the same principles apply. I would welcome any suggestions on how that consultation could be widened. I will return to that point.

I turn to the line of Kenny MacAskill and the SNP on a commission, which was adequately dealt with by Annabel Goldie. What we are proposing represents an opportunity to act rather an opportunity to delay. The consultation will give everyone—individual MSPs, political parties, lawyers, voluntary organisations and individuals—the opportunity to make suggestions that go further than might have been thought. *[Interruption.]* There is an opportunity to think radically, but it would not be right to delay that process by setting up a commission.

Stewart Stevenson: My point is simple. How will we look beyond the boundaries of Scotland to the experiences of other countries? None of us should have a closed mind or imagine that we have all the answers.

Hugh Henry: The point is well made and I hope that it will be reflected in the consultation. I do not expect the process to end with the consultation—it should be evolutionary. That takes me to another issue raised by John Swinney, who asked what we are doing to join up all the different points and whether we are seeing the issues in a more integrated way. I suggest to him that we are. In a short period, we are looking to bring about a fundamental transformation of our legal system. This debate fits into that transformation. We have had High Court reforms, reforms of summary justice, the Management of Offenders etc (Scotland) Bill and we are consulting on the regulation of the legal profession, to which I will return. We also intend to consider the reform of civil law. Legal aid is vital in underpinning access to justice.

John Swinney mentioned the regulation of the legal profession. We want to ensure that the profession is properly regulated and that people are able to make complaints. If there are suggestions to be made, people should let us hear them.

A number of members, including John Swinney, Patrick Harvie and Jeremy Purvis, mentioned mediation and alternatives. Several members spoke about non-qualified people—perhaps not barefoot lawyers, as Stewart Stevenson termed them—becoming involved. We are keen to build on the good work that has already been done. We are not proposing to transfer responsibility from local authorities to the Executive, but good work, funded locally, is being done by Citizens Advice Scotland and by Money Advice Scotland, which is attempting to provide a regulated quality-assurance structure. Good work is also being done by welfare rights officers. The point has been made that we need to ensure that people access the appropriate advice, at the appropriate time, from the appropriate individual, without necessarily having recourse to lawyers.

We are keen to promote and support mediation where that is the best option. We have considered some of the work that is being done by Chief Judge Bell and others in Baltimore. Recently, a lawyer wrote to ask me to write to a housing department about what was happening in a case. Presumably, that lawyer charged the individual who was seeking legal advice and assistance. I do not want that situation to continue. As Patrick Harvie and others said, we provide such assistance at public expense and no one should be charged twice for it.

Jackie Baillie and a number of others asked about the use of part V powers. Good work is being done in that area. A number of projects, including in Inverness and the Highlands, have already been approved for extension and have proven to be valuable. We are keen to extend that work and are considering a range of diverse projects. If more can be done using part V powers, it should be done. I am keen to work with the Scottish Legal Aid Board to ensure that that work continues. Similarly, the public defenders work is proving its worth and adding significant value.

John Home Robertson raised legitimate concerns about the time that we are taking to review small claims work and jurisdiction limits. I apologise for that. We are struggling with a particularly thorny problem. I need to consider whether there is another way of extracting small claims from the system or whether we should opt for a more fundamental review that examines in detail the arguments of those involved. There is no excuse for the delay, and I am sorry for it. As the member said, we need to find a way forward.

All in all, this has been an exceptionally good debate that has contributed a great deal to identifying the issues that we need to consider. We will go through in fine detail all the points that have been made. We will meet officials to ensure that none of the suggestions that have been made

today is overlooked. If, in the fullness of time, any member wants to submit more ideas to us, we will be more than happy to consider them.

I thank the members who have contributed to the debate and hope that, at the end of the process, we will make proposals that meet the interests of justice—as many members have said—and add to the quality of the support and service that are available in Scotland today.

Business Motions

16:59

The Deputy Presiding Officer (Murray Tosh): The next item of business is consideration of business motions S2M-3007 to S2M-3010, in the name of Margaret Curran, on behalf of the Parliamentary Bureau, setting out timetables for legislation. I call Margaret Curran to move the four motions. [*Applause.*] It will be a relief to Mr Lyon that the mobile telephone call that he was unable to take during the minister's speech cannot have come from Mr Stephen, who has just entered the chamber.

The Minister for Parliamentary Business (Ms Margaret Curran): I have never had such a reception. I will move the motions, but I will also abuse my position and, on behalf of the Labour group, congratulate Nicol Stephen on his election as new leader of the Liberal Democrats. [*Applause.*]

I move,

That the Parliament agrees that consideration of the Environmental Assessment (Scotland) Bill at Stage 2 be completed by 6 October 2005.

That the Parliament agrees that consideration of the Human Tissue (Scotland) Bill at Stage 1 be completed by 1 December 2005.

That the Parliament agrees that consideration of the Management of Offenders etc. (Scotland) Bill at Stage 2 be completed by 4 October 2005.

That the Parliament agrees that consideration of the St Andrew's Day Bank Holiday (Scotland) Bill at Stage 1 be completed by 6 October 2005.

Motions agreed to.

Decision Time

17:01

The Deputy Presiding Officer (Murray Tosh):

There are five questions to be put as a result of today's business. The first question is, that amendment S2M-3015.2, in the name of Alasdair Morgan, which seeks to amend motion S2M-3015, in the name of Tom McCabe, on financial management 2004-05, including provisional outturn figures, be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

Adam, Brian (Aberdeen North) (SNP)
 Baird, Shiona (North East Scotland) (Green)
 Ballance, Chris (South of Scotland) (Green)
 Ballard, Mark (Lothians) (Green)
 Canavan, Dennis (Falkirk West) (Ind)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Gibson, Rob (Highlands and Islands) (SNP)
 Grahame, Christine (South of Scotland) (SNP)
 Harper, Robin (Lothians) (Green)
 Harvie, Patrick (Glasgow) (Green)
 Hyslop, Fiona (Lothians) (SNP)
 Ingram, Mr Adam (South of Scotland) (SNP)
 Lochhead, Richard (North East Scotland) (SNP)
 MacAskill, Mr Kenny (Lothians) (SNP)
 Marwick, Tricia (Mid Scotland and Fife) (SNP)
 Mather, Jim (Highlands and Islands) (SNP)
 Maxwell, Mr Stewart (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)

AGAINST

Aitken, Bill (Glasgow) (Con)
 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)
 Brocklebank, Mr Ted (Mid Scotland and Fife) (Con)
 Brown, Robert (Glasgow) (LD)
 Brownlee, Derek (South of Scotland) (Con)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Eadie, Helen (Dunfermline East) (Lab)

Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Fergusson, Alex (Galloway and Upper Nithsdale) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gallie, Phil (South of Scotland) (Con)
 Gillon, Karen (Clydesdale) (Lab)
 Glen, Marlyn (North East Scotland) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Goldie, Miss Annabel (West of Scotland) (Con)
 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) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Johnstone, Alex (North East Scotland) (Con)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 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)
 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)
 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)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Smith, Iain (North East Fife) (LD)
 Smith, Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Wallace, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

ABSTENTIONS

Byrne, Ms Rosemary (South of Scotland) (SSP)
 Fox, Colin (Lothians) (SSP)
 Kane, Rosie (Glasgow) (SSP)
 Leckie, Carolyn (Central Scotland) (SSP)
 Turner, Dr Jean (Strathkelvin and Bearsden) (Ind)

The Deputy Presiding Officer: The result of the division is: For 31, Against 76, Abstentions 5.

Amendment disagreed to.

The Deputy Presiding Officer: The second question is, that amendment S2M-3015.1, in the name of Ted Brocklebank, which seeks to amend motion S2M-3015, in the name of Tom McCabe, on financial management 2004-05, including provisional outturn figures, 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)
 Brownlee, Derek (South of Scotland) (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)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)

AGAINST

Adam, Brian (Aberdeen North) (SNP)
 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)
 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)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Eadie, Helen (Dunfermline East) (Lab)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Fox, Colin (Lothians) (SSP)
 Gibson, Rob (Highlands and Islands) (SNP)
 Gillon, Karen (Clydesdale) (Lab)
 Glen, Marilyn (North East Scotland) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Gorrie, Donald (Central Scotland) (LD)
 Grahame, Christine (South of Scotland) (SNP)
 Harper, Robin (Lothians) (Green)
 Harvie, Patrick (Glasgow) (Green)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (Lab)
 Hyslop, Fiona (Lothians) (SNP)

Ingram, Mr Adam (South of Scotland) (SNP)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Kane, Rosie (Glasgow) (SSP)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Leckie, Carolyn (Central Scotland) (SSP)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lochhead, Richard (North East Scotland) (SNP)
 Lyon, George (Argyll and Bute) (LD)
 MacAskill, Mr Kenny (Lothians) (SNP)
 Macintosh, Mr Kenneth (Eastwood) (Lab)
 Maclean, Kate (Dundee West) (Lab)
 Macmillan, Maureen (Highlands and Islands) (Lab)
 Martin, Paul (Glasgow Springburn) (Lab)
 Marwick, Tricia (Mid Scotland and Fife) (SNP)
 Mather, Jim (Highlands and Islands) (SNP)
 Maxwell, Mr Stewart (West of Scotland) (SNP)
 May, Christine (Central Fife) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McCabe, Mr Tom (Hamilton South) (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)
 Morgan, Alasdair (South of Scotland) (SNP)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Dr Elaine (Dumfries) (Lab)
 Neil, Alex (Central Scotland) (SNP)
 Oldfather, Irene (Cunninghame South) (Lab)
 Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Pringle, Mike (Edinburgh South) (LD)
 Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)
 Radcliffe, Nora (Gordon) (LD)
 Robison, Shona (Dundee East) (SNP)
 Robson, Euan (Roxburgh and Berwickshire) (LD)
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)
 Ruskell, Mr Mark (Mid Scotland and Fife) (Green)
 Scott, Eleanor (Highlands and Islands) (Green)
 Smith, Iain (North East Fife) (LD)
 Smith, Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinburne, John (Central Scotland) (SSCUP)
 Swinney, Mr John (North Tayside) (SNP)
 Wallace, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Welsh, Mr Andrew (Angus) (SNP)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

ABSTENTIONS

Turner, Dr Jean (Strathkelvin and Bearsden) (Ind)

The Deputy Presiding Officer: The result of the division is: For 14, Against 97, Abstentions 1.

Amendment disagreed to.

The Deputy Presiding Officer: The third question is, that motion S2M-3015, in the name of

Tom McCabe, on financial management 2004-05, including provisional outturn figures, be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

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)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Eadie, Helen (Dunfermline East) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Gillon, Karen (Clydesdale) (Lab)
 Glen, Marlyn (North East Scotland) (Lab)
 Godman, Trish (West Renfrewshire) (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) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 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)
 McMahan, Michael (Hamilton North and Bellshill) (Lab)
 McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Dr Elaine (Dumfries) (Lab)
 Oldfather, Irene (Cunninghame South) (Lab)
 Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Pringle, Mike (Edinburgh South) (LD)
 Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)
 Radcliffe, Nora (Gordon) (LD)
 Robson, Euan (Roxburgh and Berwickshire) (LD)
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)
 Smith, Iain (North East Fife) (LD)
 Smith, Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Swinburne, John (Central Scotland) (SSCUP)

Turner, Dr Jean (Strathkelvin and Bearsden) (Ind)
 Wallace, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

AGAINST

Adam, Brian (Aberdeen North) (SNP)
 Aitken, Bill (Glasgow) (Con)
 Brocklebank, Mr Ted (Mid Scotland and Fife) (Con)
 Brownlee, Derek (South of Scotland) (Con)
 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)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Fergusson, Alex (Galloway and Upper Nithsdale) (Con)
 Fox, Colin (Lothians) (SSP)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gallie, Phil (South of Scotland) (Con)
 Gibson, Rob (Highlands and Islands) (SNP)
 Goldie, Miss Annabel (West of Scotland) (Con)
 Grahame, Christine (South of Scotland) (SNP)
 Hyslop, Fiona (Lothians) (SNP)
 Ingram, Mr Adam (South of Scotland) (SNP)
 Johnstone, Alex (North East Scotland) (Con)
 Kane, Rosie (Glasgow) (SSP)
 Leckie, Carolyn (Central Scotland) (SSP)
 Lochhead, Richard (North East Scotland) (SNP)
 MacAskill, Mr Kenny (Lothians) (SNP)
 Marwick, Tricia (Mid Scotland and Fife) (SNP)
 Mather, Jim (Highlands and Islands) (SNP)
 Maxwell, Mr Stewart (West of Scotland) (SNP)
 McGregor, Mr Jamie (Highlands and Islands) (Con)
 McLetchie, David (Edinburgh Pentlands) (Con)
 Milne, Mrs Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (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)
 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

Baird, Shiona (North East Scotland) (Green)
 Ballance, Chris (South of Scotland) (Green)
 Ballard, Mark (Lothians) (Green)
 Harper, Robin (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 64, Against 42, Abstentions 7.

Motion agreed to.

That the Parliament notes the improved financial management of the Scottish Executive, including the latest provisional outturn figures; encourages the Executive to continue its constructive dialogue with the Finance Committee to improve understanding, transparency and scrutiny, and notes the importance of this process to the efficient delivery of commitments outlined in *A Partnership for a Better Scotland*.

The Deputy Presiding Officer: The fourth question is, that amendment S2M-3012.1, in the name of Kenny MacAskill, which seeks to amend motion S2M-3012, in the name of Cathy Jamieson, on legal aid reform, be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

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)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Fox, Colin (Lothians) (SSP)
 Gibson, Rob (Highlands and Islands) (SNP)
 Grahame, Christine (South of Scotland) (SNP)
 Harper, Robin (Lothians) (Green)
 Harvie, Patrick (Glasgow) (Green)
 Hyslop, Fiona (Lothians) (SNP)
 Ingram, Mr Adam (South of Scotland) (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)
 Maxwell, Mr Stewart (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)
 Turner, Dr Jean (Strathkelvin and Bearsden) (Ind)
 Welsh, Mr Andrew (Angus) (SNP)
 White, Ms Sandra (Glasgow) (SNP)

AGAINST

Aitken, Bill (Glasgow) (Con)
 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)
 Brocklebank, Mr Ted (Mid Scotland and Fife) (Con)
 Brown, Robert (Glasgow) (LD)
 Brownlee, Derek (South of Scotland) (Con)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Eadie, Helen (Dunfermline East) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Fergusson, Alex (Galloway and Upper Nithsdale) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)

Gallie, Phil (South of Scotland) (Con)
 Gillon, Karen (Clydesdale) (Lab)
 Glen, Marlyn (North East Scotland) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Goldie, Miss Annabel (West of Scotland) (Con)
 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) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Johnstone, Alex (North East Scotland) (Con)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 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)
 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)
 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)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Smith, Iain (North East Fife) (LD)
 Smith, Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Swinburne, John (Central Scotland) (SSCUP)
 Wallace, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

The Deputy Presiding Officer: The result of the division is: For 36, Against 77, Abstentions 0.

Amendment disagreed to.

The Deputy Presiding Officer: The final question is, that motion S2M-3012, in the name of Cathy Jamieson, on legal aid reform, be agreed to.

Motion agreed to.

That the Parliament recognises the crucial role which publicly funded legal aid, advice and information has in guiding individuals towards resolution of legal problems; welcomes the Scottish Executive's consultation on improving the effectiveness and efficiency of publicly funded legal assistance, and supports the Executive's determination to continue to work in partnership with the legal profession and the public and voluntary sectors to develop a system that effectively supports those who require it.

W8 Summit

The Deputy Presiding Officer (Murray Tosh):

The final item of business is a members' business debate on motion S2M-2951, in the name of Christine Grahame, on the W8 summit. The debate will be concluded without any question being put.

Motion debated,

That the Parliament welcomes the W8 Conference taking place in Edinburgh on 23 June 2005, where eight African women will address the conference; believes that these eight women could change the face of Africa if given some of the support and decision-making power of the G8 leaders meeting at Gleneagles, and notes that these women have all made significant contributions across Africa and that their voices need to be heard so that practical solutions at grass roots level are not overlooked among welcome, but often remote, international diplomacy.

17:07

Christine Grahame (South of Scotland) (SNP): I rise this evening to speak the words of Hauwa Ibrahim, who is in the public gallery, just as in 1999 a man had to speak her words in court because, as a woman, she was prohibited from speaking. Hauwa is an extraordinary woman and I will never forget her compelling speech at the W8 conference today. These are her words:

"I am married with two sons and I've worked pro bono on 10 cases of women accused of adultery—some sentenced to be stoned to death, some sentenced to flogging—and several cases of boys sentenced to amputation for offences like stealing cattle. I was born and brought up a Muslim. My father was ... one of the mullahs who call for prayers. It was not allowed for girls to go beyond the elementary schools (in my village). At the age of 12, 13, you should be ready for marriage. I refused to get married because I thought, 'I want to get more education.' I picked up a newspaper on the road, and I saw a university graduate with a four-square cap. And I thought, 'I must be like that person.' I funded my schooling by picking roots to hawk. I was hawking anything that is hawkable—food items, vegetables, peanuts.

I practiced law in the northern part of Nigeria, and it exposed me to the entire 19 states of the federation. That's into the hinterland, some of the places you can't go by bicycle or motorbike. I had to use camels or donkeys to get to the villages. But I was determined to go out and do the work. We have 11 cases for amputation that I am handling. They are in Sokoto prison, nine of them are under the age of 18 ... I do feel uncomfortable, at times fearful. When it comes to the issue of death, the moment you stone the first woman, there may be no stopping of it. And I cannot live with that. Because of that, I fight ... I fight my fear. Almost all those women ... are from a very poor background, the same background that I came from. I feel that I'm returning back to humanity what I was given in terms of my education".

Thank you.

17:10

Trish Godman (West Renfrewshire) (Lab): My compliments and congratulations to Christine Grahame on securing this evening's debate and on setting up the cross-party group on W8, which I am delighted to chair.

I am twinned with Dr Anna Tibaijuka, the executive director of UN-HABITAT, which is the agency within the United Nations that is charged with responsibility for managing the human settlements programme. She is also a member of the Commission for Africa.

After the millennium declaration, the status of UN-HABITAT was enhanced. There was a recognition that already more than 1 billion people were living in urban slums after having left the countryside because of poverty, starvation, crop failure and a belief that life would be better in the city. The first goal of the agency is to eradicate poverty and hunger.

Women are struggling to promote gender equality. We think that we know about gender equality. I look round the chamber and I see many sisters who have daughters, but we know nothing compared with women in Africa. Members should imagine a daughter trying to go to school but not being able to because she is a girl. As I have said before, we talk a lot about inequality in the chamber. Yes, we experience inequality in this country, but we know nothing compared with those young African girls.

The tragedy of AIDS and the abysmal failure of Governments in Africa, America and Europe to tackle it effectively have placed a huge burden on women. Across Africa, many women—often elderly women—have become the backbone of families. It is a political scandal that the collective disregard shown by Governments and pharmaceutical industries for the plight of those suffering from AIDS has resulted in lives being lost and families being devastated and left without hope.

Women in developing countries are performing important economic and social duties. They are the centre of the fair trade movement and they are natural entrepreneurs. In one part of Africa alone, women have started more than 43,000 small businesses. They have a low default rate and have proven themselves to be reliable in all microcredit schemes. However, as I have already said, those women are not equal. They cannot own or inherit property; they cannot refuse sex even when they know that their husband has AIDS; and 70 per cent of them are illiterate.

One way of achieving change is to encourage more women to become elected members. The process is painfully slow, but women are

challenging a centuries-old male domination that is allied with oppression and corruption.

What has to be hammered home at the G8 summit is that aid will go not to corrupt and undemocratic regimes but to the people who are in desperate need. The aid should go to women's co-operatives, to farmers, to health workers and to hospitals and not to the Mugabes of this world. Women who run small businesses in their villages, women who are the mainstay of so many African families and women who are elected representatives will all be extremely important in the campaign to make poverty history. Nelson Mandela said that

"poverty is not natural. It is man-made and it can be overcome".

Women can make that happen. I am proud to play a small part in that endeavour.

17:13

Mary Scanlon (Highlands and Islands) (Con):

I would like to thank Christine Grahame for giving me the opportunity to speak in this debate on the W8 summit. On behalf of all of us, I extend grateful thanks to Lesley Riddoch for her commitment to women in Africa, for her role in addressing poverty in Africa and for helping to bring us together as a group.

Christine Grahame, Maureen Macmillan and I attended the first sessions of today's conference. We were fortunate to hear Hauwa Ibrahim give one of the most moving and memorable speeches that I will ever hear in my life. I also met Alivera Kiiza, who is in the gallery. Unfortunately, I was unable to stay to hear her speak.

I would like to talk about Alivera Kiiza and the Cafédirect model of making women farmers powerful in African co-operatives. She has overcome many of the barriers that Trish Godman outlined. We should forget the old days when Scots bought Fairtrade products because it was politically correct to do so and not because it tasted good. Cafédirect and other Fairtrade brands are winning awards for the quality of their teas, coffees and chocolates and creating successful community enterprises that should attract the attention of any passing G8 politician.

Cafédirect was created at the height of the coffee crisis in 1991, buying direct from coffee growers and selling the pick of their crops to western countries. A greater market share for Africans means less poverty in Africa, and Oxfam estimates that, if Africa could increase its share of world trade by only 1 per cent, that would generate five times more income than it currently receives in aid and debt relief. However, developing countries face tariffs that prevent them from trading freely in the west, where our own farmers still receive large

subsidies. Fair trade breaks that cycle by giving growers a decent income for their crops while ensuring that consumers enjoy high-quality products.

It took 10 years for men in the Karagwe District Co-operative Union to take the radical and non-traditional step of making their wives owners of trees. Karagwe is in the most remote region of north-west Tanzania and the union represents 67 individual co-operatives with more than 17,500 coffee farmers. Members of the KDCU were asked to send three women and three men to Cafédirect producer partnership workshops and the women soon spoke out. Although women do a lot of work on the farms, the coffee crop traditionally belongs to men; women do not often benefit directly from coffee sales. One woman told how she was beaten by her husband when she asked what had happened to the money that he got for selling coffee.

During a visit to the district, Cafédirect staff spotted a young woman called Alivera Kiiza as someone with strong views on women's empowerment. She agreed to help to facilitate the workshops and was then chosen to address the Fairtrade conference in London. That made a huge impact on her authority within the co-operative. This is what she wrote when she returned to Karagwe:

"I am the first woman from my community here in Tanzania to go to the UK, to go very far from my place. No woman has gone from here representing the women of Karagwe until me. As a result, women farmers are joining their co-operative societies. I tell them it is the women in UK who buy Fairtrade products—I have seen this with my own eyes. I will encourage women to sell the coffee they have in their own names instead of the names of their husbands. They will become leaders of their co-operative societies in the villages ... They will be able to solve their problems at home without asking their husbands every time. They will become more educated by going to seminars and workshops when they are coffee owners themselves and members of their co-operatives. They will be able to buy what they want themselves, they will have power, they will have a say."

I ask that, when members buy Cafédirect coffee, tea and drinking chocolate in future, they think of Alivera Kiiza and the women entrepreneurs in Tanzania.

17:18

Shiona Baird (North East Scotland) (Green): I am grateful to Christine Grahame and Lesley Riddoch for the incredible concept of W8. I am particularly honoured to be linked with Professor Wangari Maathai, who is a truly amazing woman. The list of firsts that she has achieved is an inspiration for women the world over. After winning a Kennedy scholarship to study in America in 1960, she gained a masters degree in biology, became the first woman in east Africa to earn a

PhD and then became a professor of veterinary medicine at the University of Nairobi.

When she returned to Kenya in 1966, Wangari Maathai was shocked at the degradation of the forests and the farmland that was caused by deforestation, and she decided to solve the problem by planting trees. In 1977, under the auspices of the National Council of Women of Kenya, she introduced the idea of planting trees and called her new organisation the Green Belt Movement.

Wangari Maathai continued to develop the Green Belt Movement into a broad-based grass-roots organisation whose focus was women's groups. Through planting trees, it aimed to conserve the environment and improve women's quality of life. Through the Green Belt Movement, she has assisted women in planting more than 30 million trees on their farms, around schools and in church compounds in Kenya and all over east Africa. In that simple act of planting trees, women have been empowered to own trees, to provide wood and food for their families and to start up small businesses—43,000 of them so far. Seven hundred trees pays for a beehive, a pottery or an oven. Self-sufficiency in wood fuel for communities reduces the huge burden on women and girls, who often had to spend hours covering many miles searching for wood, yet unable to carry home their daily requirements.

The guiding principles of the Green Belt Movement are valuing volunteering, environmental conservation, proaction for self-betterment, accountability, transparency and empowerment. The movement's mission is to mobilise community consciousness and self-determination. Equity, improved livelihoods, security and environmental conservation can all come from planting trees. Oh, that the G8 leaders would listen and learn.

Wangari Maathai's Green Belt Movement is an incredible example of how one person can turn around the lives of thousands, if not millions, of people by empowering others to change their situations. Her road to success was not easy. She was seen to be challenging the Kenyan Government of Daniel arap Moi. She was frequently the target of Government vilification and suffered physical attacks and imprisonment. However, she refused to compromise her belief that the people—as opposed to the corrupt cronies of the Government—were best trusted to look after their natural resources.

In January 2003, Wangari Maathai was elected to Parliament as a member of the Mazingira Green Party of Kenya, of which she is the founder and leader. She holds a post in the Ministry of Environment and Natural Resources. To cap it all, in 2004 she was the first African woman to be awarded the Nobel peace prize, in recognition of

her remarkable achievements. Her challenge today to the African leaders is for them to stop betraying their people through corruption.

Wangari Maathai urges the G8 nations to address the real issues of development, which she likens to an African stool with three legs, on which balances a basin. One leg is peace; another is good governance; and the third is the good management of resources. The basin sitting on the stool is development. The stool might be small and wide, but if it is not resting on all three legs, it will collapse. The G8 leaders should listen and learn.

17:23

Ms Rosemary Byrne (South of Scotland) (SSP): I congratulate Christine Grahame on securing the debate. I thank Lesley Riddoch for making the W8 happen and for raising our awareness. I stress the importance of the W8—the eight women. It is women who will make the difference in Africa. I am more certain of that now than I have ever been before.

I am shadowing Graça Machel, the former Minister for Education in Mozambique. Mrs Machel worked underground for Mozambique's liberation movement, the front for the liberation of Mozambique—Frelimo—during the country's war for independence from Portugal. Frelimo set up schools in liberated territories and in its training camps in neighbouring Tanzania. During that time—in 1974—Mrs Machel was appointed deputy director of the Frelimo secondary school at Bagamoyo, Tanzania. Later that year, she was appointed State Secretary for Education and Culture at the age of 29, which must have been some feat in a country where women were really not given a place at all.

Graça Machel was passionate about education and the problems of children in the developing world. She has been a major force in increasing literacy and schooling in Mozambique and has spoken up for the rights of children, families and communities from various platforms all over the world. After she came to office, she persuaded the Mozambican Government to devote 12 per cent of the national budget to education, which is a rare feat in Africa. Within five years, illiteracy had been cut by 22 per cent. She also increased the school-going population from 400,000 to 1.6 million—an amazing achievement that provides lessons that all of us can learn.

Graça Machel was Minister for Education until 1989. The following is a quotation by her:

"Yes, you have to go and fly high. But remain African. Be proud of yourself, of being yourself, and give to others of your culture, your tradition, your resources ... If Africa is to change in the next decade, we have to win this battle in the

minds of our children, because they are the ones who in 20 or 30 years are going to be the leaders of our nations."

I have some general information on the situation of women in Africa that will put the debate in perspective. In 1994, more than 3,000 women came together in Dakar to articulate the African position for the fourth world conference on women, which was held in Beijing the following year. They produced an African platform for action in which they identified their priorities, including: combating the growing poverty of African women; increasing women's access to education and health services, particularly reproductive health services; increasing the involvement of women in the peace process; advancing the legal and human rights of women; highlighting the special concerns of the girl child; and mainstreaming gender issues.

I will focus on health for a moment. A very worrying aspect of the debate is that people in Africa are not getting access to the medical services that they need, while, at the same time, Africa is training nurses and doctors. The Executive is talking to companies such as Care UK Afroc, Netcare Ltd, SA Medics Ltd and Transmedica Ltd, all of which send health workers from Africa to work in our hospitals. The chairman of the British Medical Association has said:

"There are large areas of Africa where there are no health workers of any kind. The countries of the developed world have helped themselves liberally to doctors and nurses from the developing world for very many years."

We have to take note of that and think carefully about our responsibility in that regard. It is time that we ensured that the doctors and nurses do their job over there and that we support them in so doing.

I conclude by addressing education, which, as a teacher, I believe to be an important subject. I also speak for Graça Michel who, as I said, was the Minister for Education in Mozambique. Seventy per cent of African women are illiterate; 70 per cent of those women live in rural areas; and at least 70 per cent of them are farmers. Education for women is vital, but printed information will not reach those women at the moment. Until literacy levels can be built up and improved, we must ensure that the messages on safe sex, birth control and so forth are given through the medium of radio.

Girls are the last to be educated in Africa, even though all the evidence shows that educating girls creates huge changes in their life choices and in the lives of the people around them.

I will finish with a short quote from Desiree Mhango of Malawi:

"If you educate a girl, then you have educated the whole tribe".

17:28

Dr Jean Turner (Strathkelvin and Bearsden) (Ind): I thank Christine Grahame and Lesley Riddoch. Without the pair of them I would not be talking about Lornah Kiplagat, who is a Kenyan, a long-distance runner and a miracle worker.

There are always solutions out there and it is usually the women who provide them. The leaders, who are men, ought to listen to women. I wish that the G8 leaders could have attended the event in the Hub today, even for the short time that I was able to spend there. Lornah Kiplagat gives us one woman's solution to the issues that African women face. Having read about Lornah and others, I am convinced that miracles are working in Africa: I now know that they are working in people like Lornah and her family.

What makes them so different from the majority of people around them? Why does Lornah have the strength to stick to her principles and where does she get it from? Many people in this country find it difficult to speak out; it can be even more difficult to do so in a rural community. Although a great deal of the difference comes down to Lornah's personality, her parents and her husband Peter also have a large part to play in it. When Lornah and her family are compared with the majority of people around them, they are all shown to be extraordinary in their outlook and beliefs.

Her father, although senior in age and in the community, did not insist on her marrying a person not of her choice. He was not swayed by public opinion on that issue or on female circumcision. He believed that his wife should not overwork and insisted that the household chores be split evenly between his sons and daughters, which is unheard of in most of Africa.

Lornah explained in an interview that Kenya is run by women. They get up at 5 am to do the household chores, then they work in the fields, plant maize and wheat, milk the cows, send milk to the co-operatives, make all the food and take care of the animals. Women work seven hours a day. On the other hand, men occasionally help for an hour in the fields at harvest time. Lornah said that as one passes along the road one can see men sitting talking, talking, talking—they just have a good time together—but one never sees women sitting talking because they do not have the time.

Lornah was born to be a runner, despite her cultural background. Her parents were probably surprised, because she gave up a scholarship to study medicine in India in favour of becoming a runner. Naturally, her parents had doubts about that—as most parents in this country would—because they wondered how she could earn a living, but they supported her. However, competing in races meant a trip to the big city of

Nairobi without her parents, who did not go as far as doing what parents do here and bus her everywhere. Going to Nairobi was a bit of a nightmare for a country girl and her friend. If they had been men, they would have had an overnight stay in a tented village. Instead, they could only find bushes beside a public toilet, which I assume was a ladies restroom. Despite a night in the open and no breakfast, she qualified for the Kenyan world cross-country team by coming in sixth.

We must praise Lornah's husband, because the pair of them have set up a camp for women, although they also take men if they stick to the rules. Normally, if women mix with male athletes, the men have them wash their shoes, but Lornah ensures that the men do not do that. If they do, they are out the door. In the camp, Lornah thinks about the whole woman. It does not matter whether a woman is a good runner or a bad runner, because when she is in the camp she is taught cookery, bookkeeping and computing to help her start up in business—for example, a shop or a farm—or go on to further studies. Women come into the camp shy and leave assertive and able to ask questions.

Lornah's dream is that in 100 years there will be many camps like hers. If she could add an Olympic gold medal, that would be fine. She would also like to be self-sufficient by growing her own food and to have no financial strings, so that the camp can live without her and her husband. I hope that their wonderful entrepreneurial spirit is infectious enough to encourage our entrepreneurial spirit, so that Scottish companies that are already in Africa put their thinking caps on and help people such as Lornah who would like to improve their energy sources by bringing in solar and wind power because they spend such a lot on electricity.

I was inspired and humbled by Lornah's story and her achievements, and I admire her family so much for their independent spirit and for how they stuck to their principles against all odds in a difficult country and a man's world. I bow to her.

17:33

Margaret Smith (Edinburgh West) (LD): Only a few weeks ago, many of us here took part in the G8 parliamentarians conference in this chamber. The Edinburgh declaration of 7 June that came from that event outlined action points that cover a range of key issues for Africa that the G8 must address. They include the quality and quantity of aid to Africa, reform of the trading system, ways to expand debt relief and ways to address the health burdens on African countries.

Perhaps the greatest of those health burdens is the blight that is HIV/AIDS. That is of particular

relevance to Uganda, which is the home country of Winnie Byanyima, the subject of my speech. Not only was Uganda one of the first countries in sub-Saharan Africa to experience the devastating impact of the HIV/AIDS epidemic, but it has been one of the few countries in the region to succeed in substantially reducing the number of new infections. Through educating and advocating for women, Winnie Byanyima has played a key role in taking a broad-based approach that has built consensus among Government, religious and civic leaders, community groups, non-governmental organisations and others in determining how to tackle the disease. The World Health Organisation says that the infection rate has halved since 1993, so it can be done, but it is crucial that women are educated, given the power to say no and are protected from rape and gender violence.

I am particularly proud to stand alongside my seven colleagues who are linked to the W8 women and the W8 conference in Edinburgh. I will concentrate on a couple of main issues that I can link to the Ugandan parliamentarian, academic, engineer and women's rights activist, Winnie Byanyima. I draw members' attention to the commitment in the Edinburgh declaration to

"Strengthen partnership with African-led initiatives",

partly by means of "improving governance and accountability", and to the stated aim of promoting

"greater accountability and transparency within government systems."

I whole-heartedly support the first demand in the W8 statement that the legal status of women in Africa must change so that they can own and inherit property. All too often, women in Africa are banned from owning or inheriting property, which means that widows are turned out of their homes or inherited as goods by other members of their husband's family.

Winnie Byanyima has taken on and championed both those issues. Girls are usually the last to be educated in Africa, but with the support of her parents—both of whom were politicians—and surrounded by women's groups, Winnie grew up with a keen interest in education and politics and she succeeded in going on to higher education. Then, with a degree in aeronautical engineering and a prestigious research fellowship to her name, she nonetheless decided to give up that life and join the National Resistance Army, which eventually overthrew the dictatorial regime of Milton Obote in 1986. After that, she played a key role in the peace process negotiations. Since then, she has continued to serve fellow Ugandans as an ambassador and as a three-term parliamentarian and is currently a gender director in the African Union. She has also served on the gender committee of the United Nations Development Group.

Winnie has done her work in the face of consistent persecution and difficulties at home. She is now considering running for Uganda's presidency, because she feels that her people deserve more than they are getting from the Museveni Government. She fought for that Government, but it has overseen the growth of militarism and corruption. Transparency International says that Uganda is the 11th worst example of corruption in the world. For her, that is far from acceptable and it is not what she fought for. She is on a personal mission to liberate Uganda from corruption and a political system that lacks respect for human rights and forbids the existence of political parties.

Her mission is not without personal risk. Her husband, who is a former presidential candidate, was forced into exile after what he alleges was a fraudulent election campaign in 2001. He believes that his life was in danger. Winnie's commitment to tackling corruption meant that she was dismissed from a top position in the movement in 1999 and was charged with sedition in 2001. However, that has not softened her resolve in any way.

She is a feminist whose commitment to women's rights has run throughout her career. She has long understood the importance of property ownership as a means of liberating women from the economic constraints that come with deprivation. Achieving that has been a priority throughout her career, from the setting up of the new Government in Uganda.

She set up the forum for women in democracy, which lobbied successfully in 1998 for a clause in the Land Act 1998 that would allow women to own land. Unfortunately, it became the "lost clause". As she says,

"this is what you get in a male dominated society."

Women own only 7 per cent of land in Uganda. Winnie has campaigned long and hard for equal property rights and championed gender budgeting to address a series of male-biased policies. Those are further examples of her tireless commitment to the promotion of women in Africa.

Many members know the difficulties that come with life as a female politician. However, when we hear the stories of Winnie and the other women whom we have heard about tonight, that puts our lives and the problems that come with our public lives into perspective. Those women are an inspiration to all of us.

17:39

Ms Sandra White (Glasgow) (SNP): I thank Christine Grahame and others for securing the debate and I congratulate Lesley Riddoch on her hard work—not just today—to push women's

issues. The courage of the women whom we are discussing knows no bounds—they seek justice, equality and fairness, not only for themselves or other women, but for everyone in their countries. Rightly, a lot has been said about what happens to women in various countries, but we should also salute the courage of those women and others in seeking fairness and equality, not just for women or themselves, but for others in their countries.

Many years ago, I studied what was happening in Ghana and Burkina Faso and was absolutely amazed by the small co-operatives that were springing up there. Ghana has come on in the world, but, unfortunately, Burkina Faso is in as bad a state as it was all those years ago. I was gobsmacked by the amount of work that women did in those areas to create co-operative farms so that they could educate their children—not just their sons, but their daughters, too—whom they had had to send away to get educated. The amazing thing was that when those children, particularly the girls, were educated, they did not want to leave their country; they wanted to stay there to educate others. That says something about women as a whole: they are not selfish, but wish to give something back through education or work. They want to see their communities take something from the hard work that they have put in. That is something from which not just the G8 leaders but leaders of all countries—particularly men—can learn.

Trish Godman is absolutely right that we must ensure that money goes not to dictatorships but to co-operatives in which women are working at grass-roots level and so see what is going on. In my studies, I found that those women worked hard in the co-operatives, which is where the money should be spent—we cannot afford to let it go to dictatorships.

Mary Scanlon said that, although the women work hard, they have no financial independence. That is why it is important that we in the Parliament, the G8 and countries throughout the world ensure that any money that is given in aid goes to people at grass-roots level.

All that might sound negative; we have to consider the positives as well. The eight women who are here today and the others who are taking part in the W8 summit give us hope for the future. The debate is being televised not just in Scotland but throughout the world. We have to ensure that the work does not stop here or when the G8 summit finishes; we have to ensure that the media keep a close eye on what is happening in Africa. I salute the tenacity of the women here tonight and others throughout the world and pledge my support and that of everyone in the Parliament. I am extremely proud that the women are here tonight. I ask them to keep carrying on the good

work; we will ensure that the media here do not forget about it.

17:42

Karen Gillon (Clydesdale) (Lab): I congratulate Christine Grahame on securing the debate and all those who have been involved in today's conference. Listening and watching the television and reading the news, we would be forgiven for thinking that Africa is a continent riven by disease, poverty and famine and that Africans are passive people who can do nothing for themselves. I hope that tonight we have in some small way been able to articulate that that is clearly not the case and that, day in and day out, Africans—particularly African women—are challenging the status quo, supporting families and communities and doing more with small amounts of money than their leaders can do with vast sums.

It is my pleasure to be twinned with Grace Githaiga, who is in the gallery tonight—no pressure on me then. I hope that I do her justice, because she is a truly remarkable woman. Grace is an author and broadcaster and has been involved in setting up more than 100 community radio stations, which have up to 250 million listeners. Community broadcasting is absolutely vital in Africa. In places where 70 per cent of women are illiterate, our natural inclination to put things on paper and hand them out is useless. The problem is compounded by the fact that most of those women also live in remote and rural areas where access is difficult.

Community broadcasting can be revolutionary in Africa. It gives people access to a wider region, it is affordable to people in their communities and—this is important for many women—it does not interfere with their household work and day-to-day lives; they can listen as they get on with everything else. It gives communities a voice and mobilises them for development. It enables individuals to articulate their aspirations and it gives them access to information that they otherwise might not have.

Information is vital for development because it will challenge the myths and misconceptions under which many women in Africa live. The simple technology of community radio, enhanced by the use of cellphones, gets around many of the literacy, corruption and censorship problems that women spoke about today and were keen to challenge. Community radio focuses the debate on people being their own agents of change. Profits are ploughed back and any surpluses are used to start other projects at a community level. Perhaps the G8 will realise the importance of community radio and will mainstream it in their planning process.

Grace Githaiga's other passion is cellphones, which are my curse. People who go around Africa will see many people using cellphones and will realise how cellphones have revolutionised that continent. Through using mobile telephones, people can get in touch with their families who live in villages and can get information about and access to health care. Some 70 per cent of all phones in Africa are mobile phones. Mobile phones have even influenced elections, as happened in Kenya in 2002—they can be used to encourage people to vote and they can secure candidates' safety.

Mobile phones are also a way of transferring money—families can pay for mobile phone credit and therefore support people. In Africa, more money is put into the economy by Africans who send money home than is put into it as a result of aid, but companies such as Thomas Cook and Western Union charge 12 per cent for sending money back. Mobile phone operators think that they can process credit transfers at a rate of 4 per cent. If they can, they should get on with it and do so. More money will then reach those who need it.

Today, Grace Githaiga was asked for her key messages. I will repeat her thoughts. The process of engagement must involve communities, including women affected by poverty, who will ultimately demand pro-poor and pro-people policies and governance from their Governments. Communities must participate in their own affairs through accessing and disseminating strategic and timely information.

Grace also said that community radio brings social benefits. The heart and soul of social change in women's lives requires them to have skills and resources and requires institutional change. Community radio can bring many such benefits and can focus on practical steps for improvement.

Essentially, we must remove barriers to fair trade. Women are primary producers and so suffer most from the lack of trade opportunities. Protectionist trade policies and artificially supported markets disproportionately disadvantage the poor. Trade breaks dependency and poverty cannot be reduced without economic growth.

Finally, we must invest in the continent's communications infrastructure and in energy-friendly technologies. Africa is now a business story and a business destination. The time to act is now.

The eight women of W8 bring much to the table. They have many practical and achievable ideas and strong views on tackling corruption and leading their nations. I am proud to have taken part in the debate and hope that the eight men at

the G8 summit will take the views of the women seriously. I hope that they will realise that we cannot impose solutions on Africa and that we must take Africa—and African women in particular—with us. I hope that this is the beginning of a long and sustained friendship with the eight women. There is much that we parliamentarians can do with them. This is the beginning and not the end of a process.

17:48

The Minister for Tourism, Culture and Sport (Patricia Ferguson): On behalf of the Executive, I, too, congratulate Christine Grahame on securing the debate. I also congratulate all the women who have participated in it—the fact that it involved only women is probably another first that we must chalk up for our relatively new Parliament. It has probably been one of the best debates that we have had so far.

Like other members, I thank Lesley Riddoch for coming up with the idea of the conference and for bringing it to Edinburgh at what I hope will be an important and memorable time.

Members have alluded to the fact that although women around the globe have an enormous impact on the well-being of their families and the societies in which they live, their potential is often not realised. Their status may have improved in recent decades, but gender inequalities remain pervasive.

Women constitute half of the world's population and perform nearly two thirds of its work, yet they earn only a tenth of its income and own less than 1 per cent of its property. We, in the Scottish Parliament, know the difference that almost 40 per cent of our members being women has made, whether in raising awareness of issues such as domestic abuse or in ensuring that equality issues have been recognised when we have passed legislation on local government and housing. Trish Godman is correct to say that getting women into positions of power and influence must be one of our goals. In that respect, we must remember that we have much to learn. In preparing for this debate and for the speeches this morning, I discovered that 49 per cent of the parliamentarians in Rwanda are women, so we do not always lead the way.

The importance of giving women power and influence has been made clear in the debate. In its many recommendations, the Commission for Africa report mentions the fact that women account for some 70 per cent of food production. They prepare the food, gather the firewood and fetch the water. They also carry out most of the child care and care for the sick and the elderly, yet they have fewer opportunities to generate income

and are often subjected to harassment and violence.

Scots have long recognised that education is a way to self-fulfilment and a route out of poverty, and the UN development goals concentrate on education—especially the need to educate women. In sub-Saharan Africa, 19 countries have female literacy rates of below 30 per cent, and less than half of six to 11-year-old girls are estimated to be in school. It is thought that, in some areas, female illiteracy can be as high as 90 per cent, yet studies show that getting girls into school is crucial for development. Through educating girls, economic productivity is raised; infant and maternal mortality rates are lowered; nutrition and health are improved; and the spread of HIV is reduced.

Providing girls with one extra year of education boosts their eventual wages by 10 to 20 per cent, and a strong investment is then made in the education of the next generation. The removal of school fees would help girls, in particular, as poor parents often choose to educate their sons first. Free school meals and school attendance grants would also help. We know, from statistics, that the removal of school fees in Uganda almost doubled the number of very poor women in education there.

The G8 summit has given us a new awareness of the issue, but it is not only the members of the Scottish Parliament who are focusing on Africa: others throughout Scotland are doing so, too. On Monday, I visited Albert Primary School, in Airdrie, where the pupils were joined by their colleagues from Clarkston Primary School. They have been involved in a scheme that has been going on throughout Scotland, whereby children have made small representations of their friends in Africa. These buddies, as they are called—and I have several hundred of them, if anyone wants to see them—will make their way to the G8 leaders, and there is a very simple message on the back of every one: “Please send my friend to school.”

In the six years since devolution in Scotland, the Government here has worked hard to raise our international profile for the benefit of the Scottish people. It is now time for us to accept our responsibility to participate in a worldwide effort to close the gulf between rich and developing countries. We hope that our efforts will encourage other countries and, especially, the leaders of the G8, to do the same.

Meeting closed at 17:54.

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