

MEETING OF THE PARLIAMENT

Thursday 23 March 2006

Session 2

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Scottish Parliament

Thursday 23 March 2006

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

Knowledge Economy

The Presiding Officer (Mr George Reid): Good morning. The first item of business is a debate on motion S2M-4163, in the name of Nicol Stephen, on growing a knowledge economy.

09:15

The Deputy First Minister and Minister for Enterprise and Lifelong Learning (Nicol Stephen): It is my pleasure to open today's debate on our investment in economic growth through Scotland's colleges and universities. I apologise for the fact that I will be unable to stay until the end of the debate because I have other pressing business, but I will certainly be here for all the opening speeches and will stay for as much of the debate as I can. Thereafter, I will leave matters in the hands of my deputy, in whom I have complete confidence—perhaps I should not use those words.

Growing Scotland's economy is the Executive's top priority. Our record levels of investment in Scotland's colleges and universities are focused on helping us to meet that priority not just in the short term, but in the medium and long term. We know that investment in tertiary education contributes significantly to economic growth. That has been shown to be the case at various points throughout Scotland's history and it is apparent today in many countries around the world. The Executive has a great record of investment in our colleges and universities. Since devolution, we have addressed decades of underinvestment through an overall increase in funding of more than 53 per cent in real terms, up until the end of the present spending review period.

It is important that we equip our young people with the right skills to succeed in the modern world, which are based on individuals' ability to adapt to shifting demands. We start our young people on that path early. "A Curriculum for Excellence" sets out the Scottish Executive's vision for transforming Scottish school education. "Determined to Succeed" is the Scottish Executive's strategy for enterprise in education. The school and college partnership programme opens up new choices for young people and gives them a first contact with university and college education. Our young people's participation rate in higher education is extremely high.

Mike Rumbles (West Aberdeenshire and Kincardine) (LD): In the first session of Parliament, the Executive introduced the graduate endowment, which helps students greatly, but does the minister think that in the next session of Parliament we should help students at university by tackling student debt? If so, will he consider the idea of the Executive funding the graduate endowment?

Nicol Stephen: I know that Mike Rumbles has firm and clear views on student funding, but the partnership agreement sets out our position on that subject. It is a matter on which each of the different parties must put forward their proposals for the 2007 elections and beyond. The implementation of such policies and priorities will depend heavily on the outcome of next year's elections.

Around 50 per cent of our young people go into higher education at an age at which they can benefit from the highest long-term economic return. That is why we are increasing funding for teaching in our institutions. Today the Scottish Further and Higher Education Funding Council will announce allocations of teaching grants to our universities for 2006-07 that total more than £800 million, which represents an increase of 5.7 per cent on this year's allocations.

We are going through exciting times for Scotland and for Scottish education. Our society is opening up to an increasingly diverse population. Newcomers from around the world often bring a unique entrepreneurial vibrancy to Scotland. That, combined with the emergence of an increasingly aspirational generation of young people in Scotland, means that we can really step up the economic pace.

Attracting students from overseas is good for our institutions and for Scotland. Not only can we build links all around the world when students come here to study and then move back home afterwards, but we can attract some of the best of those students to start their careers here in Scotland. The fresh talent initiative has raised Scotland's profile and is gaining interest around the world.

Our higher and further education system is already a big—perhaps the biggest—part of the story that we tell the world about modern Scotland. Our institutions create fantastic opportunities for Scotland to connect widely with the rest of the world. Over the past year, we have continued to build the links—with China, India, the United States, Canada and elsewhere—that will create the opportunities that our country and our economy need. Our objective is to develop new partnerships that will work to the economic advantage of our country and which will be good for the rest of the world.

China is set to be a major economic force in the 21st century. It will have a hugely significant impact on the world's economy. The memorandum of understanding that we signed recently with the Chinese education minister is an important development in our relationship with China. It is interesting that the minister, who is responsible for 285 million young people back in his country, chose to come to Scotland at the end of last year to visit the University of Edinburgh because of our reputation for excellence.

Jim Mather (Highlands and Islands) (SNP): How will the minister measure the advantages and benefits of our interaction with China and of the overall strategy on the knowledge economy?

Nicol Stephen: A number of measures should be used, including the number of students, the level of investment and the extent of the economic opportunities that are created through business contacts. The Scottish National Party's amendment, in the name of Jim Mather, makes fair points about measurement and it is our intention to support it because it is true that we must take a rigorous approach.

I am mindful of recent research on economic development. Sometimes progress can be difficult to measure, but it is important that we benchmark our performance against that in other parts of the globe. We must examine how other countries measure such factors and must be associated with the best and most rigorous methods of measurement, because it can sometimes be difficult to assess at an early stage the scale and importance of a particular opportunity. It would be wrong to become averse to taking risks or seizing opportunities, but we must be rigorous in our approach to measurement and we should work together on that.

Universities such as the University of Abertay Dundee, the University of Dundee, the University of Edinburgh, the University of Strathclyde, the University of Aberdeen and Napier University have been forging ahead with partnership agreements and exchanges with many institutions in China. Our colleges are developing such links, too. Last year, I visited Tongji University in Shanghai, where I met newly qualified lecturers and trainers who had studied golf course management at Elmwood College in Fife.

It is predicted that India's economy will become the third largest in the world. Who knows? It might do even better than that. India is home to more than 1 billion people, who live in a democratic nation, speak English and are hugely entrepreneurial in attitude and spirit, so it is a country that holds huge potential for Scottish universities, especially in key areas such as life science and energy, where what we in Scotland have to offer is special and world class.

It is important that we ensure that people who lack basic skills such as literacy and numeracy get the chance to engage in our economy. Such skills are fundamental to success in the labour market.

Alex Neil (Central Scotland) (SNP): What impact will the financial crisis at Scottish Enterprise have on training? Is it true that the crisis means that no new training contracts for people who are aged 19 or over and no new training contracts for adult training will be signed?

Nicol Stephen: Alex Neil speculates on those decisions. I give him the assurance that no decisions have yet been taken, or agreed, on those matters. The situation at Scottish Enterprise is serious. It is important that the Parliament is kept informed of developments and I give Alex Neil, his committee and the Parliament an undertaking that that will be done.

We have allocated £65 million to adult literacy and numeracy partnerships over the period 2001-08. That is the first significant investment in adult literacy provision in more than 25 years. We are also investing £1.75 million over the next two years in a workplace literacy pilot. Indeed, we are already seeing signs of progress in this area: more than 100,000 learners have been helped in the past four years.

Scotland's universities have a strong record of producing world-class research. Scotland ranks third in the world for research publications and citations per head of population, ahead of the US and Germany. Annual surveys have indicated that our institutions produce 19 per cent of all United Kingdom patents and 17 per cent of UK licences. Around half of Scotland's research was awarded a four or five-star rating in the last UK research assessment exercise, which signifies our achievement of international excellence. Scotland wins more than 11 per cent of total UK expenditure by the United Kingdom research councils, which is well above our share based on population or the Barnett formula. The list could go on and on.

Although we can be rightly proud of the work that goes on in our universities, we cannot afford to rest on our efforts. To remain globally competitive, we must maintain and build on our research base. Today, the Scottish funding council will announce its allocations of research and knowledge transfer funding to our universities for the next year. The total allocation is £212 million, which is an increase of 13.1 per cent on the current year. The costs of research in our universities are high, but the costs of not making the right investment at the right time are even higher. We are getting the level of investment right and we will reap the economic benefits of doing so.

Scotland is already a science nation in which science and research drive innovation, generate economic success and raise the quality of life. That is as true today as it has ever been, but we must continue the pressure to succeed. Our scientists are world leaders in a range of areas, including biomedicine, stem cell research and informatics.

In "A Science Strategy for Scotland", we identified the key Executive objectives on science. Overall expenditure on science by the Scottish Executive has increased markedly since 2001. This year, it is rising by around a quarter in real terms to £408 million. We made an unprecedented increase in funding to the higher education sector in the 2004 spending review and the funding council has increased its budget baseline for research from £180 million in 2002-03 to £216 million this year and £253 million in 2006-07. We are also taking steps to promote science further to young people. It is essential that we do all we can to ensure that Scotland benefits from the economics of that investment.

Overall public expenditure on activities to promote the exploitation of research, including the intermediary technology institutes, will be around £100 million in 2006-07, which compares well with the figure of under £40 million in 2001-02. The ITIs have the capacity to increase exchanges between the academic and corporate sectors in Scotland and to help to realise the commercial potential of the Scottish science base.

We are working hard with international partners to increase awareness of Scotland as a world-class location for science research and development in order to attract investment and further develop global science links. We must continue to pursue those objectives in the years to come; they are absolutely vital to Scotland's future success. I am committed to doing more to increase momentum in that area. In particular, I am committed to tackling some of the issues that relate to the choices that young people at school and university make about science subjects. In short, science is the future and we must deliver on that.

If we wish to develop a strong economic future for Scotland, significant investment in Scotland's colleges and universities is an absolute imperative. The Executive has recognised that in our spending priorities. Investment in our colleges and universities creates huge opportunities for Scotland's future and releases confidence among our people to be innovative and enterprising. The combination of knowledge and confidence galvanises the sort of enterprise-based, knowledge economy from which we will all benefit. I am pleased to move the motion.

I move,

That the Parliament welcomes the Scottish Executive's record investment in further and higher education and recognises its significance in Scotland's current and future economic growth with the sector's focus on key issues including sustainable development, research and innovation, globalisation, productivity and skills.

09:30

Jim Mather (Highlands and Islands) (SNP):

The Scottish National Party has always been persuaded by the case for investing in Scotland's knowledge economy. We know that countries and continents that invest heavily in education and skills benefit economically and socially from that choice. For every pound that is invested in attaining high-skill qualifications, taxpayers get even more money back through economic growth. However, therein lies the rub: investment alone will not do it. Countries also need to make a cultural commitment that lasts from school through to industry. I agree that there are signs that we are doing that in Scotland, but countries also need to create the conditions to foster organic growth of the knowledge economy. They need to have the economic powers that make possible the creation of wealth and—equally important—root and retain as much of it as possible within their borders. The Government in Scotland has failed and continues to fail that test, which is why the SNP is winning the argument for more powers for the Scottish Parliament and the nation.

Many people—individuals and those in our public and private sectors—realise that Scotland could have a massive share of the big competitive prize that is out there. I refer to the prize of growth, jobs and prosperity and the virtuous circle that comes from reinvestment, especially in people and education. In fact, investment in education and the knowledge economy increases the demand for highly skilled people faster than our current institutions can deliver them. As the SNP amendment suggests, Scotland still has much to do.

We recognise that the Government in Scotland is wedded to its disastrous rejection of economic powers. The SNP amendment is designed to draw the Government's attention to what ought to be done to minimise the damage that is caused by that omission. If the provisions in the amendment were to be implemented, Scotland would be in better shape when people inevitably claim the powers to move forward.

If the Government is jealous about its reputation—and I am happy to see signs that it is—it will pay serious attention to our amendment, which specifies what is needed to convert Government rhetoric and investment, which has been made with little regard for results, into a

more sensible approach. The Government in Scotland has no real targets for growth or for increases in population numbers. It needs to take that sensible approach to mirror the committed efforts that are being made by teaching professionals, businesses and conscientious and well-motivated individuals in our public services.

A good starting point for the Government would be to consider the report, "The Geography of the Scottish Knowledge Economy", which was produced for Scottish Enterprise by Mark Hepworth and Lee Pickavance. Its publication date is shown as August 2004, but it was slipped out with no fanfare or discussion in December of that year. Why was the report slipped out under cover of Christmas? The answer is that it not only vindicated SNP analysis of the knowledge economy but undermined the city region strategy that was being advocated in certain quarters at the time.

The report said:

"Elected regional assemblies should underpin regional knowledge economies with a massive redistribution of resources away from the South East."

It went on to say that that would mean

"More autonomy for Scotland, Wales and Northern Ireland to recognise that the most successful European economies over recent decades have been small nations with genuine economic sovereignty."

It was a good report that noted something that all of us know:

"Scotland has much greater scope – compared to the English regions – in setting its own priorities in making and delivering policies."

That is my fervent hope.

The report concluded that there is a strong case for balancing Scotland's knowledge economy geographically. What better case could be made for Scotland having truly pervasive, high-speed broadband and the accreditation of UHI Millennium Institute in the Highlands and Islands? Its conclusion stated:

"First, there is a need for a local-regional approach to cut through local politics and parochial thinking - this is seen as vital to driving the knowledge economy forward on the ground."

I welcome that, but the knowledge economy strategy should set the worthy aim of increasing the number of people of working age who are in work, in every component part of Scotland.

The report continued:

"Second, the competitive cities agenda needs to be recast to ensure that growth and prosperity is inclusive of rural Scotland - the default option."

Such an approach would support the worthy aim that I proposed. The report questioned the approach to city regions and said:

"There is considerable interest in this planning concept, but the analysis and evidence to support policy makers is inadequate."

That appears to undermine the possibility of achieving the default option. It also made the useful and accurate observation that Scotland is a "nation region", just as London is a city region. The cry for a cohesive, joined-up Scotland has great appeal.

The third point in the report's conclusion was:

"policy needs to be 'joined up' - however, the national planning framework is broad brush while Scottish Enterprise works with a very refined set of targets, can the two be reconciled?"

A more fundamental question should be asked about Scottish Enterprise's effectiveness and credibility in the absence of tax powers and given the resolve of its senior management to keep quiet about the Government's attempt to make bricks without straw.

The Deputy Minister for Enterprise and Lifelong Learning (Allan Wilson): I am interested in Jim Mather's exploration of Scottish Enterprise's key role in growing the Scottish knowledge economy, but how is that view compatible with nationalist plans to cut Scottish Enterprise's budget?

Jim Mather: I make two points in response: first, we must work with what we have; and secondly, we must aspire to have something better. I am sure that anyone outside the Parliament would tell the minister that Scottish Enterprise could perform infinitely better than it does on its current trajectory. It seems to be not only making a poor contribution to economic growth but offering a poor role model.

Members should make no mistake: any attempt to create a knowledge economy without tax powers simply will not work, especially given that the starting point for Scotland is way off the pace. In 2001, the centre for advanced studies at Cardiff University produced a report on readiness for the knowledge economy, which showed that Aberdeen, where the oil industry is located, was in 14th place out of 145 UK cities and regions. That was the best that Scotland could do: Edinburgh was in 21st place; Glasgow, the former first city of the empire was in 54th place; Highland was in 128th place; my area was in 143rd place; Orkney—the constituency of the former Deputy First Minister and Minister for Enterprise and Lifelong Learning—was in 144th place; and the Western Isles were in 145th place.

More recently, the "World Knowledge Competitiveness Index 2005", which is produced by George Washington University, the University of Sheffield and Aston University showed that Scotland is still off the pace and is being

overtaken. Scotland ranked 83rd out of 125 regions, whereas Sweden was in 8th position and Finland was in 20th position. Scotland has also suffered a dramatic fall in the rankings for Government expenditure on research and development, dropping from 44th place in 2004 to 82nd place in 2005.

It is obvious that we have much to learn. I am delighted that lessons are being learned from Finland and that stakeholders realise the importance of the Finnish model. However, given that we do not have tax powers, we must do more in the meantime. I am delighted that the Government will support the SNP amendment, because it relates to what W Edwards Deming, who turned round the Japanese economy, called “profound knowledge”.

We cannot pick and mix. Even a commitment to perpetual improvement that will involve all stakeholders is nowhere near adequate if the strategy is peppered with major weaknesses such as the lack of an overarching, worthy aim—for example, to get more people of working age in Scotland into work—or the lack of statistical control, which is the crux of the matter. The evidence of Finland's huge success is statistical and the country has the capacity to demonstrate that its performance is consistent and predictable. For example, in Finland there is less than 5 per cent variation in student performance among schools, which is a remarkable achievement.

If we continue on the trajectory that the minister set out, there will be lower retention of talent, because the people we teach will go to work in other economies. That will lead to a lower retention of wealth.

Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): The member's colleague Alex Neil will surely confirm that the situation in Finland is not quite as he describes it. When the Enterprise and Culture Committee visited the country recently, it became evident that although the primary sector is forging ahead, the Finns admit that the secondary sector is lagging behind.

Jim Mather: Jamie Stone should tell that to the compilers of the world knowledge competitiveness index, because they put Finland in 20th place and Scotland in 83rd place.

We are all for the knowledge economy, but the key is to create a knowledge economy that roots wealth in Scotland. If the knowledge economy is a manifestation of the smart, successful Scotland agenda, it stands condemned because it can produce only three things: smart people; intellectual property; and fledgling companies, all of which are mobile if Scotland does not have fiscal powers. We have said that time and time again.

I move amendment S2M-4163.2, to insert at end:

“and now wishes to see that investment subjected to close scrutiny to identify its effectiveness in terms of growth, jobs and incomes under a process of independent statistical control that fosters an era of perpetual improvement and benchmarks Scotland's performance against international competitors.”

09:40

Murdo Fraser (Mid Scotland and Fife) (Con): I declare an interest: I am a member of the board of management of Dundee University Students Association—[*Laughter.*] Well, that is relevant to the debate.

I echo Nicol Stephen's support for our universities and colleges. The further and higher education sectors make a valuable contribution to Scotland's economy. From public investment of less than £700 million, the higher education sector generated £2.8 billion in wealth and created more than 50,000 jobs. The sale of Scottish higher education services overseas earns £360 million per annum. It is clear that strong higher education and research sectors will bring investment and talent to Scotland.

If Scotland is to continue to attract talented students and academic staff, she must maintain her excellent reputation for teaching and research. As industries turn to China or India, where there is a low cost base and high human capital, collaboration with our international partners in the supply and development of higher education will be increasingly important. That will help Scotland to co-exist with such economies in a fiercely competitive global environment.

Scotland has had great success in attracting international students. Some 27,480 international students from more than 180 countries are studying at Scottish universities. The most recent figures show that personal expenditure by international students is some £434 million per year, which makes a significant economic contribution. The range of international talent at our universities means that we can contribute to and be involved in the development of the higher education sectors of our future economic partners overseas. Our hosting of international students will help to forge strong links between research, businesses and communities in Scotland and the students' home countries. The Deputy First Minister mentioned China. The Chinese market is extremely important and is growing rapidly. The University of Dundee attracts a large number of Chinese students.

The sector's economic contribution and the number of international students who come to Scotland are good news. There is also good news about research. The HE sector in Scotland

consistently punches above its weight in patents and research citations. The Deputy First Minister mentioned the statistics: Scotland's population accounts for 8.5 per cent of the UK population, but last year Scottish institutions produced 19 per cent of UK patents and 17 per cent of UK licences. However, Scotland invests only 1.5 per cent of its gross domestic product in research and development, whereas Sweden invests 4 per cent of GDP. Indeed, only 0.56 per cent of Scotland's investment is successfully commercialised. We are not capitalising on our investment and research output and we are not translating into the economy the knowledge base that exists in our universities.

Professor John Coggins, from the University of Glasgow, said that links between higher education and industry are not as good as they should be, despite a growing willingness in universities to encourage researchers to create spin-out companies. Applied research has suffered from a lack of recognition compared with pure research, despite its importance to the economy. I acknowledge that work is being done in that regard, for example through the establishment of the intermediary technology institutes. The jury is still out on whether the ITIs will be an unqualified success. It is too early to make that judgment, but progress is being made.

The Executive's new interface initiative has identified the need for greater and more effective collaboration between the higher education sector and business, but unless Scotland can support a broad range of innovative commercial activity that goes beyond university research—spin-off companies—we will not be able to generate the critical mass of knowledge, skills and opportunity that we need to sustain growth. The Association of the British Pharmaceutical Industry has also expressed that view, identifying three key factors that are critical to Scotland's attracting research and development investment: access to skills and knowledge; a competitive cost base for collaborative research; and a market that supports innovation. It is difficult to see how, without those factors, a knowledge economy can grow or be sustained.

It is imperative that we support and develop our best assets—our people and our ideas. We must develop a high-skill, high-knowledge workforce that is flexible enough to respond to the changing demands of the economy, but I do not believe that increasing participation in higher education will, of itself, boost our knowledge economy. To truly unlock Scotland's full potential, the focus should be on quality, not quantity, in higher education. The further education sector also has a key role to play in providing for businesses a workforce with the necessary technical skills to support research and knowledge transfer.

To secure the status of Scotland's university sector, we must be able to attract and retain top staff, and to achieve that universities must have adequate capital funding to develop good facilities, including libraries, labs and accommodation. I recognise the steps that the Executive has taken to increase funding to the higher education sector, but there is concern about a level playing field with institutions down south. If staff salaries in England are raised as the result of extra funds from top-up fees, Scottish staff salaries will have to be raised in line with them to prevent a brain drain. If the Government reduces the amount and proportion of ring-fenced funding, universities will have greater flexibility to direct funds to where they will be most effective.

The growth of our knowledge economy is being impeded by the fact that GDP growth in Scotland has consistently lagged behind growth in the rest of the UK, by the falling number of business start-ups and by the fact that public sector growth has outstripped that of the private sector. We have debated those issues many times before—not in this room but in the chamber downstairs. If we are to see real success in the knowledge economy, we must put the debate in the context of a competitive environment and of stronger economic performance overall. Government can support the university sector in keeping pace with international competitors by developing a long-term strategy that does not simply react to successive spending reviews but is collaborative and brings together the further and higher education sectors, with genuine participation from business. Ultimately, to compete with other economies, we must foster a dynamic business environment that will attract talent and investment and will support entrepreneurial activity. In the long run, that is the way to support and grow our higher education sector and to maximise its contribution to the knowledge economy.

I move amendment S2M-4163.1, to leave out from "welcomes" to end and insert:

"notes the valuable contribution made by the further and higher education sectors to the Scottish economy, particularly their success in attracting overseas students; notes, however, the poor levels of knowledge transfer in the economy and that, although Scotland secured 17% of all UK patents, only 1.5% of GDP was invested in research and development and only 0.59% of this was successfully commercialised, and believes that a more competitive economic environment would encourage higher levels of commercial activity and help secure additional external funding for the sector."

09:48

Mr Frank McAveety (Glasgow Shettleston (Lab): Today's debate starts from the central premise that education is the fundamental enabler of our knowledge economy. Although the contributions that we have heard so far have

focused, understandably, on investment in further and higher education and on skills development at that level, I want to focus on other areas of education that ensure that we can make an effective contribution to building a knowledge economy. If the premise is right, the argument should be that, whatever individuals do throughout their lives and whatever the role of the state, the individual and the state enter into a contract to build opportunities for skills and education for every individual while ensuring at the same time that the state and our society benefit positively from that. That should be the driving force behind any debate that we have about the knowledge economy.

Someone once said that the object of education is to prepare the young to educate themselves throughout their lives. In the area that I represent, there have been economic changes in the composition of capital over the past 100 years, so perhaps that statement should be adapted to say that, as well as being able to educate themselves throughout their lives, people in communities such as mine must also have the skills and knowledge to adapt to new economic opportunities throughout their lives. The history of the inner east end and south side of Glasgow shows that we depended on large industrial complexes to provide employment, that individuals had difficulty in adapting when that situation changed, and that the nature and distribution of wealth in those industries has presented us with big challenges.

The challenge for my part of Scotland—and for other parts too—is to make ourselves more competitive. I may not have been in the same university association as Murdo Fraser, but in the ancient past, when I was at Strathclyde University, I was fond of quoting Antonio Gramsci, an occasional text for teenagers who thought that they could change the world. Gramsci said:

“I’m a pessimist because of intelligence, but an optimist because of will.”

He needs to be less despairing and a bit more inspiring, but there we go. We have made progress since the creation of the Parliament, and to hear a Conservative acknowledge that is progress in itself. We have made progress in macroeconomic terms. Youth unemployment is substantially lower than it was when I was a teacher in the east end of Glasgow in the mid-1980s. Employment opportunities are much more widely available than they ever were in that decade, and in the broader economic structure we have stable mortgage and inflation rates—a feature that I do not remember fondly from the mid-1980s.

It is with policy that we need to make a difference, and I want to focus on three or four areas where the Parliament and the Executive

have made a difference. By investing in early years provision, we are making a long-term investment that will substantially change the capacity of individuals, particularly in the neighbourhoods that I represent, to address the need for opportunity and employment in future. The sure start programme is targeting resources on areas of substantial disadvantage and that will also have long-term positive benefits. The child care partnerships, uneven as some of them are, have also led to some positive developments, particularly in the Gorbals area of Glasgow.

A number of us from Glasgow said that we needed to do more than just have the connection—we also needed to take responsibility for ourselves. I was speaking to Charlie Gordon this morning and remembering a debate that we had about 10 years ago about what could be done about our school estate. We made some difficult, tough decisions about our school estate, and that work has been continued over the past three or four years and will result, in the next few years, in a quality of school estate in Glasgow that I cannot remember having before. However, it is not just about the quality of the buildings, but about what happens inside those buildings. It is the aspirations that are developed in those schools that will provide opportunities for the knowledge economy to which all Scots should aspire.

For too long, there has been a culture—especially in the areas where I taught before I became a parliamentarian—of trying to explain away the consequences of disaffection because of the economic dislocation caused by deindustrialisation. That is partly true, but not always the case. Too often, we did not have enough aspiration and did not encourage a culture of aspiration. I echo what I think Jim Mather was trying to say about creating a space for people to believe in themselves, to have more confidence and to try to raise their aspirations and objectives for the future. Glasgow is competing with other cities right across the world, but those cities have also had to deal with post-industrial dislocation. Manchester, Baltimore and Chicago did some simple, but also very difficult, things. They wanted to tackle the issues facing schools and education, to build skills and confidence, to create clusters of achievement, especially in the high-value labour market, and to ensure that there was continuous learning so that the workforce would be adaptable. That is the challenge that faces my city today.

Charlie Gordon and I have often said that, if we can get Glasgow right, Scotland will prosper even more as a nation. That is why there have had to be changes in education provision, and I want to highlight two positive developments in my constituency in the past two or three years. The postal district served by St Mungo's academy is probably one of the most disadvantaged

communities in the whole of the United Kingdom, but the school has had remarkable success in preparing pupils for the employment market, and that remarkable level of success has been matched in other parts of Scotland.

Alex Neil: Does Frank McAveety agree with Gordon Brown that we should aspire to achieve the same spending level per pupil and the same size of classes as the private sector has, and that kids in his constituency would have a much greater competitive advantage in life if they had the same quality of education and the same spent on it as those in the private sector?

Mr McAveety: Given the experience of friends of mine who had a private education, I would not wish that on anybody else. We have made substantial progress on investing in education in Scotland, and I am surprised that Alex Neil, who has always had a strong commitment to Scottish self-government, would expect someone from Westminster to give us guidance on that. As usual, he has tried to distract me from the very good speech that I was making. The schools in my constituency that have taken a very positive attitude—St Mungo's academy and Eastbank academy—have made a real difference.

A lot of the debate has been about how we can encourage the intellectual talent that we have in our colleges and universities, and I welcome that. I also welcome the fresh talent that is coming to this country, because of the potential and opportunities both that we provide and that those people bring to our society. In my own neighbourhood, I am focused on what we can do with our unused talent—the talent that has not been allowed to flourish. In a range of policy areas, the Executive has made substantial progress on that.

I do not know how much time I have left. The Presiding Officer is looking at me with his usual alluring look.

The Presiding Officer: No, I am tempting you to take more time, Mr McAveety; there is plenty this morning.

Mr McAveety: I am happy to enjoy the experience. This is the first time that you have given me more time.

Mr Charlie Gordon (Glasgow Cathcart) (Lab): Give us more Gramsci.

Mr McAveety: I have got Charlie Gordon excited about our radical past.

What we did well in Glasgow is not recognised enough. In a previous life, I was an apprentice electrician—I know that that is hard to believe, as I was not considered a bright spark, but there we go. When I got the chance to be an apprentice electrician with Glasgow district council, people were selected because of their academic

achievements. After three months, I found that that was not the kind of job that I wanted to do. Since Labour took responsibility in the city, we have redefined the apprenticeship programme in three ways.

First, we decided that the interview, and the commitment that is demonstrated by the individual, are more important than their academic qualifications. Secondly, we worked with schools to ensure that youngsters can follow a vocational aspiration if they choose to do so; it is not imposed on individuals, but they have an opportunity to do that, and academic students take that opportunity as well as less academic students. That has substantially improved the quality of the apprentices who enter the apprentice programmes. Thirdly, we invested heavily in an apprentice training school, which has become one of the best in the United Kingdom. That is a good model for other parts of Scotland and the UK to follow. If many neighbourhoods are given the opportunity to make the changes that have taken place in my community, there is real potential for the future.

I conclude by mentioning further and higher education. The John Wheatley College campus in the east end of Glasgow has been a remarkable success. As I have mentioned Gramsci, I might as well mention John Wheatley who was, in my opinion, the most important contributor to socialist thinking in Scotland in the 20th century.

Colin Fox (Lothians) (SSP): What about Tommy Sheridan?

Mr McAveety: I exclude Tommy Sheridan because somebody else wrote his books for him.

John Wheatley College has been a remarkable success, and in the next two years there will be a new campus in the heart of the east end of Glasgow, in Paul Martin's constituency. However, it is recognised that some people in places such as Bridgeton and Dalarnock would be excluded even from that campus; therefore, learning campuses are now being developed in those neighbourhoods to encourage the idea of lifelong learning. That kind of strategy will transform the future opportunities for the community that I represent, and that is why I welcome the contribution of the knowledge economy. If we get the base right, we will get the aspirations, achievement and excellence at the top right as well.

09:59

Shiona Baird (North East Scotland) (Green): The term "knowledge economy" is one of the catchphrases of the past decade. It is the concept that an economy can be driven by ideas and knowledge, rather than relying on material

resources. There is no doubt that Scottish workers are increasingly using their heads more than their hands. For that to continue and flourish, we need to maintain and increase investment in our excellent higher education system.

Scotland's universities and institutes of higher education have a long and honourable history. Scotland's education system is one of our success stories. I am sure that it is no coincidence that Scotland produced so many of the inventors and engineers who provided the intellectual driving force of the industrial revolution. They would have recognised the concept of a knowledge economy, if not the terminology.

The most important skills that our universities and colleges can teach are those that will allow today's young people to fulfil their potential in a rapidly changing world: the knowledge required to develop sustainable technologies to replace the unsustainable technologies that we have at the moment; the knowledge to understand the inherent frailties and weaknesses of the globalised economy within which we are all expected to work; and the knowledge that is needed to cope in a post-fossil fuels world. How many of our colleges are teaching that course? Given the fact that, according to scientific predictions, it will take just 10 years for us to reach the point beyond which we will not be able to reverse the impacts of climate change, we need to ensure that that knowledge is being disseminated now and that the new course is established. I spoke recently with the Scotland and Northern Ireland Plumbing Employers Federation, which is already considering ways of upskilling its sector to prepare it for the anticipated rise in the installation of micro-renewable technology.

Scotland cannot compete with the cheap labour of the developing world, and we should not have to try. There are countless examples of Scottish innovation and enterprise that enable us to punch well above our weight. Our energy future remains uncertain, but Scottish companies are well placed to capitalise on the abundant renewable energy resources that surround us. We are also leading the way in clean coal technology, which, with carbon capture, could significantly reduce the pollution of countries such as China, where unsustainable energy demand is causing devastation in the environment and for its people. The knowledge that we have gained with hindsight about the pollution that has been caused by our industrial revolution could be invaluable in preventing emerging world economies such as China's from making the same mistakes. What use is knowledge if we do not use it to prevent similar disastrous consequences from occurring elsewhere in the world?

I have one particular concern, which I would like the minister to address. The intermediary

technology institutes that we have heard about have been set up to support Scotland's developing businesses and epitomise the knowledge economy. Life sciences, techmedia and energy are all areas in which Scotland's entrepreneurs show great promise. However, I have spoken to several companies that are reluctant to go down the route of ITIs and some grant-awarding schemes because of fears about their intellectual property rights. Not surprisingly, those companies want to retain possession of the IP rights to their inventions and discoveries; however, in return for financial support, the ITIs want the IP rights for themselves. It is little wonder that many companies are choosing to go it alone rather than sign over the rights to their technologies, thereby missing out on valuable support. I would be grateful if the minister could address that issue in his closing speech.

Although knowledge is a vital prerequisite for any successful economy, it cannot totally replace the other factors of production. We all want to support our universities and colleges in their efforts to bring out the best in our young people, but let us not forget the many Scottish companies that belong to a more traditional economic model. They are equally worthy of our support and encouragement. As we move to a low-carbon economy, through the rising price of oil and the need to address rising levels of CO₂ emissions, we will inevitably need to consider how we can establish greater self-reliance, using the traditional skills on which the present economy was built.

10:04

Colin Fox (Lothians) (SSP): I welcome the opportunity to speak in the debate. I cannot promise members any quotes from Gramsci, but there will be one from George Bush in a minute or two, which might entertain them. Having to debate Scotland's knowledge economy in this room clearly shows that there is a pressing need in our economy for a greater number of joiners and people who know how to put bolts in ceilings and roofs.

I want to start by offering some observations comparing Scotland's economy today with that of the past 25 years. Scotland has abandoned low-skilled manufacturing jobs. Frank McAveety mentioned the east end of Glasgow, which was particularly badly hurt—as was Lanarkshire where I come from—as a consequence of the industrialisation of China and India, where labour is at its cheapest on the planet.

It is also true that in the past 25 years, Scotland has ceded high-skilled manufacturing jobs. I could mention the steel industry and the car factory at Linwood in the Deputy Presiding Officer's constituency. More than 0.75 million

manufacturing jobs were lost in Britain between 1997 and 2004. That illustrates the colossal scale of the exodus.

It is important to remember that in its first years, Blair's New Labour Government undercut European wages, so Tony Blair was able to claim that the highest levels of inward investment in Europe were in Britain. Hyundai, Chungwa, Toyota, Nissan and Honda all came here rather than going to continental Europe because Britain offered them the cheapest labour and non-labour costs anywhere in Europe. It is interesting that, in recent years, Britain has lost that advantage to the countries of eastern Europe in the downward spiral of seeking cheaper labour and non-labour costs. Let us not forget that in all this inward investment, not one of those companies was unionised when they came and they are still not unionised today, despite promises to the contrary.

The reality is that low-paid work is still endemic in the Scottish economy compared to our European counterparts. That is also the claim of the service sector.

I do not know whether other members heard Margaret Hodge—who I understand is either the employment minister or a junior employment minister—say last week that

“Work remains the best route out of poverty”

in the United Kingdom. That is except, of course, where it is a route into poverty pay. In the past 25 years, we have effectively replaced the unemployed poor with the employed poor, and today we have 850,000 low-paid Scots.

I turn to the education system and the knowledge economy and the idea that they will provide a way out of poverty for working-class people. I suspect that there are members who can compare the circumstances in which they went to university 25 years ago—as I did—with those in which youngsters approach university today. In 1979, when I went to the University of Strathclyde, it was a difficult place to get into. There was a hugely disproportionate number of middle-class kids from fee-paying schools, but we were told that they had got there because they were cleverer—they had won their places entirely on educational merit. Of course, we know now that that was not true. It was not possible for working-class families to send their kids to university for three or four years and lose the wage that would come in to the family. As we have also clearly seen, the old-school-tie network determined who got into universities and who did not.

Today, 50 per cent of our young people go to university. It is not as difficult to get in as it was; the difficulty is in staying there. The revolution in higher education has led us back to exactly where we started. Not only do a disproportionate number

of middle-class kids stay at university, but working-class kids are not able to go because they have to pay bills and there are no grants and there is no housing benefit to support them while they are there.

Richard Baker (North East Scotland) (Lab): I challenge the member on that point. The Executive has reintroduced bursaries, particularly for students from poorer backgrounds, which has led to an increase in applications from and places for such students. This year, the Executive increased the bursary again.

Colin Fox: I am grateful for the member's intervention. I am sure that members will agree that there have not been enough interventions in today's debate. I am also grateful that the member intervened just when I have a statistic that will answer his point.

During the 1990s, the proportion of people from the poorest 20 per cent of society getting to university and getting a degree rose from 6 per cent to 9 per cent, whilst the proportion from the wealthiest 20 per cent of the population who got a degree rose from 20 per cent to 47 per cent. The expansion of higher education has disproportionately benefited people from more affluent backgrounds.

Because he shared a platform with them last week in Aberdeen, Richard Baker will know that the National Association of Teachers in Further and Higher Education and the Association of University Teachers have repeatedly made it clear that

“It is entirely wrong to imagine that HE admissions are currently somehow based only on intrinsic merit and not influenced by social or economic backgrounds. Students from wealthier backgrounds currently have a much greater chance of getting to prestigious universities than poorer rivals.”

That is the reality that the debate must consider.

What should we teach students when they get to university? We have to teach them entrepreneurship, business growth and innovation. I am glad that members have stayed with me because I will now offer that George Bush quotation. Every time I hear the word “entrepreneur” it makes me think of the phrase attributed to George Bush, the leader of the free world—God help us—that the trouble with the French is that they do not have a word for entrepreneur. Therein lies the problem. Contained in Bush's remarks is the imperialist American, free-market, laissez-faire idea that runs the world, and runs this country as much as any other. I am sure that members agree. The minister might well appreciate that Bush's remarks contain a contempt for European social democracy, which thought it important to force entrepreneurs and the

entrepreneurial classes to recognise their responsibilities and become aware that the obligations of business lie beyond the balance sheet.

The idea that the rich should pay more taxes and corporations should contribute some of their record-breaking profits to the Treasury is considered old-fashioned. Labour used to stand for that idea, but no longer does.

Admirably, Labour continues to put great weight behind the idea that more educational qualifications is the way to improve social mobility; there is a great deal in that. However, several studies offered by academics at the University of Oxford suggest that employers are now less impressed by degrees than they were before.

The truth is that Scotland's economy still contains a huge number of low-paid workers in the service sector. The great wealth produced by Scotland's economy is secreted more and more in the hands of an elite, unelected, largely anonymous few, thus exacerbating inequalities. Meanwhile, the figures from the Office of National Statistics that I gave to the minister—the one who has left the room, that is—last week in Parliament show that the number of Scots living in severe poverty is greater now than it was in 1997, when the Parliament opened for business. The progress that has been made—as Save the Children, End Child Poverty and Help the Aged have highlighted—has been marginal, rather than substantial. That is the fundamental truth about Scotland's economy.

10:13

Dr Elaine Murray (Dumfries) (Lab): One of the good things about as wide-ranging a subject as growing the knowledge economy is that it gives all of us the opportunity to mount our own hobby horses. Members have done a certain amount of that already and I am going to do the same. What I will speak about is dear to my heart—the contribution of science and technology to the expansion of the knowledge economy and the need to encourage more young people at school and in further and higher education to study the sciences. If we do not grow enough scientists, the expansion of our knowledge economy will not continue.

As has been said many times in the chamber, we have a great tradition of excellence in science and technology. For example, James Clerk Maxwell, whose 175th birthday will be celebrated this summer, was acknowledged by Albert Einstein as the genius on whose shoulders Einstein stood when he developed the theory of relativity. Of course, people such as Alexander Fleming and James Watt demonstrated the

excellence from which Scotland's wealth and economy developed in previous centuries.

There are many good scientists in Scotland now. The minister mentioned the fact that we are third in the world in relation to citations. There is the work that is being done in Dundee by Professor David Lane and the school of life science research. A few months ago, I had the pleasure of visiting the centre for science at extreme conditions here in Edinburgh—I always think of it as the centre for extreme research, which has slightly different connotations. The centre's research is exciting and is likely to produce unusual, novel materials on which future generations of information technology can be based.

Some excellent work is being done in Scotland. There are collaborations between university departments. Some time ago, Alex Neil hosted a presentation by the Scottish universities physics alliance. Physics departments at universities across Scotland are linking together to get a competitive advantage over bigger nations such as England and the States. In chemistry, the same thing is being done through the ScotCHEM collaboration between chemistry departments.

We need to examine the structure of support, funding, career opportunities and stability of employment for scientists. Professor Bernard King of the University of Abertay Dundee has identified a number of issues. Last month, he wrote to me in my role as a member of the Finance Committee—he may also have written to a number of other members—expressing some concerns about the way in which the Executive supports science structurally. In his graduation address, which he copied to me, he stated:

“Scotland has inherited from devolution an incoherent system for formulating and implementing science, technology and research policy”,

because there is

“no single central function of government”.

He contrasted that with the role of the Office of Science and Technology at Westminster. We may need to revisit the political structures of support, to bring things together so that we can offer greater support.

Professor King also referred to the system of university research funding, which is more a UK issue than a Scottish issue. The research assessment exercise funds universities on the basis of the amount of published research that they have already done. That is fine, but it is self-perpetuating. Research that is intended for commercialisation is not necessarily published, because the researchers do not want to give it to other people. If scientists concentrate on published research to attract funds to their

university, they may not get involved in the commercialisation exercises that we would like to see.

Alex Neil: I agree totally with everything that Elaine Murray has said. Does she agree that one of the other problems is that the RAE benefits people who have published their research, which often means handing intellectual property to our competitors, who exploit the commercialisation opportunities?

Dr Murray: That is the problem. It is possible that people are being diverted from the effort that they should be putting into commercialisation. Professor C K Prahalad, who is an adviser to the Indian Government on global business strategy, coined the phrase "legacy thinking". The idea is that if we keep on doing the things that we did, we will keep on getting the same results. We may need to consider doing things a bit differently if we want to change and to increase the amount of commercialisation that we manage to achieve.

As well as reconsidering support structures and research funding mechanisms, we need to encourage students to study science at school, college and university, which is vital. In his speech, the minister spoke about promoting science to young people and the choices that young people make about what they will study. I welcome the increase in the number of science teachers, especially in chemistry, but we started from a low base. In the curriculum review, we must consider introducing more flexibility in the school curriculum, university admissions policy and, possibly, the recruitment of trainee science teachers. The challenge at school is to encourage young people to gain core scientific skills in areas such as problem solving.

In my view, the issue is problem identification. When I taught science, I found that people often had difficulty in identifying the problem and that if they knew what the problem was, they would know how to solve it. People should know where to look for information, how to select what is most relevant, how to apply it, how to present it and pass it on to others, and how to explain things. Such transferable scientific skills, which are relevant to mathematics and all the other sciences, are probably more important than knowledge of specific disciplines. They are certainly much more important than the rote learning of facts that went on in science when I was a young person and a student.

I wonder whether the university entrance qualifications for sciences are a bit too prescriptive. When the Education Committee was examining the curriculum review, one contributor—I cannot remember who it was—asked why it was necessary for someone to have higher chemistry in order to study chemistry at

university, given that it is possible to take a university degree in philosophy without having studied philosophy at school. Perhaps universities should look at the way in which they use entrance qualifications, which deters people from studying science.

I can provide members with an anecdotal example from my family. My daughter decided that she wanted to study ancient history at the University of St Andrews. She had not done any history since secondary 2, but she was allowed to study ancient history and has enjoyed the subject greatly. Her younger brother has discovered in fifth year that he has both a passion for and an ability in biology. However, as he gave up chemistry in second year, he will not be able to study biology, because he does not have standard grade chemistry. Such restrictions on studying sciences at university do not encourage people to get involved in science or provide them with the opportunity to do so. Universities need to consider the issue, just as schools need to examine the way in which they develop scientific skills.

Other members have raised the issue of progression and lifelong learning. In his speech, the minister mentioned the merging of the funding councils. I want briefly to refer to what is happening in my constituency, where the Crichton university campus has brought together on one site a number of higher education institutions. The local further education college will also be relocated to that site. It is a novel project in Scotland that has been extremely successful in bringing into higher education people who would not otherwise have become involved in it, such as women who want to return to the labour market. The project has given opportunities to people who are unable to leave the area to study. However, we need to progress it. There is a need for capital investment to improve the student experience and to bring in students from outside the area. Because of the way in which higher and further education is funded, all the higher education institutions that collaborate on the campus must fund the project from within their current funding envelope. That means that money invested in the Crichton campus must be taken away from the University of Glasgow and the University of Paisley, which is a problem in its development.

The project is extremely important locally and is providing training and skills in areas where we have regional shortages. At the conclusion of the first year of social work training, there was a major shortage of social workers in Dumfries and Galloway. Now we are training them in-house and are able to bring on local people as social workers. I hope that we will do the same in teaching, as we have a shortage of teachers. I have often nagged ministers and the funding council to examine ways in which such unique projects can be developed,

because the Crichton campus works differently from university and further education institutions elsewhere in Scotland. It has made a valuable contribution to the local economy, which promises to be even more valuable in future. However, our funding structures must be flexible enough to cope with such a novel project.

10:23

Alasdair Morgan (South of Scotland) (SNP): In December last year, the Executive published "Measuring Progress Towards a Smart, Successful Scotland: 2005". The document contains certain comparisons between Scotland and other regions of the UK—although Scotland is not a region. It helps to point out—although this is not the document's purpose—the unevenness of progress towards a knowledge economy that is being made across the United Kingdom. Inevitably, it misses out the unevenness of progress within Scotland. In the context of higher and further education and the Government motion that is before us today, I want first to query the level of investment in education in the south-west and south of Scotland. In particular, I want to highlight two issues, on which I hope the minister will be able to comment.

The first has been raised before and Elaine Murray has just raised it again, so the minister is clearly aware of it. I refer to the funding of the Crichton campus in Dumfries. The existence of a higher education centre in the south-west of Scotland has the potential to redress, to some extent, the gravitational pull out of the area that we have felt for decades as people leave to undertake higher education and do not come back to the south or south-west.

It is a major premise of Government policy that the very existence of higher and further education is a strong stimulus for the knowledge economy. However, the converse must also be true: if there is a lack of higher education, the potential for growth in the knowledge economy in any particular area is repressed.

To expand on Elaine Murray's point, the cost to any higher education institution that develops courses in the south-west away from its main campus—as the University of Paisley and the University of Glasgow have done—will always be higher than the cost to an institution of developing courses on its home campus. However, local members continue to get complaints from those universities that their per capita funding for students is precisely the same whether a student undertakes the course at the University of Glasgow at Gilmorehill or at the campus down in Dumfries.

The funding formula does not recognise the differences in cost. When we have complained on

various occasions, we have had fine words from the minister—how very sympathetic he is—but all we get is buck-passing between the minister and the Scottish funding council. That is not good enough if we are serious about spreading the benefits of what growth there is in the knowledge economy throughout the whole of Scotland, not just in the central belt where the main higher education institutions find themselves.

My second point about the south of Scotland concerns the level of funding for further education. The merged funding council has proposals to target growth in further education in certain geographical areas to address existing issues of underprovision and low participation. The funding council recognises that further education supply throughout the south of Scotland is relatively low compared with the rest of Scotland. However, the indications so far are that, compared with areas that are in a similar situation, such as Lanarkshire or Dunbartonshire, the south of Scotland will not be authorised or, more important, funded to increase its further education provision in the planned and targeted growth review. Given the likely constraints on budgets, there is great suspicion that the current increase in growth will be the last for a considerable time.

The reason why the south of Scotland is being excluded appears to be based on participation in further education. There has been a substantial increase in numbers, but the colleges involved—the Barony College, Dumfries and Galloway College and Borders College—have pointed out to us that the increase in numbers is a totally false measurement because, unlike colleges in central Scotland, they specialise in short courses that, admittedly, local people have asked for. The point is that someone is counted as a participant whether they attend for a year or a week. That is surely not a valid measurement on which to base a decision as to whether there is adequate provision in a particular area.

I ask the minister to investigate the issue because there is no doubt that the south of Scotland lags behind the rest of the country in the knowledge economy. If education is a driver of that economy, which is the thesis of today's debate, we need to do something about the provision of further and higher education in the south of Scotland.

Although my philosophy is that education is a good thing in its own right, I recognise that when Government makes expenditure decisions, we have to see how any expansion in education affects not just the delivery of education, but the growth of the economy. Growing a knowledge economy cannot simply be about growing knowledge. As both the minister and Murdo Fraser said earlier, it is true that education in itself is an

economic sector—a valuable one. However, we have to look at the broader picture and the Scottish economy as a whole.

Biosciences and life sciences are a major part of the knowledge economy in Scotland. Some time ago, the point was made strongly that there was a significant funding gap in what is termed second-round funding for developing companies in biosciences and similar sectors that were looking to expand and needed, for example, between £2 million and £5 million to grow.

Start-up funding is not such a problem, because there are excellent Government initiatives and business angels to help—if someone has a good idea, they can start their business. If they reach a more advanced stage of growth and get really big, surprisingly, it is not a problem for them to be given £10 million plus. It appears that the problem occurs when businesses are in that second stage, when they need between £2 million and £5 million to get them on to the next stage of growth. We need to encourage growth at that second stage if we are to develop a successful economy in Scotland. The problem is partly that many of the venture capitalists are based in the south-east of England.

The Government has spoken interminably about setting up a Scottish investment fund to address that problem—I think that the latest title for it is the co-investment fund. Industries are looking for about £100 million in that fund, although I do not know from where it will be sourced. If there has been an announcement about its establishment, I have missed it, so I presume that it has not been set up yet—I think that the minister is nodding in agreement. We have been talking about it for a long time, but I ask the minister to say when we are going to set it up. Will the current problems at Scottish Enterprise delay that announcement and the setting up of that vital fund?

The “Measuring Progress Towards A Smart Successful Scotland” document that I mentioned earlier contains many indicators, some of which are not particularly encouraging—this is after both the original and the refreshed versions of “A Smart Successful Scotland”. R and D is a vital measure of innovation and will help us to be at the forefront of the areas that we need to be in. In relation to R and D in business, the document shows that in 2003, Scotland was towards the bottom of the third quartile; we need to triple the percentage of GDP that we spend on R and D to get into the top quartile. The document also shows that R and D business spend as a proportion of GDP increased by 11 per cent, compared with an average increase in other Organisation for Economic Co-operation and Development countries of 19 per cent. I do not have time to go through the rest of the document this morning, but if members look at

it they will see a series of gloomy and dismal statistics just like those that I have mentioned.

People try to put the best gloss possible on the statistics, but a lot of the news in the document is not very encouraging. I ask the minister to say what will change the document’s basic statistics, which do not give a good picture of the success of the Executive’s strategy thus far.

An objective assessment of the document is that our position is not good enough and that our progress from that position is not good enough—certainly, not in comparison with other small countries. Nobody denies that investment in education is vital for the development of our economy—it is a necessary condition. It is not, however, a sufficient condition. The question for the minister and the Executive is whether they have sufficient tools in their kitbag to deliver a 21st century economy for Scotland.

10:33

Richard Baker (North East Scotland) (Lab):

We always want our economy to do better—Alasdair Morgan is right about that—but to say that the predictions are gloomy is to overegg the pudding somewhat.

Alasdair Morgan: They are the member’s party’s figures.

Richard Baker: Alasdair Morgan referred to R and D in business. He cannot, however, hide the fact that our economy is growing and that we are delivering on whatever calls he has made for investment in higher and further education and the key sectors that will create a knowledge economy. We are not just speaking about it; we are doing it.

Today’s debate comes at an opportune moment for those who are concerned that progress be made in the knowledge economy in Scotland that will guarantee our country future prosperity and high achievements.

In the past few days, the Executive has taken key actions to ensure that we can compete in the global economy as a nation of excellence and skills. Indeed, this morning, the Deputy First Minister told the chamber about the record funding for our further and higher education sector, which will ensure that our academic institutions can continue to punch above their weight and lead the world in key areas of developmental research. The First Minister has also led the way by building the global connections that will enable us to capitalise fully on our growing knowledge economy and by actively promoting the very best of what Scotland has to offer China and other rapidly growing economies. That work continues two great Scottish traditions: growing the economy through new ideas and embracing new countries and markets.

The scale of the challenge presented by the new major economies, particularly those in Asia, is clear. However, it is not only undesirable but impossible for Scotland to compete as a low-skilled, low-wage economy, and the evidence suggests that we will have to work even harder to maintain our edge in academic expertise and to ensure that we can exploit new concepts and technologies ahead of a growing number of competitors.

The Parliament has taken action to address the structure of and investment in our tertiary education sector. In the previous spending review, universities, colleges, students and trade unions called for increased investment in the sector and for greater co-operation and joint working between further and higher education institutions. In response, the Executive introduced legislation, which was passed last year, to merge the Scottish Higher Education Funding Council and the Scottish Further Education Funding Council. The single Scottish funding council is working towards better articulation and greater joint working between the two sectors, which will ensure that more people have more points of access into higher and further education. Moreover, our strategy for economic growth, which is increasingly based on high skills and expertise, will be designed not to exclude certain people, which might have happened in the past, but to include people from all backgrounds.

Of course, this is not just a question of structures; resources, too, are crucial. I take the point that the funding council needs to scrutinise how resources are targeted across the sector, to ensure that not only urban colleges but rural colleges are represented. More needs to be done to ensure that those colleges receive the necessary resources to provide education in their areas.

However, overall, there can be no doubt that the Executive has put its money where its mouth is. Indeed, I believe that we are already reaping the rewards of that investment. For example, the 22 per cent increase in further and higher education funding that was announced in the previous spending review represented a ground-breaking commitment to the sector. Of course, a significant amount of that money was directed at ensuring that academics in this country were not poached by institutions south of the border that were benefiting from top-up fee income, and I urge Scottish institutions to allocate a fair proportion of that generous funding settlement to ensure that our university and college staff are paid fairly for their vital jobs.

Colleges and universities in my region of north-east Scotland are confident about their future. For example, Aberdeen College and Robert Gordon

University have recently announced very ambitious plans for their own development and, today, significant new funding has been announced for the University of Aberdeen and RGU.

In contrast to the Executive's ability to find vital additional funds, Opposition parties have too often come up with bizarre spending plans that would do nothing to benefit our knowledge economy. In line with their previous commitments to scrap Scottish Enterprise or starve it of funding, they have criticised the agency again this morning. It is interesting to note that the very members who raised questions about the funding crisis in Scottish Enterprise would themselves formulate policies that would create such crises. However, whatever debates are going on about the future structure of Scottish Enterprise, it is clear that we are making significant investment in the new research and technologies that could be hugely important to our future economic success. That is particularly evident with the ITIs, whose key feature is the projects in which they choose to invest.

Jim Mather: Does the member think that, in this climate of support for Scottish Enterprise, the ITIs and the education sector, it is reasonable to ask them and the Executive to step up to a target such as increasing the number of working-age people in work in Scotland?

Richard Baker: I do not think that such a target is unreasonable. In fact, I believe that we will accept the Scottish National Party's amendment, which calls for such measures, and I am sure that the Scottish Executive and Scottish Enterprise are continuing to work on how we measure such targets. It is not always easy to measure everything that we would like to measure, but that is not to say that we should not try to do so to the best of our ability. I am sure that the Executive and Scottish Enterprise are doing that.

The ITIs are delivering exciting new projects with academic and business prospects that we can capitalise on. Given that ITI Energy is in Aberdeen and ITI Life Sciences is in Dundee, such initiatives are crucial in the north-east.

Our economic future lies in flexible, highly skilled industries that will require a highly educated workforce. Scotland has the talent to meet the challenges of the global economy, and I know that our world-class colleges and universities are ready to nurture that talent if we give them the support that they need.

The Executive has shown its willingness to give that support. Its ambitious strategy to ensure that Scotland has a world-beating knowledge economy means that we can look forward to the significant challenges that the country faces, confident that

Scotland and its people are well placed to succeed.

10:40

Iain Smith (North East Fife) (LD): As the member for North East Fife, I am pleased to contribute to this debate. As we all know, the area, which is home to Scotland's oldest university, has been at the heart of Scotland's knowledge economy for 700 years. Elaine Murray talked about studying ancient history at university; I believe that modern history courses at St Andrews start with the 14th century. I have no idea how far back its ancient history courses go.

The University of St Andrews is not just Scotland's oldest university, teaching the courses that it has traditionally taught; it is also at the cutting edge of modern scientific research, particularly in the biosciences. For example, it is collaborating with the private sector and various research institutions on several areas of innovation including renewables. The work on battery technology, in particular, is crucial. After all, because the wind does not always blow at the right time, energy from certain renewable sources must be stored to be used when needed.

The University of St Andrews is also heavily involved in the St Andrews world-class project. By finding ways of developing employment in the innovative and knowledge-based industries to the benefit of the St Andrews economy, this collaboration with Fife Council, Scottish Enterprise Fife, the tourism agencies and some major employers is attempting to develop the town as a world-class destination not just for playing golf but for living and working in.

However, such activity must be rolled out across Fife, particularly down to the east neuk, where the traditional fishing industry is in decline and where people face problems of isolation and lack of access to employment markets, and indeed beyond my constituency to Levenmouth, where the renewables industry has great potential. If that industry can use the university's research facilities and work with facilities that are available in places such as Methil, Scotland should be able to take the lead in the developing market in renewables technology.

Of course, just across the Tay bridge—on which, I might add, we still have to pay tolls—lie the University of Abertay Dundee, which is a world leader in information technology and computer gaming; the University of Dundee which, with its life sciences park, is another world leader; and the Scottish Crop Research Institute, which provides valuable work and resources for developing knowledge.

However, we should not forget about further education which, although a vital part of the

knowledge economy, is far too often seen as the poor cousin of the education sector. For example, Elmwood College in my constituency was established more than 60 years ago as a small, rural FE college to provide support and training for the agricultural industry. Although it still plays that important role in the land-based industries, it has also developed innovative training approaches in other key sectors of the local economy, such as the hospitality industry. Indeed, it has become a world leader in providing courses in green-keeping, golf course management and related golf industry matters. That has led to collaborations with universities in China and the college is now promoting the first Scottish vocational qualifications to be provided in China and in Chinese. We need such innovation from our colleges to show that they are world leaders in many educational spheres, and our further education sector can play that role just as well as our universities can.

The further education sector is important in developing skills that our local businesses need. It is at the heart of lifelong learning; provides flexibility in learning; meets local needs; and is able to adapt quickly to changing circumstances. For example, if a new employer in an area needs trained people, or if an employer leaves an area and people need to be retrained, the further education sector is best placed to respond quickly. It is also good at meeting individual needs because it can provide flexible means of learning with full-time and part-time courses, distance learning and so on. Many further education colleges are pioneering distance learning and information technology-based learning modules.

Schools have a key role—Frank McAveety mentioned their role in early years education. However, more has to be done to close the widening gap between our best performers in schools, who are continuing to get better, and our lower performers, who are not improving at all. We could encourage schools to raise the aspirations of all pupils by improving the relevance of what is provided; we will have an opportunity to do that next week in the chamber when we debate the curriculum review.

We are already doing good things. Enterprise in education schemes are an important way of showing people that education is relevant to their future career possibilities. What young people do in school will help them later when they try to get jobs. Partnerships between schools and colleges are important, because vocational education is not just an easy option for the underperforming but a way of widening opportunities for all.

Mr Stone: Does the member agree that we still have a long way to go to persuade businesses, corporations and companies to engage in enterprise in education schemes?

Iain Smith: That is a valid point. Not only in Scotland but in the UK as a whole, business has failed to acknowledge its important role in developing education. I will shortly come on to discuss research and development—another area in which the UK has failed for generations to invest sufficiently to ensure that we maintain our lead.

Jim Mather: Will the member absolve Sir Robert Smith and Sir Tom Hunter from that comment?

Iain Smith: I did not intend to attack any individuals; I was talking about business in general. The UK has failed to invest in research and development, which is why many areas of our economy have fallen behind. Scotland suffers from that as much as any other part of the UK. I had intended to come on to that point later, but I have now dealt with it.

How can we encourage young people in schools to get involved? Last night, I attended a presentation in the garden lobby on the computer club for girls that is being piloted in schools in Fife and in many other areas. Madras college in my constituency is taking part. The girls had often been put off IT because they did not think that it would be of any use to them, or because they did not like the look of the geeky boys in the computer rooms. The computer club shows girls how relevant IT can be to their lives; it gets them involved and interested. Girls are now moving on from the club and are taking IT courses at standard and higher grade. We should consider similar exercises to get more people interested in science and engineering.

We are providing opportunities for growth by investing in increasing the skills of Scotland's workforce; by abolishing fees for students; by delivering genuine lifelong learning in community schools that benefit not only the pupils but everyone else; by creating all-age career services; and by supporting business creation and entrepreneurship. All that will help us to move forward.

There has been massive investment in further and higher education, with a 30 per cent rise in funding to 2008. We are meeting the skills needs. We have merged the funding councils to allow us to take a more strategic approach to meeting the future skills needs of Scotland. We have abolished fees and introduced bursaries for people on lower incomes, which has helped to encourage more Scots students to go to university. To encourage research and development, we are cutting business rates for businesses that undertake to do it. We have invested in transport. We are exceeding our targets for modern apprenticeships; more than 32,000 apprentices are in training in Scotland. We are creating more green jobs by supporting green industries such as the renewable

energy and recycling industries. We have enterprise in education schemes in our schools. We are creating a tough sustainability record, putting a green thread through our economy. All those things are important in developing the knowledge economy.

Our biggest weakness is in research and development—that is the case not just in Scotland but throughout the UK. Scotland is in the bottom quartile of Organisation for Economic Co-operation and Development countries, close to our position in 1999. We are doing better than the UK as a whole, but we are still in the bottom quartile. That is not good enough and we need to do more—and I am not talking only about what the Scottish Executive can do but about what business can do.

Business has to be engaged. Partnerships are required with the Scottish Executive and the local enterprise companies in the Scottish Enterprise and Highlands and Islands Enterprise areas to encourage research and development. We cannot do it alone; if we are to grow the knowledge economy in Scotland, we need business to work with us. I encourage all Scottish businesses to work with the Scottish Executive on the positive things that we are doing for Scotland's economy. I encourage them to get involved in research and development.

10:50

Karen Gillon (Clydesdale) (Lab): I welcome the opportunity to participate in the debate. I am sure that there is no one in the chamber who does not want us to grow the knowledge economy. To follow up on what Iain Smith said, I think that the debate is about more than what the Executive can do and what business can do. It is about what Scots can do.

I believe fundamentally in lifelong learning. I was brought up in a family that encouraged me to learn from a very early age. I understood that, through learning and education, people could move towards a better situation. I am in no doubt that, without that education and encouragement from my family, I would not have found myself in the chamber as an elected member of the Scottish Parliament. That education—which began in the home, which developed through school and which continued through further and higher education—shaped me as an individual.

We talk about poverty, which is a huge issue across Scotland. However, it is poverty of ambition that limits many young people. They fail to recognise their potential and fail to take the opportunities offered. When we meet young people, we must encourage them to realise their full potential.

I want to pick up on a couple of points that have been made in the debate. The first one is to do with the funding council. In my constituency, there are no colleges or higher education institutions, and—although I understand many of the points that Alasdair Morgan and Richard Baker made about the role of rural colleges—I say to the minister that we have to be cautious of change that could disadvantage areas such as Lanarkshire, rural constituencies such as Clydesdale, and communities such as Larkhall. In getting the package right, we have to ensure that change does not lead to unintended consequences. We have to think through all the issues. In particular, I am keen that we should develop the FE sector.

In my area, there are growing concerns that, in the months ahead, Scottish Enterprise will not be able to deliver as much as it should in rural constituencies such as Clydesdale. The minister is aware of those concerns and I hope that action is being taken to address the issues with Scottish Enterprise. I accept that it has to make changes, but it has to continue to invest in the economies of constituencies such as mine. Developing the big centres such as Edinburgh and Glasgow cannot be done at the expense of developing the smaller local economies. Again, it is about getting the balance right.

I want to focus on the role of community learning. Jim Mather asked a valid question: do we want to ensure that more people are in work in 10 years' time than are in work now? Yes, we do. Further and higher education will help in that, but many people in Scotland have no formal education or qualifications. They left school without basic adult literacy and numeracy skills. Our adult literacy service plays a crucial role in developing those skills and I welcome the Executive's investment. However, there are other important areas, and I think that the delivery of courses in local communities has slipped back. I encourage the minister to discuss with his colleagues in local government how we can continue to develop community-based learning. I worked in community education before I became an MSP. There were courses that took people, over a period of years, from the very basic adult literacy level to the level of gaining a place at university. Some of those courses have slipped back; we have to consider how we can continue to develop them.

Another area in which I welcome the Executive's investment but feel that we must do more is workplace learning. The Scottish Trades Union Congress and employers have a role in developing in-work training. I have been encouraging employers in my constituency to access funds and ensure that their employees have transferable skills—so that, if their industry runs into difficulties, those employees will have

skills and qualifications that they can take to other jobs.

Vocational education and training are much maligned but much needed in our economy. It is important that skills that are developed through vocational training are transferable and that courses are based on providing sound theory and practical grounding in the chosen field. Scotland has an excellent history of vocational training—it is not a new development but has been going on since 1925. Our higher national qualifications are well respected and are a mainstay for business in meeting its workforce development needs. The skills that the courses provide are central to the Executive's vision of a smart, successful Scotland. I welcome the Executive's commitment to, and additional investment in, the higher national qualifications, but we need to build on that. Progress has been made. New principles have been agreed with the Scottish Qualifications Authority for higher national certificates and diplomas to ensure that HN group awards continue to meet the current and future needs of end users. That is an important development.

There is much to be commended in the Executive's actions. However, I am glad that we have accepted the SNP amendment, because it gives us a good base on which to develop. We cannot rest on our laurels and think that everything is great. We need targets to ensure that the changes that we make pay dividends; that we are investing in the right areas; that the investment is securing growth in all sectors of our economy; and that it benefits all, from the youngest to the oldest, from those who leave school with no qualifications to those who have many qualifications. Only by including all Scotland's population in our learning revolution will we truly build the knowledge economy that we seek. I welcome the minister's commitment to do so.

10:57

Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): The debate has been most interesting. I will touch on members' comments and then make some points of my own. I followed Jim Mather's speech with interest, although, as I pointed out in an intervention, we differ over the statistics on Finland. Nevertheless, he made a worthy contribution. Frank McAveety quipped that something must be very good news when a Conservative tells us that it is good news—that was well put. Murdo Fraser made the initial contention that not enough investment goes into research and development, which members of various parties have echoed. Iain Smith pointed out that many of the solutions may lie in the hands of business, but I will say more of that anon.

Frank McAveety made a most amusing and thought-provoking speech in which he rightly

mentioned the link, or perhaps non-link, between the state and individuals and argued that it is important for individuals to adapt to new economic opportunities. He rightly highlighted the good news, such as the investment in the early years programme and child care partnerships, which should lead to a culture of aspiration. As the minister pointed out, the facts are straightforward: the Scottish Executive's overall expenditure on science has increased markedly since 2001—it has gone up by 25 per cent in real terms and is at £408 million this year. Other sectors receive similar levels of funding.

Shiona Baird understandably made the green point about global warming. That leads me neatly on to one of my hobby horses, which is the potential for hydrogen power. Iain Smith mentioned research at the University of St Andrews on the storage of hydrogen power in batteries. As I have said before to Shiona Baird and her colleagues, hydrogen power is the future. No less a figure than Arnold Schwarzenegger has introduced a hydrogen highway in California. We should learn from that.

Colin Fox spoke at length about job losses, which is understandable given his political perspective. He also commented amusingly on the influence of the old school tie in higher education. I was wheeled out of state education and fired away to private school for a couple of years, but my old school tie did me no good whatever at any stage of my existence. I got into the University of St Andrews because of the exams that I passed at school but, as many colleagues know, I could not get a job at all after university—my first paid employment was as a lavatory cleaner.

Alasdair Morgan: That explains a lot.

Mr Stone: Yes, it does—now you know.

Mr Gordon: Jamie Stone is flushed with success.

Mr Stone: Indeed. I give 10 points for one of the best interventions of the morning.

Alasdair Morgan made a good speech in which he rightly raised issues from his area, although Richard Baker responded resoundingly, saying that the Executive is delivering.

To turn again to Iain Smith, I was glad that he referred to my alma mater, the University of St Andrews, which is an example of a higher education institution that engages with industry. I mentioned the work on batteries, but it carries out other research. However, that cannot be said for all higher education institutions although, as we have heard, the University of Abertay Dundee does worthy work on information technology. Although universities often approach graduates who are successful businessmen to ask for money

or to ask them to sit on some committee or other, such people are rarely asked to go back to the university to lecture first, second or third-year students about enterprise, aspiration and what drives them. I make no apologies for saying that that is a missed opportunity and that our academics have an unfortunate tendency to stay in their ivory towers. They are beginning to reach out, but it could happen more.

My three children went to state schools in the Highlands. My eldest daughter has just graduated from university and my other two children are at university. Their education has been light years beyond the education that I received. The teaching of all subjects is much better today than it was in my time. I remember being bored rigid in certain subjects, but there has been a huge improvement. However, as ministers concede, we still need to improve language teaching. For example, if we are to engage with the Chinese economy, which Nicol Stephen mentioned, we must get more young people to learn Mandarin. That is a challenge for the Scottish Executive and for all of us.

It would be remiss of me not to mention the opportunities that arise in my constituency from the decommissioning work at Dounreay. When the Enterprise and Culture Committee came to Thurso in my constituency—for which I thank Alex Neil and other colleagues—we heard a lot about that. Huge sums of money will be spent at Dounreay to take apart the several nuclear reactors there, carefully and step by step. That involves cutting-edge science, so we are learning as we go. We would do well to accumulate the knowledge that we need for the post-Dounreay, post-nuclear scenario in Caithness and the north of Scotland by providing related higher and further education through the UHI Millennium Institute. For example, I am thinking of the creation of departments of robotics or of restoration of the environment. We could take young people from throughout Scotland, not just Caithness, teach them the skills and then fire them out into the world.

I do not see why Caithness and other areas should not become state-of-the-art centres that provide the best skills. That is important for the future not only of our country but of the world. I urge the Executive to keep an eye on the situation and to provide investment. I have talked about hydrogen power, but there is huge potential for that and for renewable energy developments in the Pentland firth. However, we need to accumulate new skills and knowledge on those matters. Why can we not steal a march on the world on decommissioning and on hydrogen and renewable energy?

It is good that the Executive has taken on board the SNP amendment, which shows a consensual approach. The debate has been good because we

all agree that it is vital to push the knowledge economy. Although knowledge is of course about the economy and the wealth of our nation, let us not forget that new knowledge enriches people's lives, even if they are unemployed or retired or if they cannot work through incapacity. Extra knowledge gives people something that they will have until the end of their days. People can gain interests that will not leave them for as long as they are on the planet.

11:05

Derek Brownlee (South of Scotland) (Con):

Given the historically high regard in which Scottish education and the Scottish university sector is held internationally, it is ironic that we still feel that the knowledge economy in Scotland is not where we would like it to be. I think that that is the consensus across all parties. It is easy to talk about the knowledge economy, and a lot of good words have been spoken this morning, but it is much more difficult to translate that into action.

I had the dubious pleasure of reading a previous debate on the subject, in February 2000, when the Deputy First Minister—as he is now—told Parliament that he was determined to deliver

“our vision ... for the future.”—[*Official Report*, 9 February 2000; Vol 4, c 894.]

What he did not mention today was what measurable progress the Executive has made on that front over the past six years as a direct result of actions it has taken. The SNP amendment is helpful because it mentions measurement.

The Executive motion talks about

“record investment in further and higher education”,

and I do not dispute the minister's

“53 per cent in real terms”,

but while the motion talks about the significance of further and higher education

“in Scotland's current and future economic growth”,

the real issue is surely what the investment is delivering: not its significance, but its impact. A criticism of a lot of what the Executive does is that we should tie the spending more closely to the outputs. It is helpful that the Executive has indicated its support for Jim Mather's amendment.

Karen Gillon made the interesting and valid point that a knowledge economy is not all about the Government. A knowledge economy comes through culture as much as through Government action. If anyone believes that it can be delivered solely through the actions of an Executive, they are in for a great disappointment. Karen Gillon talked about the important cultural aspects, about family and about a hunger for learning. The

Executive could not flick a switch and deliver that, even if it had the desire to.

We have to take a long, hard look at where Scotland is in relation not just to the rest of the UK but to the rest of the world. In a study on regional competitiveness in the UK, prepared for the Department of Trade and Industry, the authors talked about the number of people coming through the Scottish education system and matching them to the needs of employers in Scotland. A key worry in the report is that

“the low employment growth performance ... suggests that increasing the graduate population may simply lead to more underemployment ... a significant increase in the brain drain and more pressure on public sector job generation.”

What we can take from that is that it is all well and good to talk about more graduates and about putting more resources into colleges and universities, but we need to ensure that there is a match between what business needs and what is being put out. I take Jamie Stone's point—Alasdair Morgan made a similar point—about the importance of education for its own sake. We should not view education as purely for economic growth, but that is a fundamental part of it.

One of the dangers of talking about the knowledge economy is that people may not be entirely clear what it means. We tend to talk about it as if it is a good thing, without acknowledging the dangers. A knowledge economy means that it is easy for people to acquire skills and to compete internationally, but it also means that there is no reason why our competitors in the far east, who are competing effectively with us in manufacturing terms, could not be doing exactly the same in the knowledge industries, certainly within our lifetimes. We must somehow translate the skills that we give people into transferable skills so that they can maintain the pace as the global economy changes. We should also try to come up with innovative ways of making the new knowledge businesses “sticky” to the UK. That is difficult to achieve.

As he probably does on most occasions when he speaks, Jim Mather mentioned the lack of tax powers in Scotland. He probably accepts that we will not get them overnight—if at all—and he might agree that part of the problem is not so much tax powers as tax policy. Even if we accept that the Executive is doing everything right—which I do not—all the good work it does could be fatally undermined by damaging tax policy.

Jim Mather mentioned the ranking of Aberdeen University. What will be the impact on the university and on the economy of Aberdeen of the increases in taxation on the oil sector that were announced by the Chancellor of the Exchequer in December and again yesterday? We have to think

about the knowledge economy on a UK basis. If the Executive cannot influence the chancellor, good work may be undermined.

Another little snippet in the detail of yesterday's budget is quite important. The Economic and Fiscal Strategy Report tells us that

"Productivity growth ... is central to long-term economic performance."

None of us disagrees with that. It goes on:

"In the increasingly knowledge-driven global economy, science, innovation and creativity are important drivers of productivity growth".

Again, we can probably all sign up to that. But what happens then? Table 1.2—"Budget 2006 policy decisions"—outlines three measures under the heading "MEETING THE PRODUCTIVITY CHALLENGE". Gordon Brown proposes that we meet the productivity challenge by increasing taxation on business by £235 million over the next three years. It is all well and good hearing fine words from Executive ministers up here, but if all the work is being undone by Gordon Brown down south, it makes the job a lot more difficult.

In a statement last September, the First Minister told us that the Executive

"will make Scotland the most attractive place in the UK in which to invest in research and development",

which is one of the key determinants of improved innovation. We probably all accept that that is a laudable aim. The First Minister went on to pledge to

"consider carefully a specific reduction in business rates for research and development-intensive companies."—[*Official Report*, 6 September 2005; c 18783.]

Iain Smith referred to that as having happened, but we are still waiting. In fact, we are still waiting for the consultation on the research and development proposals that were announced and hastily abandoned a few weeks ago. In the intervening period, between the First Minister announcing what he was going to do on business rates for research and development and today's debate, Gordon Brown has been busily raising taxes on a range of companies throughout the UK and undermining anything the Executive seeks to do.

An interesting report prepared by the Local Futures Group considered the 50 most productive areas in the UK, of which only four were outside the south-east of England. Surely Edinburgh, one of the ones that we would be most interested in here, is in that group not because of what the Executive is doing but because of what the financial services sector has done over many years. That is one of the key issues. How much of Scotland's productivity growth and how much of the delivery of the knowledge economy has been

driven by what the Executive has done? Precious little as far as the Conservatives can see. Until the Executive puts in place some concrete measures, how will we know?

Elaine Murray made some valid observations about the structure of Government support for science and the need for joined-up government—another buzz word that describes something that often does not materialise. She made some valid points about the teaching of science in schools and the skills that are necessary for that to be expanded. In relation to the local points that Elaine Murray made about the Crichton campus, the funding problems that Alasdair Morgan touched on certainly need to be addressed. The Crichton campus has huge potential to deliver for south-west Scotland and it would be a great shame if it was undermined or if it did not reach its full potential as a result of funding decisions that were not properly taken into account in considerations.

Alasdair Morgan mentioned the other colleges in the south of Scotland. I hope that the minister will address the points he made. Some members, such as Frank McAveety and Karen Gillon, have talked about basic skills. It is important that there is an increase in basic numeracy and literacy. Another document that was slipped out by the Treasury yesterday suggested that if we increase the literacy score of the country by 1 per cent, we will increase labour productivity by 2.5 per cent and GDP per head by 1.5 per cent. Given the current ranking of Scotland in those measures, that is important.

We hear a lot of rhetoric and a lot of good intentions from the Executive. I do not for one moment doubt the validity of the intentions. My key concern is that a knowledge economy is not really about words; it has to be about results and direct consequences. We must be able to see that the measures the Executive takes lead to progress in delivering a knowledge economy.

Seven years into the Executive's life, we are entitled to ask why, if the Deputy First Minister says it is good to measure performance, it has not been doing that. It is not rocket science, to mix metaphors. Why has it taken seven years for the Executive to concede the point, far less come up with a range of assessment measures? Until and unless the Executive becomes much more focused on getting results for the money it spends, we can have all the well-meaning debates we like, but we will not necessarily get where we want to go.

The Deputy Presiding Officer (Murray Tosh): I call Alex Neil to close for the Scottish National Party. Mr Neil, I can give you about 12 minutes.

11:15

Alex Neil (Central Scotland) (SNP): You are extremely generous, Presiding Officer, and your generosity is much appreciated. I intend to take every available minute.

In the past couple of weeks, there has been a great deal of nostalgia about Harold Wilson, the former Labour Prime Minister who resigned about 30 years ago. In one of his best-remembered speeches, which was made in 1963 in Scarborough, he talked about the white heat of the technological revolution; this morning, 40 years later, we are talking about the white heat of the knowledge revolution that has taken over the globe, and our role in exploiting that revolution.

The knowledge economy is not confined to the new industries, such as life sciences; it also applies to our traditional industries, such as shipbuilding and textiles. If we are to maintain a presence on the international textiles market, we will do so only by applying the latest technology—particularly information technology—and knowledge to the design and production of textiles.

The same is true in shipbuilding. The way in which we go about shipbuilding has changed fundamentally in the past decade or so and the industry has had to accommodate itself to the knowledge economy. There are many other examples, and we should put on record the fact that our discussion does not refer exclusively to the six clusters that are the target for growth but applies to all sectors of the economy, whether in manufacturing or the service sector.

There are many positive developments in Scotland today. When the Enterprise and Culture Committee went up to the University of Dundee, from which I graduated a few years ago, it saw the excellent work that is being done there in life sciences. Only last week, the university announced that it is leading the way in the identification of the gene that causes asthma and eczema, in the hope that we will find a cure for those diseases. If members go to almost any of our 13 universities in Scotland—such as the petroleum department at Heriot-Watt University, the biology department at the University of St Andrews or the universities in Aberdeen or Glasgow—they will find a lot to be proud of and to make them confident in the universities' future.

The college sector is similar. It was perhaps a bit neglected until recently, but it provides something like 40 per cent of the higher education in Scotland as well as further education. Members should go and see the work that is being done in biotechnology in Falkirk College, for example.

Dr Sylvia Jackson (Stirling) (Lab): Does Alex Neil remember that it has now changed its name to Forth Valley College?

Alex Neil: I spoke at the launch of Forth Valley College, so I accept the reprimand entirely.

Forth Valley College has a lot to be proud of in its work in biotechnology, and I could quote many examples of the work that colleges are doing the length and breadth of Scotland.

In a while, I will come to some of the downsides that we need to address in the college sector, but I register the fact that the SNP's mindset is not one of moaning, groaning and whining; we are proud of what is positive in Scotland, but we must also be realistic about the challenges that we face. I turn to those challenges now.

Let us consider the Scottish economy's performance in relation to other OECD countries. There are four areas in which we are in the top quartile—right up in the top of the class. They are: the proportion of employers that are exporting; the employment rate; the proportion of those in employment who are undertaking training; and the percentage of businesses that are trading online.

However, when we go down to the second quartile, we see that we lag behind on GDP per capita, relative productivity levels in industry, cost and coverage of broadband and graduates as a percentage of the population. We are in only the third quartile for business research and development, net immigration and the proportion of 16 to 19-year-olds who are not in education, employment or training.

I am sure that we all agree that, if we are to realise our ambitions for the Scottish economy, we must maintain our position in the top quartile and get the indicators in the second and third quartiles up to the top quartile. That is what I want to talk about this morning.

I stand by every word the Enterprise and Culture Committee printed in its report on business growth, which was published last week. That report was typically and predictably criticised by the doom merchants in *The Herald* and the Fraser of Allander institute—[*Interruption.*—I remind members that there is an Executive majority on the committee and that the report was unanimous. In yesterday's edition of *The Herald*, Brian Ashcroft—Mr Wendy Alexander—quoted an obscure researcher whose name is William Easterly—a name that no doubt drops from the lips of every member. He tried to say that there is no necessary correlation between levels of investment and growth. That is balderdash. Anyone who knows anything about business knows that, to grow a business, one needs to invest in it. It is impossible to grow a business without investing in it.

The latest OECD figures on growth and investment are a mixed bag for the UK and Scotland. They show that the average growth in

real gross private non-residential fixed capital formation—which is a way of saying investment less housing—throughout the OECD was 6 per cent. The UK level was half that—3.1 per cent—which compares with 13.9 per cent in Norway, 40.6 per cent in Iceland, 12.9 per cent in Belgium and 10 per cent in Australia. Those figures are from 2005. Unlike Scotland, the OECD has up-to-date figures; our latest figures are for 2000, which is Scotland's history, not its future.

If we consider the latest figures for public investment as a percentage of GDP, which are from 2004, the first thing we notice about the British figure is that the Tories have a better record on public investment than the Labour Government. The figures for 1990 to 1997 show that public investment was 2.8 per cent of GDP in the UK, but under Labour, from 1998 to 2004, it has fallen to 1.47 per cent.

Allan Wilson: Does the member support the Conservatives' years of public investment in unemployment, as opposed to investing in our economy and in employment throughout Scotland?

Alex Neil: The reality is that, without Scotland's oil, the Government would not have been investing very much at all. The Government is still depending this year on £10 billion of revenue from Scotland's oil, yet ministers are boasting that the Chancellor of the Exchequer is giving us £87 million more over the next two years. That is hardly petty cash in relation to the oil revenue.

I turn to the public investment figures for the UK compared with those for other countries. I will cite just two examples. The level of investment in the public sector in independent, oil-producing Norway, which is the same size as Scotland in population, was 3 per cent of GDP, which is twice the level in the UK. The figure was even higher in Ireland, at 3.5 per cent. In New Zealand, it was 3.66 per cent.

Secondly, there are the figures for overall business investment as a percentage of GDP. They are even more depressing. I quote the very latest figures, for last year. In Iceland, business investment was 19 per cent of GDP. In the UK, it was a miserable 9.4 per cent. In independent, oil-producing, same-size-as-Scotland Norway, it was 12.6 per cent—about a quarter above the UK level. Those who say that we do not have challenges to face are talking nonsense.

I had many other points to make, but my final one is this. Under "A Smart, Successful Scotland", for Scottish Enterprise to succeed, it must be an organisation that performs. Despite my warnings to the First Minister two months ago, when it was denied that there was a financial crisis, many people will face the prospect of redundancy over

the next week or two because of the financial mismanagement at Scottish Enterprise. I hope that the minister will make clear in his summing-up speech that we will get a detailed, reliable statement on the true finances of Scottish Enterprise, if not today then next week—certainly before the Easter recess.

The Deputy Presiding Officer: I call Allan Wilson to wind up the debate. You have 12 minutes.

11:28

The Deputy Minister for Enterprise and Lifelong Learning (Allan Wilson): Thank you very much, Presiding Officer. I will try to use that time fruitfully. This has been an intelligent and expansive debate—in large part. I will take Alex Neil's last point first. The Deputy First Minister has already answered the question in his opening speech. We remain committed to keeping Parliament informed of progress on these matters.

Alex Neil: I am sorry to interrupt the minister so early in his speech, but can I ask—

The Deputy Presiding Officer: It is up to the minister whether to give way.

Allan Wilson: I would like to continue. The Deputy First Minister—

Alex Neil: Are we getting a statement?

Allan Wilson: The Deputy First Minister made specific reference on that point, and I am not—

Alex Neil: He didnae tell us. Are we getting a statement?

The Deputy Presiding Officer: Order.

Allan Wilson: I am not going to add to what the Deputy First Minister said.

A number of specific issues have been raised. Alasdair Morgan, Karen Gillon, Elaine Murray and others referred to their particular areas of the country and to how we increase levels of participation in higher and further education where they are low. I propose to write to the members concerned with our plans with respect to those cases.

I wish to reflect on some of the issues that have been raised in the debate in the context of the conference of European ministers of education, which I attended in Vienna only last week. I will share my observations on a presentation by Professor Georg Winckler, president of the European University Association and rector of the University of Vienna.

Professor Winckler covered the contribution that universities make to European competitiveness. The topic runs parallel to today's debate, and I

discussed it with him. He began by reminding us that modern thinking on economic growth suggests that, among other factors, growth derives from quality-improving innovations triggered by investment in human capital. In simple terms, that means that one of the keys to economic growth is investment in knowledge generation and knowledge transfer.

As we have heard today, that is exactly what we are doing here in Scotland, particularly—although not exclusively—through our significant investment in our universities and colleges. Investment in further and higher education has increased by more than 50 per cent since devolution—by a not inconsiderable sum of money. I respectfully put it to SNP members that that is what the powers of the Parliament are all about. It is not about powers per se, however; it is about how we use powers.

In this case, our annual investment will exceed £1.6 billion by 2007-08. That level of investment will allow our colleges and universities to maintain and enhance their competitiveness. We have been able to invest that money in Scotland's tertiary education system because of the Labour Government's astute management and stewardship of the Scottish economy.

Mr John Swinney (North Tayside) (SNP): By whom? Name him.

The Deputy Presiding Officer: Order.

Allan Wilson: Historically, our institutions have challenged society, but it is now important that society challenges our institutions, to ensure that they retain their relevance to contemporary society. We need to make demands of our institutions. Sometimes, they can be conflicting demands. For example, we must ask our institutions to be frontrunners in excellence and innovation while at the same time ensuring that the broadest range of people can benefit from what they have to offer in skill development and knowledge transfer.

One of the great debates of the day is access and excellence. Those on the right would have us believe that we cannot have both excellence and broad access. The left and centre-left would say, I argue, that we can have both. We can have excellence in our higher and further education institutions and we can broaden access. I believe that we have the right range of universities and colleges here in Scotland to respond successfully to such conflicting demands. I also believe that we are providing the correct level of investment to allow them to perform those critical functions.

On the level of investment, Alex Neil reamed off, as he always does, a stream of statistics. I do not wish to get into that debate, although I should say that Scotland actually excels in levels of research and development investment. Scotland invests a

higher share of GDP in higher education research and development than do the USA, Japan, Germany, France, the rest of the UK, the rest of the European Union or the rest of the OECD.

We recognise the significant contribution that our colleges and universities make to the economy through their provision of highly skilled graduates for the Scottish labour market; through their leading-edge research, to which a number of members have referred, which ensures knowledge transfer into Scottish businesses; and through their work to attract students and staff from all over the world.

I will make some brief remarks about China, which has been mentioned a couple of times. When we think about the knowledge economy, it is impossible not to think about China. When China began to open up to the world in the 1990s, we all expected it to change, but I do not think that any of us expected it to change as quickly as it has. The investment that is being made in China is attracting Chinese scholars back home in high numbers. Professor Winckler told me that 81 per cent of the members of the Chinese Academy of Sciences and about 50 per cent of the Chinese Academy of Engineering are returned overseas scholars. China is on course to meet its aim of matching the US and Japan with respect to innovations by 2020. That is but one indication of the scale of development in China's tertiary education sector.

We must respond—we cannot be static in the face of such competition. We need to break down some of the barriers that surround our institutions. In particular, we need to use developments such as the Scottish credit and qualifications framework to encourage mobility between institutions at various entry points. We need our institutions to provide the appropriate skills and competencies for the labour market. That can be achieved only through partnership between institutions, employers, the Government and its agencies. I am particularly hopeful that the Scottish funding council's new skills committee will offer us all informed and expert opinion on that.

Colin Fox and Frank McAveety referred to access. Colin Fox argued that the expansion of higher education has disproportionately benefited people from more advantaged backgrounds. There is some truth in that, but the situation would not be helped by the regressive funding policies that some Opposition parties propose.

More young people from working-class backgrounds are going into higher education than ever before. We are working hard with institutions to encourage greater participation in education by those from more disadvantaged backgrounds. There is no better example of that than John Wheatley College, to which Frank McAveety

referred and which is in his constituency. That college is working with the local authority and others to improve the level of participation by people from the most disadvantaged backgrounds.

Jim Mather was right to say that measurement of our interaction with China and, more generally, measurement of success in our approach to the knowledge economy are necessary. The issue is challenging but it is correct to make it a priority. We will engage with colleagues, principally in the funding council but also elsewhere, to ensure that we make progress. I set great store by making the right levels of investment, but it is crucial to measure the effectiveness of investment in securing our wider social policy and wider economic objectives.

We need to fund our institutions at appropriate levels and make funding more effective in education and research. As I have said, the Executive has an excellent record on investment in our colleges and universities, but our evaluation of effectiveness and value for money needs to be more robust and we will continue to work with the funding council to achieve that. That is why I will support the SNP's amendment to the Executive's motion.

We need to protect institutional autonomy while maintaining accountability for public investment. Tensions over that may sometimes arise, but we can achieve a sensible balance between autonomy and accountability.

We need to acknowledge and reward excellence. If we want our institutions to be front-runners in innovation and knowledge transfer, we must ensure that the people in our institutions feel valued.

We must build up an attractive image of our institutions in the world. Our institutions provide us with a good story to tell about Scotland—a story that we take to the world. It is critical for Scotland that our institutions continue to build on their good reputations and that we work hard with them to promote their work.

The Executive is making significant investments in the development of our knowledge economy. We are taking action to create an infrastructure for the 21st century by investing in the knowledge and skills of Scotland's people. We are developing strong links with the rest of the world, which will allow us to capitalise on global opportunities.

We are maintaining Scotland's ability to provide world-class further and higher education, which will ensure that Scotland remains a place of innovative thinking and world-class research. Through our investment in colleges and universities, we will ensure that they continue to act as agents for Scotland's future social, cultural and economic growth.

Alex Neil: On a point of order, Presiding Officer. Both ministers have referred in their speeches to keeping the Parliament informed about the financial crisis at Scottish Enterprise. Can we have clarification—and, I hope, confirmation—that we will hear a full ministerial statement on the financial crisis at Scottish Enterprise today or next week, before the Easter recess?

The Presiding Officer (Mr George Reid): That is a political point, which is now on the record. The Executive will have heard what you said.

Mr Swinney: Further to that point of order, Presiding Officer. Mr Neil asked about obtaining a statement from ministers on an issue that is the subject of great public speculation. Yesterday, I made a point of order about the fact that a third-party organisation—NFU Scotland—was informed of a change in Government policy, whereas Parliament was not told about it, although the Minister for Environment and Rural Development announced the original policy to Parliament just 14 days ago.

Can you suggest any mechanism to force the Government to make statements to Parliament about significant issues that affect our constituents? Many of us have been frustrated in our efforts to obtain answers from ministers who are not prepared to give Parliament the answers it deserves.

The Presiding Officer: A mechanism exists, Mr Swinney—it is called the Parliamentary Bureau. I have no doubt that, if he so wishes, your representative on the bureau will raise the matter at next Tuesday's meeting.

Question Time

SCOTTISH EXECUTIVE

General Questions

11:40

The Presiding Officer (Mr George Reid): Three questions have been withdrawn, so I propose to suspend the meeting at 11:55, which will give us five minutes to fill the room for First Minister's questions.

Scottish Compact

1. Donald Gorrie (Central Scotland) (LD): To ask the Scottish Executive what inquiries it has made to ascertain whether the voluntary sector believes that the Executive is fulfilling the commitments made in the Scottish compact. (S2O-9427)

The Deputy Minister for Communities (Johann Lamont): In line with the Scottish compact implementation strategy commitments, in 2004, the Scottish Executive commissioned GEN Consulting to establish the baseline for Scottish compact implementation throughout the voluntary and public sector. Follow-up monitoring will be undertaken later this year.

Donald Gorrie: A considerable number of voluntary organisations have complained to me that the promises that were made in the compact about how funding would be dealt with are not being met adequately. Many organisations do not know whether their funding will be renewed until a month or two before it is due for renewal, which prevents them from operating efficiently. Will the minister examine whether such practical details of the compact are working?

Johann Lamont: Yes. Our vision, to which the voluntary sector is signed up, is that we will work closely with the sector. It is important that local authorities and other agencies that work with the voluntary sector are aware of the need for mutual respect. If funding issues exist, it is important to address them. That is why we are developing our work in the strategic funding review and why we are committed to three-year rolling funding.

I accept that problems for particular voluntary sector organisations should be taken seriously. If we are to respect and value the sector, people cannot be unable to plan because their funding is uncertain. If Donald Gorrie thinks that it would be useful for me to be aware of specific cases, I am more than happy to speak to him about them.

Careers Scotland (Transfer of Responsibility)

2. Fiona Hyslop (Lothians) (SNP): To ask the Scottish Executive whether it will transfer responsibility for Careers Scotland from Scottish Enterprise to align it with the Executive's Education Department in order to promote earlier intervention with pupils to address Scotland's record of having the highest percentage in Organisation for Economic Co-operation and Development-surveyed countries of 16 to 19-year-olds not in education, employment or training. (S2O-9422)

The Presiding Officer: I call Fiona Hyslop—I am sorry, I mean Allan Wilson.

Mr John Swinney (North Tayside) (SNP): Fiona Hyslop's answer would probably be better.

The Deputy Minister for Enterprise and Lifelong Learning (Allan Wilson): Fiona Hyslop would have had to answer her own question.

Scotland does not have the highest percentage in the OECD of young people who are not in education, employment or training. However, we are considering a range of options for Careers Scotland and have not taken a view on whether it should be transferred from Scottish Enterprise.

Fiona Hyslop: I thank the minister for his answer and look forward to his response in due course. Careers Scotland staff constitute 40 per cent of Scottish Enterprise staff. Will he guarantee that Careers Scotland's important work will not be damaged by the current financial crisis? A transfer out of Scottish Enterprise would be one way to guarantee that.

Allan Wilson: I cannot comment on talk of mergers. As everyone is aware, Careers Scotland is part of the enterprise network. I wish to ensure that Scottish Enterprise and Highlands and Islands Enterprise continue to deliver their range of services to support economic development. In that context, indulging in speculation would be unhelpful. However, I fully appreciate the point about the uncertainty for staff in Careers Scotland. We intend to address the issue as soon as possible so that we can remove any remaining uncertainty.

Murdo Fraser (Mid Scotland and Fife) (Con): Does the minister agree that it is completely unsatisfactory that members of the Parliament learn about Scottish Enterprise's overspend and potential job losses through the pages of the newspapers? Is it not time that we had a ministerial statement on the future of Scottish Enterprise so that we can ask the appropriate minister questions about the organisation's future?

Allan Wilson: The Deputy First Minister and Minister for Enterprise and Lifelong Learning has already made it clear in this morning's debate that

he intends to keep Parliament fully informed about developments at Scottish Enterprise.

Antisocial Behaviour Orders (Glasgow)

3. Paul Martin (Glasgow Springburn) (Lab): To ask the Scottish Executive how many interim antisocial behaviour orders in Glasgow have been applied for and granted by the courts. (S2O-9381)

The Deputy Minister for Justice (Hugh Henry): A survey of local authorities in Scotland revealed that nine interim orders were granted in Glasgow in 2004-05. That is an increase from zero in 2003-04. We have no centrally held data on the number of applications for interim antisocial behaviour orders.

Paul Martin: First, it would be helpful to have information on the number of applications for interim antisocial behaviour orders. Secondly, will the minister write to a number of authorities throughout Scotland to remind them of that legal remedy, for which many members in the Parliament campaigned? Will he ensure that interim ASBOs are used as an effective mechanism to tackle antisocial behaviour?

Hugh Henry: Several issues have been raised with me about the use of the new powers. Clearly, there are concerns that the powers are not being used as extensively or as effectively in some parts of the country as in others. That is one reason why we are circulating a regular newsletter among local agencies, politicians and other groups. It will let people see what is happening across Scotland, which will enable them to ask their local agency why it is not using those powers and engaging co-operatively and collaboratively as happens in other areas. I will visit a number of areas to discuss with people how they plan to roll out their use of those powers. Paul Martin can be assured that I will look closely at those areas of the country that appear not to be using the powers and money in the way that was intended.

Planning etc (Scotland) Bill (Rights of Appeal)

4. Mike Rumbles (West Aberdeenshire and Kincardine) (LD): To ask the Scottish Executive whether it will consider granting rights of appeal under the Planning etc (Scotland) Bill to individuals who are in receipt of a neighbour notification as a result of a planning application. (S2O-9424)

The Deputy Minister for Communities (Johann Lamont): The Planning etc (Scotland) Bill contains a range of measures that will enhance community participation in the planning system. Current planning law does not include third-party rights of appeal. We do not propose to change that.

Mike Rumbles: I understand why the minister

does not want to allow outside third parties to lodge appeals—the so-called third-party right of appeal—but people in receipt of a neighbour notification are often aggrieved about planning decisions. Such neighbours do not have the right of appeal that is allowed to developers, even though neighbours are directly involved in the process. Surely the minister can see the difference between people who are directly affected by a planning decision and other third parties?

Johann Lamont: I recognise that point, but it has become clear to the Executive, after investigating the matter that no matter how much one might try to provide a limited third-party right of appeal, such rights of appeal would not address the key issues that people want to be solved. In addition, it is difficult to see how a third-party right of appeal could be limited in the way Mike Rumbles has described. The concern is that such a move would extend the system without improving its quality.

The bill will introduce a range of measures to ensure that there is involvement in development plans at an early stage. I am sure that Mike Rumbles will particularly welcome the enhanced neighbour notification scheme, which will apply not only to planning proposals but to development plans. We recognise that neighbour involvement is critical, but that does not necessarily mean that we need to go in the direction of the third-party right of appeal that Mike Rumbles identified. The bill includes positive measures that recognise the critical need to involve people in the process, including—this is a new element—in the development plan.

I will be before the committee for six hours next week to deal with those matters. The member will be able to learn from that dialogue about some of the issues that we are identifying in more detail.

Ms Sandra White (Glasgow) (SNP): Does the minister agree that, in the interests of democracy and fairness, if there is to be no right of appeal for third parties, the bill should remove the right of appeal from developers?

Johann Lamont: We recognise the position that Sandra White is coming from, but we have sought to limit first-party right of appeal with legal constraints by, for example, limiting such appeals to local tribunals. We recognise people's frustration about that issue, but I contend that people feel greater frustration about the system's limited capacity to enforce the will of the planning authority at the end of the process. In my judgment, we should put our time and energy into dealing with those who ignore planning authority decisions and deter others from doing the same. There is a great deal of consensus on the importance of having a rigorous enforcement system.

Air Travel (Islands)

5. Mr Alasdair Morrison (Western Isles) (Lab):

To ask the Scottish Executive what progress has been made on the introduction of a social aid package that will benefit Scotland's island residents by reducing the cost of air travel between Scottish islands and the mainland. (S2O-9389)

The Minister for Transport and Telecommunications (Tavish Scott): I shall announce further details of the air discount scheme later this month. We expect to have European Commission approval shortly.

Mr Morrison: It will come as no surprise to the minister that the prophets of doom on the nationalist benches have denounced the minister and all his works in respect of this fantastic aid package. Will the minister confirm that island students will be eligible for the 40 per cent reduction in the same way as all other island residents?

Tavish Scott: Mr Morrison makes a persuasive point about the position of students. We hope to make progress on that matter in the coming weeks when we are able to announce the details of how the scheme will operate in practice. I share his concern about those who are against a mechanism that will, for the first time, reduce the cost of flying from his constituency to the Scottish mainland. That is a long-held political and policy objective that we are about to deliver.

Mr Jim Wallace (Orkney) (LD): The scheme is welcome news to my constituents. When the minister announces the details of the scheme I expect that he will give details about the timeline, but will he also examine whether people who, perhaps for good reason, have had to book ahead will be eligible for the 40 per cent discount if their journey will take place after the scheme is up and running?

Tavish Scott: I can assure Mr Wallace that when we are able to announce the details once we have secured European Commission approval, we will certainly be able to provide details of the timeline of the scheme. For bookings that have already been made, it will be difficult to provide retrospective assistance. However, I will look into the matter.

Jim Mather (Highlands and Islands) (SNP): I note the minister's answers. What work has the Executive done to determine the economic benefits of aid of a social character for the islands? What is the estimated economic benefit? If lower fares will not be available for tourist and business visitors, how will the aid of a social character scheme bring economic improvement to the islands?

Tavish Scott: The scheme will bring a number of advantages, including greater capacity on the routes, better scheduling and lower air fares. They will undoubtedly be strong advantages for the people who live in those areas and the economies of which they are part. I note from the press that Mr Mather is against our proposal. I also note that he is in favour of public service obligations, which would allow no competition whatsoever. Given that competition takes place on routes such as the Stornoway to Edinburgh route, the Scottish National Party seems to be against competition.

The Presiding Officer: Question 6 was not lodged and question 7 was withdrawn.

Local Authorities (Education Funding)

8. Mr Charlie Gordon (Glasgow Cathcart)

(Lab): To ask the Scottish Executive whether it will consider providing additional financial assistance to local authorities where strategic rationalisation of schools provision is on-going in order to ease pressures on planned maintenance budgets for other schools in such areas where no rationalisation is possible. (S2O-9373)

The Deputy Minister for Education and Young People (Robert Brown): We are already making substantial additional resources available. The well-established principle is that local authorities decide how best to use such resources to address local needs and priorities in a strategic manner.

Mr Gordon: Is the minister aware of Glasgow City Council's continuing strategic education initiatives for pre-12s, which often involve the production of innovative solutions? With the best will in the world, rationalisation and reinvestment in education provision for pre-fives, primary school children and, in some cases, children who have special needs, sometimes on shared campuses, can create pressure on other budgets. Given the council's corporate objective of ensuring council tax stability, perhaps the progress and innovation that have been achieved in Glasgow merit the allocation of additional resources.

Robert Brown: I am well aware of the issues to which Charlie Gordon refers. The councils—especially Glasgow City Council—and the Executive share a common endeavour in seeking to make progress on early years, primary and special needs education. However, I reiterate that the Scottish Executive has provided some £2.5 billion of resources through the public-private partnership channel and has made available further money through the schools fund and the provision of access to prudential borrowing.

Broadly speaking, before 1997, cost-effective rationalisation—which I think is what Charlie Gordon favours—was a priority in the allocation of

resources. Under the leadership and direction of the Convention of Scottish Local Authorities, there was a change and the present distribution formula was adopted to give councils more authority in that realm. The Executive shares the view that it is appropriate for councils to make such strategic decisions, but ministers are always open to new suggestions if there is commonality across the sector.

Energy Efficiency

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

To ask the Scottish Executive what progress it is making in improving energy efficiency. (S2O-9347)

The Deputy First Minister and Minister for Enterprise and Lifelong Learning (Nicol Stephen): The Executive funds a number of programmes to improve energy efficiency that target the domestic, business and public sectors. More than 224,000 domestic dwellings have now been insulated since 1999 and overall CO₂ emissions from our combined use of electricity, gas and oil have reduced by 49 per cent since 1991.

Mr Swinney: In relation to the impact of energy efficiency measures in the public sector, the Deputy First Minister will be aware from the repeated questioning by me and Mark Ruskell that people in my constituency have an appetite for energy efficiency work to be undertaken in the form of the installation of wood-fuel heating systems in new public-private partnership projects, particularly those that involve the construction of schools. There are major roadblocks and obstacles to getting different Executive departments to agree on how to proceed with such work. Will the Deputy First Minister expedite the discussions that are taking place and thereby give us some hope that the Government's energy efficiency objectives can be delivered in practice in PPP school building projects?

Nicol Stephen: As John Swinney knows, I have been involved in discussions on that issue and am determined to find ways to support projects such as the one in his constituency. Similar challenges were faced in relation to the proposed new £100 million campus for Queen Margaret University College and the fact that that institution's new premises will incorporate a biomass fuel project is excellent news for Scotland. I want other demonstration projects to proceed and I realise that some Executive support will be required to ensure that they are kick-started. In time, I want such projects to be the norm in Scotland and to be self-funding, but the Executive has a role to play in working with local authorities to ensure that, for example, the school PPP project in John Swinney's constituency includes a wood-fuel heating system. If I can continue to be helpful, I

will be. We want to ensure that that project goes ahead and that biomass is used in our schools in the future. That is an important priority for Scotland and for the Executive.

The Presiding Officer: Question 10 is withdrawn. As all the questions have been taken, there will now be a pause of one minute until First Minister's questions.

11:59

Meeting suspended.

12:00

On resuming—

First Minister's Question Time

Prime Minister (Meetings)

1. Nicola Sturgeon (Glasgow) (SNP): I assure anyone who heard shouts of, "Come on McConnell" coming from my office this morning that the McConnell whom I was shouting for was Lee McConnell. I congratulate her on winning a well-deserved bronze medal.

To ask the First Minister when he will next meet the Prime Minister and what issues they will discuss. (S2F-2191)

The First Minister (Mr Jack McConnell): Ms Sturgeon can shout, "Come on McConnell" any time she wishes.

Members: Oh!

The First Minister: I am determined to ensure that her face looks as red as her jacket today.

Nicola Sturgeon: It is the First Minister's face that is red.

The First Minister: I am sure that all of us want to congratulate the entire Scottish team on its outstanding performance in Melbourne. *[Applause.]* I thank all those who helped to promote Glasgow's bid for the Commonwealth games in 2014 while we were in Melbourne. I look forward to the team's return to Scotland. I am sure that its members will inspire young people in Scotland in the years to come.

When I next meet the Prime Minister or discuss anything with him, I will make a point of thanking him for his support yesterday for Glasgow's bid for 2014.

Nicola Sturgeon: Tempting though some invitations are, they have to be resisted.

I join the First Minister in congratulating the Scottish Commonwealth games team; its members have done us proud. The First Minister had the good fortune to be present at the games to cheer them on. I assure him that they have lifted everyone's spirits back home.

Does the First Minister agree that all our Commonwealth athletes, not only the medal winners, have benefited hugely from taking part in the games? Does he further agree that their presence at the games has boosted not only Scottish sport, but the positive profile and image of Scotland abroad?

The First Minister: Absolutely. The athletes, the whole team, their collective performance and the individual talents on show have shown people back home that, if Scots believe in themselves and strive for the very best, they can achieve that.

I am convinced that those who succeeded in Melbourne will want to come back to Scotland and inspire others in the way that many of the medallists from Manchester did. Those successes are due in part to the great work that is done by the coaches—both Scots and international—who are employed in this country, the many volunteers who back up the athletes and their clubs and those who run the local and national facilities that the athletes enjoy at present. I reiterate to them our determination to improve specifically our indoor facilities so that more young Scots have the chance to achieve their best in the years to come.

Nicola Sturgeon: I also congratulate the English and Welsh medal winners who have made us all proud over the past couple of weeks.

In the light of our stunning success in Melbourne, and the benefits that both the First Minister and I accept that that success brings for our athletes and profile, will the First Minister now consider backing the calls for a Scottish team in the London Olympic games? A Scottish team would allow many more Scottish athletes to take part in that fantastic, once-in-a-lifetime opportunity than would be the case if Scotland competed as part of the Great Britain team.

The First Minister: In coming to a view on the matter, I have taken advice from the athletes who compete for Scotland at both the Commonwealth games and other international meets throughout the year. The view of those athletes, particularly those who compete in team sports or in sports that involve pairs or triples, is that they will have more chance of success if they compete as representatives of the GB team. They believe that the medal haul for Scots athletes at the Olympics will be greater if they compete as part of the GB team than as part of a Scottish team.

Our ambition in this should not be to retract or close in behind our borders, so to speak, but to dominate the British team at the Olympics. Although I welcome the success of the English and Welsh athletes, particularly those such as the swimmer Rebecca Cooke who train in Scotland, I have absolutely no doubt that Caitlin McClatchey, Gregor Tait, David Carry and the other successful athletes from the past 10 days can compete in a British team and win medals for Scotland and Britain as a result.

Nicola Sturgeon: I assure the First Minister that my suggestion is about ambition, not division. Sport is about participating as well as winning. We sent 170 athletes to Melbourne. Some of them

won medals and others achieved personal bests, but every one of those athletes will have benefited from competing at the highest level.

I remind the First Minister that only 24 Scots were able to compete as part of the GB team in the summer Olympic games in Athens in 2004. Why should most of the Scottish athletes who are good enough to take on—and often beat—the best in the world in the Commonwealth games be denied the chance even to get to the starting line in the Olympics? Given that Hong Kong sent a team to the Beijing Olympics, does the First Minister agree that we should all pull together in a united way and aspire to send a Scottish team to London in 2012?

The First Minister: I will try to be charitable—*[Interruption]*—despite the fact that my colleagues are encouraging me not to be. This is a time for great celebration in Scotland; it is not a time for turning our team's performance into a party-political issue. Perhaps it is not surprising that the nationalists seek to do that, but the rest of us should resist the challenge.

I could have pointed out that the SNP's manifesto for the most recent Westminster elections contained a proposal to cut the budget for elite athlete support in Scotland on the grounds that it was wrong to support elite athletes and that only wider participation in sport should be supported. I did not make that point—*[Laughter.]* I did not do so because I did not want to introduce a party-political issue. We should unite to congratulate our team and support our athletes, because not only do they win for Scotland but they dominate the British team.

Nicola Sturgeon: I say this as nicely as possible. The only person who is making a party-political point is the First Minister. I am saying, "Scotland has done great; let's do more of that."

Is the First Minister aware that small countries do well in the Olympic games? New Zealand sent 150 athletes to the 2004 Olympics, Ireland sent 50 athletes and Denmark sent 92 athletes. Norway won five gold medals, compared with Great Britain's nine medals. If we want to do what the First Minister always asks us to do and show that we are the best small country in the world, is not sending a Scottish team to the Olympic games the best way of doing that?

The First Minister: The job of politicians is to support people who are involved in sport locally and particularly to support people who have a special talent that they want to and can display on the international stage. Politicians should give those athletes every backing, not just through the provision all year round of facilities, coaching and the other preparation that was so important for our athletes in Melbourne, but through the decisions

that we make about how our athletes are represented. The athletes themselves say consistently that they love competing for Scotland in the Commonwealth games—they have the chance to do so in many individual sports, too—but that they want to compete in the Olympic games as part of the British team, because that gives many of them the best chance of winning a medal.

Ms Sturgeon's suggestion would have meant that Shirley Robertson, a Scot who has become a role model and who spends a considerable amount of her time helping the Scottish Institute of Sport to develop the very athletes whose success we have witnessed during the past week, might never have won a gold medal in the Olympic games, because she competes as part of a team that would not be composed exclusively of Scots. Shirley Robertson would not have been at the Olympic games under Ms Sturgeon's formula. We should listen to the athletes and support them in what they do, at Melbourne and at the Olympic games in London.

Cabinet (Meetings)

2. Miss Annabel Goldie (West of Scotland) (Con): To ask the First Minister what issues will be discussed at the next meeting of the Scottish Executive's Cabinet. (S2F-2192)

The First Minister (Mr Jack McConnell): I am certain that at the next meeting of the Scottish Cabinet we will discuss how to take forward our support for sport in Scotland following our team's performance in Melbourne.

Miss Goldie: That is laudable, but perhaps the more pressing financial crisis in Scottish Enterprise will loom large once again at the next meeting of the Cabinet. I hope that the First Minister will today rule out using any of the £87 million from yesterday's budget to plug that black hole. The more important question is the agency's contribution to our economic performance. The Auditor General for Scotland has said that, because there is no explicit link to the smart, successful Scotland outcomes in Scottish Enterprise's annual report, it is difficult to assess Scottish Enterprise's contribution to the overall strategy. How does the First Minister propose to address that?

The First Minister: There are a number of points to make in response to that question. The national strategy for enterprise, which was embarked upon not just by Scottish Enterprise but by other agencies under the leadership of this devolved Government over recent years, is the right strategy and is moving Scotland in the right direction. As a result, we have seen the highest ever rate of employment in Scotland and an award was won last week for the performance of the

Scottish labour market and its flexibility and success in our challenging modern world.

At the same time, it is clear that there are problems and a restructuring debate is taking place within Scottish Enterprise. That debate is necessary and it must have the right outcome. There are problems with the budget, which have been caused in part by the increased demand that has resulted from the success of the other policies that we have championed. Scottish Enterprise's management and the senior Scottish business figures who make up its board must resolve those issues, with the support of ministers, but it is important that we continue at the same time with our work on the national enterprise and economic strategy, because it is delivering results.

Miss Goldie: The First Minister paints a somewhat inaccurate picture of the Scottish economy. Since 1999, we have lost 57,000 manufacturing jobs. In 1997, when the Conservatives were in government, we had a net gain in new businesses that were registered for VAT—contrast that with a net loss of VAT-registered businesses in 2004.

The Enterprise and Culture Committee commissioned a report that compared the performance of the Executive's economic agency with those in other countries, and found that Scottish Enterprise had a far broader remit than comparable bodies in other countries had and that, as a result, those other bodies were more successful. Is not the problem that Scottish Enterprise is trying to be a Jack-of-all-trades and has simply ended up being a master of none?

The First Minister: I am not certain that that is the problem, although I agree that there is a need for sharper focus in the national work of Scottish Enterprise and for greater clarity in the projects that it supports, both nationally and locally. In particular, I want to see greater internationalisation of Scottish Enterprise's business in supporting Scottish companies that export and which want to invest overseas, at the same time as attracting the right companies to Scotland and the right investment to create jobs here. That has been achieved through the significant increase in Scottish Development International staffing abroad in the increased number of locations that are being supported by Scottish Enterprise; through the investment decisions that have resulted from that; and through the advice that has been given by the international advisory board of prominent Scots from around the world who are supporting Scottish Enterprise in delivering that strategy.

There is a need for clarity of focus and a need to ensure that Scottish Enterprise is focused on growing the Scottish economy in that international context, but there is also a need to get the right balance between national and local expenditure

and national and local decision making. We are working with Scottish Enterprise to ensure that that is delivered.

Miss Goldie: I return to the starting point: the budget crisis in Scottish Enterprise. As far as the public are concerned, the Executive's economic agency is a bloated organisation whose contribution to the performance of our economy is far from clear. Businesses see a Rolls-Royce operation—the local enterprise companies—which is serviced by the padded comfort zone of the central organisation. Is not it about time that we changed the structure, stripped out functions that could be better provided locally—such as skills, training and careers advice—and took the opportunity to slim down the whole bureaucracy that runs the operation and make it fit for purpose?

The First Minister: Changes are required and I am sure that there will be a debate about the role of Careers Scotland and the correct management arrangements for that. We must look consistently at the role and structure of the local enterprise companies and at how efficiently they are operating, in addition to ensuring that the national organisation is operating efficiently.

Let us not divert attention away from some of the other choices that have existed in the chamber and that would exist, which underlie the points that are being made by Miss Goldie. First, there may be a budget issue in Scottish Enterprise at the moment, but it is nothing like the budget issue that would have existed if the cuts to Scottish Enterprise's budget that are proposed by the Tories had been implemented after the last election. I am sure that Annabel Goldie would still like those cuts to be implemented; certainly, her deputy would like that, given that he is in favour of abolishing Scottish Enterprise altogether and of not having an enterprise agency in Scotland that is business led. That would be the wrong decision for us and we will continue to oppose that option.

Annabel Goldie paints a false picture of the Scottish economy. We have seen sustained economic growth, as well as the highest employment figures in almost all of Europe, over a significant period of time. The economic performance of the enterprise agency and others gained an award again last week, and we see the internationalisation strategy having an impact. The right decisions were taken and they are making a difference for the Scottish economy. That is why I suspect that there is more business confidence in Scottish Enterprise as a whole than there has been for a considerable time.

The Presiding Officer (Mr George Reid): Question 3 has been withdrawn, as John Swinburne is indisposed. Following past practice, I will allow the independent group two questions.

Margo MacDonald (Lothians) (Ind): Is the First Minister aware of an injustice and inequity that is experienced by a small but significant group of pensioners when they enter council-owned residential care homes? Those pensioners are assessed on their ability to contribute to the cost of their care and, as part of that assessment, some councils place a notional value on property that those pensioners owned but might well have sold as much as a decade before they require residential care.

The First Minister: I am not aware of the details, but we have guidelines on that, which all local authorities should follow. If there are any discrepancies in that or any local issues that need to be taken up, I will be happy to ensure that the right minister responds to Margo MacDonald.

Margo MacDonald: It might be better for the Executive to revisit the National Assistance (Sums for Personal Requirements) (Scotland) Regulations 2002, with a view to equalising the assessments nationally, rather than devolving the decision to councils on how far back the notional property value will apply in assessments. In one council that is known to the First Minister, 11 years has been the comparator. Perhaps the Executive could follow the guidelines that are used by the Inland Revenue when it pursues unpaid taxation. It feels that it needs to go back only six years.

The First Minister: That is an interesting point, but guidelines are in place, which should be followed. The guidelines leave some discretion to local decision making, but they also set a national standard in the context of the improved provision that is available for elderly care in Scotland. The policy that ensures that people in Scotland do not pay what they used to pay for their care is one of which we are proud and which we intend to continue.

The Presiding Officer: I will allow one constituency question from Duncan McNeil.

Mr Duncan McNeil (Greenock and Inverclyde) (Lab): Is the First Minister aware of the recently announced compulsory redundancies of 70 academic staff at James Watt College? I am sure that the First Minister recognises the importance of the college to my constituents. Does he share my concern that, understandably, positions have already become entrenched? Does he agree that difficult problems are rarely resolved by conflict and threats, and that it is in no one's interests that the dispute continues? Will he ensure that the Minister for Enterprise and Lifelong Learning and the Scottish Funding Council do everything in their power to resolve the immediate problem to ensure a future for James Watt College?

The First Minister: I am aware of the issue but not the detail. In colleges, as elsewhere in the

public sector, there will, at all times, be a need for changes in staffing provision to reflect current priorities. However, in this case there could be other issues that need to be addressed. I am certain that the Scottish Funding Council, the Enterprise, Transport and Lifelong Learning Department and the Minister for Enterprise and Lifelong Learning will be interested in looking at the issue. I presume that they are aware of the situation. I would be happy to arrange for them to write to Mr McNeil.

Smoking Ban (Enforcement)

4. Dr Elaine Murray (Dumfries) (Lab): To ask the First Minister whether all measures are in place to enforce the legislation on smoking in public places, which comes into force this Sunday. (S2F-2196)

The First Minister (Mr Jack McConnell): Given this opportunity, I will say how pleased I am that, from Sunday, Scotland will become the first part of the United Kingdom in which public places will be smoke free. I recognise that that will be a challenge for many people and many businesses; I hope that they will see the long-term picture and the benefits that will follow for future generations of Scots from the change in culture that we are bringing about.

Enforcement of the legislation on smoke-free places is primarily the responsibility of Scottish local authorities and significant additional resources have been allocated to them for that purpose. I am confident that the legislation will be mainly self-enforcing as it has been in other countries where smoking has been regulated. The majority of the Scottish population welcomes and supports the new law and that support will continue to grow as the benefits of smoke-free public places become evident.

Dr Murray: As the Parliament has provided a lead to other legislatures in banning smoking in public places, I am pleased that the Executive has made resources available to local authorities to adequately enforce the legislation. I am also pleased that funding has been made available to help people who want to give up smoking.

However, does the First Minister agree that the third side of the triangle is prevention, and that the best way of combating nicotine addiction is never to start smoking? What measures is the Executive thinking of taking to discourage young people—especially girls, I am afraid—from experimenting with tobacco? Will he consider the possible use of role models from the fields of entertainment—and indeed sport, with the return of our heroes from Melbourne—to get across the anti-smoking message to children in the later years of primary school and the early years of secondary school?

The First Minister: That is a very valid point. Implementing the new legislation will not be sufficient in itself. Alongside the legislation, we need to have a major national and local education campaign that uses this unique opportunity to reinforce the message about smoking, particularly for young people. The use of role models in that campaign, particularly sporting role models, could be important.

One of the main reasons that young people start smoking is because when they are in a public place, particularly a place of leisure, there is a smoky atmosphere and pressure from their peer group. I believe that banning smoking in public places will have a huge impact on the number of young people who are tempted to start or who find it difficult to resist that opportunity. In many ways, the change of culture that we are creating is far more important than the law itself.

Mr Stewart Maxwell (West of Scotland) (SNP): I welcome the commitment to enforcement that the First Minister has just reiterated, and I am certainly looking forward to going out for a smoke-free pint with my friends on Sunday night.

Given the fact that there have been almost no prosecutions and no convictions for selling tobacco to minors, what action will the First Minister take to enforce the law on underage tobacco sales? Will he commit to going even further by supporting the raising of the legal age for buying tobacco to 18, introducing plain packaging for all tobacco products, banning all advertising of tobacco even at the point of sale, and putting colour photographs of the damage that tobacco causes on tobacco packaging, particularly cigarette packets?

I hope that the First Minister agrees that now is not the time to rest on our laurels; it is the time to move forward on this issue.

The First Minister: As Mr Maxwell is aware, a group is considering the age restriction; that group will report to Parliament in due course.

Mr Maxwell will also be aware that there is a balance to be struck between legislation and enforcement, and winning consent so that people make voluntary choices. The new legislation is important, but we need to ensure that young people who are sold products illegally are aware that the sale is illegal; we also need to ensure that those who sell the products are properly prosecuted. At the same time, it is important that we win consent for this culture change and that people voluntarily make the choice not to smoke and stick with that choice throughout their lives.

Honours (Recommendations)

5. Stewart Stevenson (Banff and Buchan) (SNP): To ask the First Minister how many

recommendations for honours have been made by the Scottish Executive since 2003. (S2F-2202)

The First Minister (Mr Jack McConnell): One thousand seven hundred and forty-six names have been recommended to be considered for the biannual honours lists since 2003.

Stewart Stevenson: Is the First Minister aware of a written answer that was given to me by Mr Tom McCabe in answer to a question about the honours recommendations process? It states:

"Details of this process are confidential."—[*Official Report, Written Answers*, 29 July 2005; S2W-17373.]

The First Minister talked about the job of politicians. Is it not the case that a key part of politicians' jobs in this Parliament is to be open and accountable to the people of Scotland? Is it time for the First Minister to retract the statement by Tom McCabe and to change the Executive's approach to the honours system?

The First Minister: Not at all. I can think of few things that would be more foolish in relation to the honours system. The vast majority of the 1,746 people who were put forward for honours were nominated by others in their local community. They were not all successful, because of the balance that is struck in the list between different backgrounds, geographical areas, interests and types of voluntary organisation. It would be entirely wrong for us to remove confidentiality from the process, because of the embarrassment that might be caused to those who were not successful.

Stewart Stevenson: Ah—the embarrassment.

The First Minister: Mr Stevenson shouts about the issue, but a school cleaner who is nominated without their knowledge for a national honour but does not make it on to the list on that occasion does not want to be the subject of a national media story. It was not their choice to be nominated and it would be foolish to put them in that position.

The 1,746 names to which I referred included names of people whom I approved for nomination, who were successful in the national system for determining honours but who chose for a reason not to accept the honour. We should not embarrass those who want to do that confidentially. There is a very good reason for the names being confidential. People do not want to be embarrassed in the way that I have described. Mr Stevenson should rethink his attitude to the issue, which is very wrong.

Scottish Water (Privatisation)

6. David McLetchie (Edinburgh Pentlands) (Con): To ask the First Minister whether there have been any discussions at ministerial or official

level with Her Majesty's Treasury since May 2003 regarding the privatisation of Scottish Water. (S2F-2195)

The First Minister (Mr Jack McConnell): There have been no discussions with the Treasury at any level about the privatisation of Scottish Water.

David McLetchie: Does the First Minister acknowledge that, given the Treasury "for sale" list, Scottish Water is very much a candidate for sale, and that, not for the first time, he is out of the loop and Gordon Brown is hatching plans behind his back? Is it not the case that the Chancellor of the Exchequer can and will compel a sale of Scottish Water, whether the First Minister likes it or not, and that, instead of dragging his heels and being stuck in the past, the First Minister should get on with it, privatise Scottish Water and, by so doing, deliver a far better deal for its customers, business and domestic, than they are presently receiving from a failed and failing nationalised industry?

The First Minister: Having lost the debate in the chamber, Mr McLetchie is trying another route in order to see his policy implemented. The decision to which he refers is a matter for the Parliament and the devolved Government. It has been made consistently in favour of the public ownership of water in Scotland and, at the same time, of improved efficiencies and better delivery of service. The decision does not lead to the privatisation of Scottish Water. Mr McLetchie and his Conservative colleagues may want that, but their policy has been rejected time after time.

Nora Radcliffe (Gordon) (LD): Does the First Minister agree that there is no evidence that the Scottish people want their water industry to be sold off and that the fact that it is not privatised has not stood in the way of a multimillion-pound investment in capital projects to improve our water industry?

The First Minister: We continue to see challenges in the delivery of the Scottish Water service. I need to ensure that the programme for the years ahead includes, in particular, improved capacity for increased numbers of housebuilding projects in Scotland. However, we have seen consistently lower increases in water charges; we have seen improved efficiencies in the organisation; and we have seen capital investment that is leading to cleaner water in and a better service for Scotland. Much work is still to be done, but improvements in recent years prove that the decisions taken so far have been the right ones.

Rob Gibson (Highlands and Islands) (SNP): The SNP rejects all this talk about privatisation of water, but the existing model for Scottish Water was endorsed by the Conservative member of the Finance Committee. That model burdens current

taxpayers with 86p in the pound of every capital investment that is undertaken.

Is the First Minister prepared to review the benefits of a public, not-for-profit trust model to transform the prospects and long-term performance of Scottish Water?

The First Minister: That is an interesting if convoluted question. I am sure that it will be the subject of debate in the months ahead.

12:31

Meeting suspended until 14:15.

14:15

On resuming—

Question Time

SCOTTISH EXECUTIVE

Health and Community Care

Elderly People (Care)

1. Dr Elaine Murray (Dumfries) (Lab): To ask the Scottish Executive what arrangements should be put in place before elderly patients are discharged from hospital and which agencies are responsible for ensuring that adequate home care is provided. (S2O-9392)

The Deputy Minister for Health and Community Care (Lewis Macdonald): All relevant agencies should co-ordinate their efforts to ensure a safe and timely discharge from hospital once treatment has been completed. Local authorities have a statutory duty under the Social Work (Scotland) Act 1968 to assess what services people need in those circumstances and to arrange for them to be provided. Services may be provided either by the local authority at its own hand or by a voluntary or private agency on its behalf.

Dr Murray: Unfortunately, in recent months a number of cases in which adequate care has not been put in place have been brought to my attention. The most recent case involves a constituent of almost 80 years of age, who lives alone, who was discharged from Dumfries and Galloway royal infirmary after suffering a stroke and having a pacemaker fitted and who is also a cancer sufferer. She receives less than one hour's care per day at home and is expected to stay in her bed from 8 o'clock at night until 10 or half past 10 the following morning, because she is not yet strong enough to get herself out of bed. Does the minister share my concern about that? Does he agree that it is unacceptable and that if it is not possible to ensure that adequate care is provided at home, elderly patients, especially those living alone, should be offered a period of recuperation in a residential or care home until such care can be provided for them?

Lewis Macdonald: I do not want to comment on individual cases. However, I reiterate the guidance from the Executive. The document, "NHS Responsibility for Continuing Health Care"—MEL (1996)22—states:

"No individual discharges should take place until such time as appropriate provision, including accommodation, is available and properly resourced in the community."

Circular SWSG 10/1998, entitled, "Community Care Needs of Frail Older People: Integrating Professional Assessments and Care Arrangements, states:

"On no account should an older person be discharged prematurely from acute hospital care."

Mrs Nanette Milne (North East Scotland) (Con): Last week I raised with the Deputy Minister for Finance, Public Service Reform and Parliamentary Business the waiting lists that are building up in some councils for people who have been assessed as worthy of free personal care and other care packages. He told me that officials were currently pursuing the matter with the councils in question. When will the talks take place and when will the waiting lists be able to be abolished?

Lewis Macdonald: Such discussions are on-going. I assure Nanette Milne that we take the matter seriously. There is an obligation on councils to provide services a person's need of which has been assessed; they should make that provision. How they do so is a matter for them but must be in line with their statutory obligations.

2. Mr David Davidson (North East Scotland) (Con): To ask the Scottish Executive on what date all local authorities will be in a position fully to deliver free personal care for elderly people. (S2O-9359)

The Deputy Minister for Health and Community Care (Lewis Macdonald): It is the duty of local authorities, under the Social Work (Scotland) Act 1968, to assess the needs of people who appear to be in need of community care services and to meet those needs. The obligation to meet an assessed need for personal care, without charge, has been in place under the Community Care and Health (Scotland) Act 2002 since July 2002.

Mr Davidson: Can the minister explain why in many areas of Scotland free personal care is not provided automatically when people have been assessed as needing it? In some areas people have to wait for assessment. Overall, local authorities tell us that they do not have the funding to carry out what the act to which he referred envisaged.

Lewis Macdonald: Funding is negotiated between local authorities and the Scottish Executive. The funding that is currently provided for community care services is in line with the discussions that took place at the beginning of the spending review period. Naturally, as part of the next spending review, those matters will be considered again. As I said in a previous answer, the obligation on local authorities to provide services to meet the needs that they have assessed people as having is in place and is

something to which all local authorities should have proper regard.

Shona Robison (Dundee East) (SNP): Given what the minister said, are local authorities that operate waiting lists not meeting their statutory obligation? If so, will the talks in which officials are taking part with local authorities end with a clear instruction to local authorities that operate waiting lists that they should cease to do so immediately?

Lewis Macdonald: The matter that we are pursuing with local authorities is about ensuring that they provide access to the services to which people are entitled. As I said a moment ago, how a council meets those assessed needs will be up to it. For example, if a local authority has assessed a person as being in need of certain services and would wish, ultimately, to provide those in a care home setting, it would be meeting its obligation if it were to provide them to an adequate level in a domestic setting, as long as the service of which that person has been assessed as being in need is provided.

Mike Rumbles (West Aberdeenshire and Kincardine) (LD): On 18 September 2003, I asked the First Minister to confirm that the legislation that the Parliament passed makes it clear that

“once an individual has been assessed by the local authority as needing free personal care, that individual is entitled to free personal care from the local authority from the date of assessment”.

The First Minister replied:

“Yes, I will confirm that. No local authority in Scotland should be in any doubt about the policy.” —[*Official Report*, 18 September 2005; c 1876.]

Will the minister confirm that that is still the Scottish Executive’s position?

Lewis Macdonald: The policy position is clear. A local authority should carry out an assessment and, having made that assessment, should provide the services in question. Clearly, the issue of free services depends on the circumstances of the individual and the nature of the services that are to be provided. Where that service requirement is assessed to be one that should be provided free of charge, that is exactly what should happen.

Mr John Swinney (North Tayside) (SNP): In the minister’s discussions with the Convention of Scottish Local Authorities, what progress has been made on the issue of food preparation charges under the free personal care for the elderly arrangements?

Lewis Macdonald: We have made significant progress, although the conclusion of the discussions has not yet been reached. I met the president of COSLA earlier this week and I look to

my officials and those of COSLA to take forward those discussions very soon.

John Scott (Ayr) (Con): Since the introduction of free personal care for the elderly by the Scottish Executive, South Ayrshire Council has had to subsidise the programme to the tune of £2.5 million and, in this year’s budget, has been forced to divert in excess of £1 million to meet its commitments on free personal care and to reduce waiting lists caused by the Executive’s failure to fund the programme fully. Will the minister give a commitment to review the free personal care funding settlement for South Ayrshire Council and undertake to provide a level of funding that meets the guarantee that was previously given to fund the programme fully?

Lewis Macdonald: I do not intend to give to one council an undertaking that I would not give to the others. The position is the same across Scotland. Local authorities have been provided with funding that is in line with what we discussed with them at an earlier stage. This year, we are undertaking a thorough examination of the funding provision that is in place and of local authorities’ effectiveness in securing services for that funding. We will carry that forward, continuing discussions with COSLA as we do so, to reach conclusions about future funding.

Partnership Agreement (Health)

3. Derek Brownlee (South of Scotland) (Con):

To ask the Scottish Executive whether the section of the partnership agreement relating to health will have been implemented in full by 2007. (S20-9352)

The Minister for Health and Community Care (Mr Andy Kerr): The partnership agreement contains 61 commitments related directly to health and community care. We are making good progress and 95 per cent are completed or are on track. Those that remain are challenging, but we are doing our best to achieve them.

Derek Brownlee: One of the more challenging commitments that remains must be the commitment to deliver free dental checks for all by 2007. Will the minister guarantee that that will occur and say whether any follow-up treatment that is deemed necessary at those checks will also be available to patients under the national health service? Further, will the commitment be delivered by NHS dentists or will the minister seek to use dentists from outwith the NHS?

Mr Kerr: Free dental checks will be available as of 1 April. They will be available to NHS patients.

NHS Western Isles (Meetings)

4. Rob Gibson (Highlands and Islands) (SNP): To ask the Scottish Executive when the

Minister for Health and Community Care last met the chairman and chief executive of NHS Western Isles and what issues they discussed. (S2O-9349)

The Minister for Health and Community Care (Mr Andy Kerr): I meet all the chairs of health boards regularly, most recently on 27 February 2006, when David Currie was present. I met all of the chief executives on 18 January. On both occasions, a wide range of national health service issues was discussed. I last met the chair and chief executive together at the annual review, which I conducted in Stornoway on 12 September.

Rob Gibson: I am sure that the minister will agree that NHS Western Isles has a highly committed and professional workforce, but does he understand why they have no confidence in the chair, chief executive and board medical director, who are alleged by many to bully and bluster but who have failed to publish a financial recovery programme that protects medical services and delivery? Will Mr Kerr listen to the people of the Western Isles, who are represented by their council, and to the staff, who are represented by the Royal College of Nursing, Amicus, Unison, the Institute of Healthcare Management and now by the consultants group? All those people want the minister to intervene to remove the gang of three and to rebuild trust and confidence in the future of NHS Western Isles.

Mr Kerr: No. These matters must necessarily be addressed locally. The issues are largely local. They are largely to do with relationships and I want those relationships to be sorted out. I reflect on the fact that, in Mr Gibson's cursory involvement in the matter—he has written three letters to me on the issue—he has not mentioned the true value of services to patients in the Western Isles. In my visit to the Western Isles during the review, I saw the huge effort that is being put in by the staff and the huge benefit that patients are getting from the services.

I want the issues to be resolved, but they are best resolved locally. It is not my job to sit in Edinburgh and resolve grievance cases and other matters. Indeed, the local partnership arrangements in our health service work most effectively.

As an elected member, Mr Gibson should be discussing the matter with the health board. Has he ever asked for meetings with the chair and the chief executive? Is he trying to assist in the matter or is he simply trying to create political gain out of the situation?

Mr Alasdair Morrison (Western Isles) (Lab): Will the Minister for Health and Community Care join me in condemning the irresponsible nationalist politicians who consistently perpetuate the myth that he, Lewis Macdonald and the First Minister

are all involved in a process to close down the Western Isles health board? Will he join me in impressing upon the management of the board its duty to involve its staff in meaningful dialogue and to implement the much-needed changes?

Mr Kerr: We must all work together. The Scottish Executive Health Department is working with those in the Western Isles to resolve the challenging issues. The financial recovery plan is being worked on as we speak. The futile round of accusations and political posturing will do no one any good. My focus is on patients, services and the innovations that continue to be developed in the service locally.

I want people to understand that it is futile to call, to name call and to go through the media. I want a proper, adult resolution of the difficulties. I made that perfectly clear to the management and partners, including the trade unions, during my visit to the Western Isles last September. I want them to continue that work. I value partnership working in our national health service and we must ensure that we use it. It is nonsense to suggest—and I hope that no one in the Western Isles is suggesting—that I have any intention of shutting down the health board in the Western Isles. I have never said that and it is not my intention. If people are saying that, they are just making mischief.

Herceptin

5. Margaret Jamieson (Kilmarnock and Loudoun) (Lab): To ask the Scottish Executive what advice has been issued to national health service boards regarding the prescribing of Herceptin. (S2O-9377)

The Deputy Minister for Health and Community Care (Lewis Macdonald): Herceptin is currently licensed for the management of HER2-positive breast cancer that has spread to other parts of the body. I understand that the manufacturer has applied for Herceptin also to be licensed for use in early-stage breast cancer. Decisions on whether to prescribe a treatment are made according to the clinical judgment of the doctor concerned, in consultation with and with the consent of the patient or carer, and bearing in mind the risks and benefits of treatment.

Margaret Jamieson: I advise the minister of a constituent inquiry that I received on 31 December. My constituent was advised by her consultant that she was suitable for treatment with Herceptin but the treatment was not financially approved by NHS Ayrshire and Arran. It was not until 25 January that NHS Ayrshire and Arran was advised that consensus has been reached throughout the national health service in the west of Scotland on the use of Herceptin and the funding for that. Does the minister agree that a clinician is the appropriate person to determine the

treatment a patient receives and that finance should not be the only determining factor?

Lewis Macdonald: As I said in my initial answer, clinicians must certainly make a clinical judgment. However, it is important to recognise that they do so in the context of whether a treatment has been licensed, and Herceptin is licensed for treatment of HER2-positive breast cancer that has already spread and is not currently licensed for early-stage breast cancer, so the judgment that clinicians must make is clearly different. It is appropriate that any treatment goes through a proper process of assessment before being licensed for use in clinical circumstances.

National Health Service (Public Participation)

6. Bill Butler (Glasgow Anniesland) (Lab): To ask the Scottish Executive what efforts it is making to increase the level of public participation in the NHS. (S2O-9367)

The Minister for Health and Community Care (Mr Andy Kerr): “Delivering for Health” recognises the importance of supporting the public to participate as full partners in the planning and delivery of national health service services. We believe that it is important that NHS boards implement the proposals in “Delivering for Health” by engaging with, and winning the support of, the people and communities they serve. We have taken important steps to promote an increased level of public participation in the NHS, and we have legislated in the National Health Service Reform (Scotland) Act 2004 to place a new statutory duty on NHS boards to involve the public.

Bill Butler: Those are welcome initiatives. The minister will be aware of my proposal for a member’s bill on direct elections to NHS boards. The bill is currently at the pre-introductory stage and will be formally introduced on 31 March. Will the minister agree to meet me to discuss the bill after its introduction, so that we can explore the many ways in which direct elections to NHS boards would complement the admirable public participation strategy that he outlined in his initial response?

Mr Kerr: I always wish to add to the process by which the public can become involved in our health service. The Scottish health council and the local forums and advisory councils are being set up as we speak, and changes are being introduced as a result of the annual review meetings that I hold. The development of public partnership forums and the statutory duty to engage are substantial measures, but I am happy to meet Bill Butler to discuss his bill, which I have been following closely.

Phil Gallie (South of Scotland) (Con): Did the minister approve of the efforts of John Scott and of

other MSPs and community leaders in Ayrshire, who publicised in a responsible manner the consultation process on the accident and emergency service at Ayr hospital? If so, does he agree that the 5,000 people who turned out to the procession led by John Scott provided an excellent example of the kind of public participation that the Executive wishes to encourage, and will he ensure that they are listened to?

Mr Kerr: In relation to Mr John Scott, no, I absolutely did not approve of his actions. Parliament debated “Delivering for Health” and our response to Professor David Kerr’s report, and there was universal approval of the substantive elements of that report yet, at the first whiff of any changes or reconfiguration, the member to whom Mr Gallie referred did not wait for a consultation process to be completed or until matters had been discussed fully with the board, but simply went straight to the press, and I condemn that.

Medical Centres

7. Jackie Baillie (Dumbarton) (Lab): To ask the Scottish Executive what progress is being made with the development of a new Vale of Leven medical centre and a new Garelochhead medical centre. (S2O-9363)

The Minister for Health and Community Care (Mr Andy Kerr): Those projects were initially commissioned by NHS Argyll and Clyde. NHS Highland is now progressing the Garelochhead medical centre, while NHS Greater Glasgow is currently reviewing the business case for the new Vale of Leven medical centre before proceeding further. I expect to see both projects delivered, but in each case it is for the incoming NHS board to satisfy itself that the project is robust in all respects.

Jackie Baillie: The minister will be aware of the concerns that I and my local community have expressed about the fact that NHS Argyll and Clyde had agreed the capital for both projects but had somehow neglected to agree the revenue for them. Will he take this opportunity to make it absolutely explicit that both boards must proceed with those projects, not least because the developments are very much in line with the Executive policy of delivering health services as locally as possible?

Mr Kerr: I share that view. The replacement of Garelochhead medical centre is essential. I know that the property is dated and not fit for purpose, which is not the vision that we have for the future of our health service here in Scotland. The same is true of the other developments.

I repeat what I said in my original answer: I expect to see both projects delivered. NHS

Greater Glasgow and NHS Highland are making plans to ensure that they are delivered. I must give them room to deliver the projects in an appropriate manner, but I want to see them delivered.

Environment and Rural Development

Grocery Market (Inquiry)

1. Iain Smith (North East Fife) (LD): To ask the Scottish Executive whether it will make a submission to the Competition Commission inquiry into the grocery market in respect of relationships between Scottish farmers and major supermarkets. (S2O-9429)

The Minister for Environment and Rural Development (Ross Finnie): The Office of Fair Trading is currently consulting on a proposal to refer the market for the supply of groceries by retailers in the United Kingdom to the Competition Commission for a market investigation. Once I have details of the terms of any investigation by the Competition Commission, I will decide how best to engage.

Iain Smith: The minister will be aware of the importance of Kettle Produce in my constituency, which is a major supplier of fresh produce to supermarkets throughout the UK. He will also be aware that it had to shed 100 jobs last year because of the price pressures that were placed on it by the supermarket giants. Does he think that it is reasonable that supermarkets should be able to boost their profit margins by requiring suppliers to take price cuts or to meet the costs of promotions such as buy-one-get-one-free offers? Also, does he share my concern that the unfair farm-gate price for milk is threatening the existence of our dairy industry? Will he agree to support the OFT's referral of the matter to the Competition Commission?

Ross Finnie: If that referral is made, I will clearly do so. As I said in my first answer, I will decide how best to make a submission.

On the two points of substance that the member raises, I am well aware of the important contribution that Kettle Produce makes to the Scottish food chain and to Scottish food in general. I am concerned about the examples that he cites of suppliers being squeezed, particularly when they are already in contractual relationships or when they are led into offers that are for the benefit of the supermarket and do not reflect the interests of the producer. Farm-gate milk prices are a more complex issue, but clearly some aspects involve the supermarkets. I have made it clear that I welcome the Competition Commission's intention to inquire into the matter. I hope that we will get the terms of reference of the investigation soon as that will enable us to engage at an early opportunity.

Richard Lochhead (North East Scotland) (SNP): Does the minister agree with the farmers that we need to establish an enforceable supermarket code to ensure that those at the bottom of the supply chain—the farmers—get a fair share of the profits that are earned by the supermarkets?

Ross Finnie: To be honest, I think that discussion of the issues that are involved would be better informed if there were an investigation by the Competition Commission. There might then be greater clarity about the issues on which an enforcer or any such body might be required to act. Although a huge volume of evidence points to the need for improved regulation and control, all of us who are engaged in the food industry in Scotland must understand that there must be better engagement up and down the whole chain. The combination of both those aspects would be of great benefit to the Scottish food industry.

Alex Fergusson (Galloway and Upper Nithsdale) (Con): Does the minister share my concern that the inquiry might not touch on the relationship between primary producers and supermarkets? It seems to me that the announcement of the inquiry focused on the impact of the mini-supermarkets that are proliferating in our towns and cities on our traditional corner shops and independent retailers. Is he in a position to confirm that the relationship between primary producers and supermarkets will come under the Competition Commission's consideration? If he shares my concern, can he assure us that the Scottish Executive will take whatever steps are necessary to ensure that the investigation addresses that relationship?

Ross Finnie: I am grateful to Alex Fergusson for spotting the way in which I couched my initial response. I am indeed waiting to see the terms of reference. I share his concerns that what appears to be a helpful potential referral might, if the terms of the investigation are not properly drawn, do as Alex Fergusson suggests: it might focus attention on the direct relationships with the smaller supplier, the major supplier and perhaps the consumer but miss out the relationships down the chain. If that were to be the case, I would be deeply concerned.

Scottish Water (Financial Strategy)

2. Jim Mather (Highlands and Islands) (SNP): To ask the Scottish Executive whether it will make a more substantial response than it has to date to the criticisms of Scottish Water's financial strategy and the role of the Executive and the water industry commissioner in framing that strategy that have been published by Jim and Margaret Cuthbert in their recent paper. (S2O-9344)

The Deputy Minister for Environment and Rural Development (Rhona Brankin): The Water Industry Commission for Scotland has considered the criticisms contained in the Cuthberts' recent paper and concluded that they are without substance. The Cuthberts' approach involves borrowing without regard to the consequences for future charges or the financial sustainability of the water industry. That is the opposite of the Executive's policy, which the commission has confirmed will deliver below-inflation charges now and in the future and allow Scottish Water to deliver one of the largest-ever capital investment programmes in the United Kingdom water industry.

Jim Mather: I thank the minister for that answer, but I regret its tone, because the Cuthberts have perennially suggested prudent borrowing. The current situation is that, of the capital expenditure for the three years to 31 March 2005, current water charge payers paid 86p in the pound. Is that fact, together with the silence of the Executive, which has not made a formal and complete response to the Cuthberts, and the silence of the commission, which refuses even to discuss the 2002 to 2006 strategic review of charges—the foundation of Scottish Water's finances—not *prima facie* evidence that there is something far wrong with Scottish Water's financial management?

Rhona Brankin: We would not accept what the member has said. As he is aware, we have required the Water Industry Commission to ensure that Scottish Water remains financially sustainable. That means ensuring that charges are sufficient to cover the business's annual costs and operational costs, depreciation and interest charges. New borrowing is used to enhance the business's asset value. If we were to lend to fund current costs, we could rightly be accused of poor stewardship of the industry. We would in effect keep adding to Scottish Water's debt without adding to the value of the infrastructure, which would mean higher charges in the long run. Future customers would be paying for the service that today's customers receive. The current model is the best one for Scottish Water. We operate within a regulatory framework that was agreed by the Parliament and we are confident that that is the right way to fund Scottish Water.

Des McNulty (Clydebank and Milngavie) (Lab): What consideration has been given to whether Scottish Water should be given a licence for retailing to business users?

Rhona Brankin: I am prepared to give the member up-to-date information on that. We await final confirmation from Scottish Water.

Scottish Water (Chairman)

3. Murdo Fraser (Mid Scotland and Fife) (Con): To ask the Scottish Executive when it

expects to appoint a new chairman of Scottish Water. (S2O-9361)

The Deputy Minister for Environment and Rural Development (Rhona Brankin): Following a competition run in compliance with guidance from the commissioner for public appointments, we expect to announce an interim chair for Scottish Water shortly.

Murdo Fraser: I thank the minister for her response. It is instructive that Ross Finnie seems to be ducking answering questions on Scottish Water by passing the responsibility for doing so to his deputy. Perhaps we should read something into that.

I hope that the new chairman will tackle the crucial issue of development constraints, which are crippling economic growth in areas such as Perthshire, Stirling and Angus, in the region that I represent. Given that Scottish Water's forward investment programme is based on an annual requirement for 15,000 new housing units but housebuilders and others say that the true demand is for 25,000, what confidence can anyone have that the new chairman of Scottish Water will be any more successful than his predecessor was in addressing the key issue of development constraints?

Rhona Brankin: We are aware of concerns about development constraints and we have stated clearly that we will put funds into relieving development constraints in Scotland. Clearly, economic development is the number 1 priority for the Scottish economy. We remain convinced that Scottish Water can remove development constraints in Scotland. The funding exists and we need to get on and do it.

Mr John Swinney (North Tayside) (SNP): If the Scottish Water business plan is so fundamentally flawed that it required the removal of the chairman of Scottish Water, does the minister understand the bewilderment that exists about the length of time that it has taken the Executive to fill the vacancy? There is no business plan, credible investment plan or agreement from the regulators. Is this not just further evidence—confirmed by the Minister for Environment and Rural Development at yesterday's meeting of the Environment and Rural Development Committee—that the Executive has been sleepwalking in its management of the water industry in Scotland?

Rhona Brankin: That is nonsense. The chairman's resignation was on 20 February. The appointment of a new chairman is a critical public appointment. The interim chair will have the task of ensuring that Scottish Water is able to deliver all the objectives that we have set within the financial limits set by the Water Industry Commission. We

will, of course, announce the appointment as soon as we can, but the absence of a chair is not delaying the delivery of Scottish Water's 2002 to 2006 investment programme or, indeed, planning for the 2006 to 2010 programme.

Let us consider some of Scottish Water's successes. The public sector model that we have in Scotland is working. Scottish Water's average household charge will be £287 in 2006-07, compared with an average household charge of £294 in England and Wales. That means that there will be below-inflation increases for customers in Scotland, supporting a capital programme of £2.15 billion over the next four years—one of the biggest ever in the UK water industry. That is good news for consumers, the environment and business.

Mr Swinney: Get the chairman back.

The Deputy Presiding Officer (Trish Godman): Mr Swinney!

Rural Postal Services

4. Linda Fabiani (Central Scotland) (SNP): To ask the Scottish Executive, in the context of its rural development strategy, what role rural postal services play in promoting a more diverse rural economy and thriving rural communities. (S2O-9423)

The Minister for Environment and Rural Development (Ross Finnie): Rural post office services and post offices can certainly make a contribution to the rural economy and rural communities. The postal services regulator guarantees a national universal postal service, a delivery and collection every day and a uniform and affordable price. That plays an important role in connecting people and businesses in rural Scotland.

Linda Fabiani: Does the minister agree that, where the only postbox servicing a community has to be removed, a year after the removal of the postbus service, Royal Mail must then ensure that a replacement facility is put in place without delay? Can he exert influence in any way on Royal Mail to ensure that the rural community of Gilmerton has a postal collection service that does not require people to walk along a busy road with no pavements?

Ross Finnie: I recognise the particular problem that exists in Gilmerton, but the member will agree that there are general concerns about the availability of postal and post office services throughout rural Scotland. For that reason, I met representatives of the Post Office and the Royal Mail Group as recently as 14 February. More recently, I met Barry Gardiner MP, who is parliamentary under-secretary of state at the Department of Trade and Industry and has

responsibility for these matters. We are concerned about the erosion of rural postal services and the notification of changes that is given. At this stage, I cannot provide the member with an answer on the restoration of services. However, we are keeping the matter very much under review, because we are concerned that any erosion of rural postal services can have impacts on the provision of other services in rural communities.

The Deputy Presiding Officer: Question 5 has been withdrawn.

Toxic Waste (Disposal Sites)

6. Rosie Kane (Glasgow) (SSP): To ask the Scottish Executive what plans it has to introduce a scheme to clean up toxic waste disposal sites. (S2O-9410)

The Minister for Environment and Rural Development (Ross Finnie): Responsibility for cleaning up toxic waste dumps that are no longer in use rests with the local authority, as primary regulator of the contaminated land regime under the powers set out in part IIA of the Environmental Protection Act 1990.

Rosie Kane: It would seem that those provisions are not being adhered to. The minister will be aware of the precautionary principle, which states:

"Where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation."

Is the minister aware of the carcinogens that lie underground in Cambuslang, Carmyle, Rutherglen, Myrtle Park and other areas around Glasgow? As the Scottish Executive accepts the definition of the precautionary principle that I have cited, I ask the minister again to initiate a clean-up of toxic waste sites in Scotland. If he will not do so, will he explain to the people of Scotland why the Scottish Executive will not protect their health and well-being in respect of toxic waste? If it fails to do that, is it not merely paying lip service to the precautionary principle?

Ross Finnie: We are well aware of the precautionary principle. As Rosie Kane knows, there are a number of sites throughout Scotland—including those to which she refers—where local authorities are carrying out examinations to determine the nature and extent of waste. Under the Environmental Protection Act 1990, they are under a clear obligation to deal with any toxic substances that are found. The precautionary principle clearly applies in the application of the act.

Animal Cruelty

7. Irene Oldfather (Cunninghame South) (Lab): To ask the Scottish Executive what action it

is taking to address issues of animal cruelty. (S2O-9393)

The Minister for Environment and Rural Development (Ross Finnie): The Animal Health and Welfare (Scotland) Bill, which is being considered by the Environment and Rural Development Committee, will make significant improvements to animal welfare and will increase the penalties for offences of animal cruelty and animal fighting. We expect it to complete its parliamentary stages before the summer recess.

Irene Oldfather: The minister will be aware that, during the stage 1 debate on the Animal Health and Welfare (Scotland) Bill, I raised the issue of performing animals in circuses. I was delighted with the deputy minister's assurance at that time that the Executive would introduce secondary legislation to deal with performing animals, including those in circuses. Will the minister inform me of the timescale for that secondary legislation and whether it will be constructed in similar terms to the recent Department for Environment, Food and Rural Affairs guidelines banning the use of certain species of animal in circuses in England and Wales?

Ross Finnie: I cannot give the member a precise timescale because it depends on the Parliament taking the democratic decision to pass the bill at stages 1, 2 and 3. However, I can confirm absolutely what my depute said at committee: we will introduce secondary legislation to create regulations. Given the nature of the different proposals, it will be necessary for us to consult on which animals should be banned from use on the basis that their welfare needs cannot be met adequately in travelling circuses. Although the regulations will be framed to deal with similar circumstances, they will not necessarily be identical to those from DEFRA, but they will certainly have statutory backing.

Phil Gallie (South of Scotland) (Con): It is my understanding that the Executive's position on a ban on tail docking was that it would exclude working dogs. That was changed in anticipation that England and Wales would approve a ban on tail docking across the board. Now that they have changed their minds in England and Wales, will the Executive move back to its original position?

Ross Finnie: The member is right. The Executive's initial position suggested that there might be exemptions for working dogs. As he is well aware, it is our practice to read carefully what is said in stage 1 committee reports. He will be equally aware that the overwhelming evidence heard by the committee, and backed by all the veterinary organisations, was that that proposal could not be sustained. Since our announcement of a change in the policy, the veterinary associations have confirmed their position.

The Deputy Presiding Officer: Question 8 is withdrawn.

Avian Flu (Contingency Planning)

9. Bill Aitken (Glasgow) (Con): To ask the Scottish Executive whether it has any plans to bring forward the planned test of contingency planning measures as the threat from avian flu increases. (S2O-9358)

The Minister for Environment and Rural Development (Ross Finnie): Contingency planning arrangements are tested regularly by exercises or routine responses to cases of suspect notifiable disease. The Scottish Executive will participate in a Great Britain-wide avian influenza exercise on 5 and 6 April.

Bill Aitken: I hear what the minister says with some relief. Does he agree that, although we should not be motivated by some of the more extreme articles that appear in the press about the threat of avian flu, we must ensure that all the necessary measures are in place? Will he confirm that the Executive will review any measures that need to be reviewed in the light of an increased threat?

Ross Finnie: I give both Bill Aitken and the Parliament the assurance that animal health disease contingency planning is reviewed on a regular basis. We are very susceptible to outbreaks of exotic disease, particularly among large animals, so we keep contingency planning under constant review.

The member will be aware that only last week there was a most unfortunate incident of a large number of poultry deaths on Orkney. We activated all our emergency planning because deaths might not have occurred on Orkney alone. Although there are lessons to be learned from activating the emergency plan last week, I am satisfied that our contingency planning is adequate to deal with that situation.

Environmental Courts

10. Nora Radcliffe (Gordon) (LD): To ask the Scottish Executive when it expects to publish a consultation on environmental courts. (S2O-9430)

The Minister for Environment and Rural Development (Ross Finnie): My officials are currently holding a series of consultation meetings with interested organisations such as the Scottish Environment Protection Agency and environmental non-governmental organisations to consider further their views on the wide range of issues covered by our partnership agreement commitment. We shall take account of those views when we move to public consultation in the next few months.

Nora Radcliffe: I will be pleased when we make progress on the matter. Does the minister agree that if we had environmental courts with expertise in the area, we would avoid the situation that happened in my constituency when a building contractor who was illegally burning waste on site was taken to court and fined a sum that was one tenth of what it would have cost to dispose of the material legally and correctly? Does the minister agree that that situation is to be deplored?

Ross Finnie: The member has raised two separate questions: how environmental justice cases can be brought to court and the appropriate level of fine for particular cases. We are reviewing all such matters, including the most appropriate form of justice for such cases; the preparedness of the Crown Office and others in dealing with environmental offences; and the level of penalty that a sheriff court, the High Court, an environmental court or, indeed, any court is able to impose as a proper deterrent in such offences.

Aging Population Strategy

The Deputy Presiding Officer (Trish Godman): The next item of business is a debate on motion S2M-4164, in the name of Malcolm Chisholm, on the strategy for an aging population.

14:56

The Minister for Communities (Malcolm Chisholm): I welcome this opportunity to open a debate on one of the most fundamental changes ever seen in Scotland. We are facing unprecedented demographic developments. Because of greater life expectancy and decades of lower birth rates, the age profile of Scotland's population is changing markedly. In the coming decades, there will be ever greater numbers of older people and a lower proportion of younger people. A large increase in the number and proportion of people aged over 65 is certain; indeed, current projections predict that, by 2031, one in four of the population will be aged 65 or over. That cannot be ignored, and any responsible Government must respond with a hard strategic look at the implications and the possible responses.

Our approach is based fundamentally on acknowledging the opportunities and benefits that an older population will bring. Too often, we see negative stereotypes of older people, from the grumpy Victor Meldrews of this world to the helpless little old lady in a shawl. Such images do nothing to help us to understand older people's diversity and range of contribution. Even more insidious and reprehensible are the assumptions that older people are nothing but a burden on society and a drain on essential resources. Over the years, there has been a lot of negative talk in the press about the burden and problems of an aging population; however, we must challenge and break down the stereotype of older people being past it and of no value to society.

Our starting point is the enormous contribution that older people make to Scottish society and a determination to ensure that that contribution is valued, supported, recognised and encouraged. So much could be said on this subject. For example, the Parliament has previously debated volunteering and the contribution made by older volunteers. Indeed, earlier this week, I was privileged to launch the retired and senior volunteer programme's strategy for older volunteers.

Again, I must stress the incredible contribution that older volunteers make to Scottish society. From being active on boards and community councils to helping at the local primary school, hospital or charity shop, they form a fundamental

element of the Scottish voluntary sector and all areas of society benefit from their selfless contribution.

However, that contribution is about much more than volunteering. For example, our systems of care provision would not be able to cope without the unstinting dedication and commitment of older people caring for their loved ones. Grandparents play a major role in caring for children, helping parents to go out to work and providing a loving and rewarding environment for children. We want to encourage and support such unpaid, selfless contributions.

However, older people are also consumers. Notwithstanding recent significant reductions in the figures, problems of pensioner poverty continue. That said, many pensioners have significant disposable income and are making clear consumer choices about how they spend their money. One of the benefits of an aging population is the growing importance of what is sometimes called the silver economy.

Our strategy consultation document is deliberately entitled “Age and Experience” in recognition of the fact that one benefit of an aging population is the breadth and length of older people’s life experiences. That experience can benefit our nation—helping older entrepreneurs to achieve success; benefiting employers who seek to recruit and retain older workers; and benefiting all generations as skills are passed down to younger people. However, we must ensure that we remove the barriers to benefiting from that experience; we must combat discrimination and promote equality of opportunity and outcomes. In the strategy, we will consider carefully the barriers that people face when they try to make a contribution.

Some of those barriers are structural. For example, people may not be able to work because they are caring for older relatives or perhaps because they do not have the skills that employers require. Other barriers are social. As we know, there is still an attitude that consigns older people to the scrap heap. We have all seen the advertisements that ask for “young, energetic individuals”. I am thankful that the forthcoming age discrimination legislation means that those ads will soon be a thing of the past—but attitudes are another matter. We have a responsibility to promote equality of opportunity, and that applies to age as well.

Unfortunately, ageist attitudes do not exist only in the workplace. We could all name industries that focus entirely on youth markets, and I have already mentioned negative stereotypes of older people. Our strategy will set out how some of the barriers can be removed by challenging ageism and age discrimination and by addressing structural

and social barriers. We will consider how we can support older people to make a continuing contribution to society. We might do that by supporting intergenerational activity or volunteering, or simply by acknowledging the unofficial contribution that people make through their involvement in their own families and communities.

Through our consultation, we are seeking the views of individuals and communities on what practical support people need and on what we can do to help. Work is part of that, of course—but only for those who want it. As the motion says, we must support older people to contribute

“in ways which they choose”.

If one side of our radical approach is breaking down stereotypes and valuing and supporting the contribution of older people, the other is ensuring that they receive the services that they need when they need them. That is why the second key theme of our strategy is integrated services.

This Government has put a great deal of effort into integrating services—paving the way for pooled or aligned budgets and encouraging, for example, the establishment of joint health and social care services. There are many excellent examples, such as the West Lothian health and care partnership, which was so successful that it led to West Lothian Council winning *LGC Local Government Chronicle’s* United Kingdom council of the year award last week. I congratulate the council on that award, and I am very fortunate in having David Kelly, the man who heads the partnership, on my advisory group for the development of this strategy.

More generally, our work on joint future has led to a situation in which joint working is the norm for local partnerships in health and community care. That is a major step forwards for the provision of locally responsive services for older people.

However, some difficulties are more entrenched. When older people need services, the journey they have to go on is long, hard and strewn with obstacles. First, they need to find out about services—but where do they turn? Where do they go? How can they get the trusted information that they need? By funding the Scottish helpline for older people, the Scottish Executive has made a significant commitment to providing a source of impartial professional information for older people. Funding has been awarded for the next three years, enabling the helpline service and the consortium behind it to develop and grow—in particular, to develop local networks of advice and information services.

However, information is not enough. Trying to arrange the services needed and to sort out the complexities of who pays for what, and who

provides what, can be daunting for the best among us, let alone for someone who is at a vulnerable point in their lives. We need to rise to the challenge of simplifying the route to the services that people need, while also allowing choice in the services that people want. As the next generation of older people age—a generation weaned on consumerism and choice—people will become more demanding of the services that they need. We must ensure that services are appropriate and accessible and that they are available where and when they are needed. That is the challenge for the strategy—to ensure that, now and in future, services are able to respond appropriately to the needs and demands of older people.

The “21st Century Social Work Review” has taken major steps forwards in addressing some of the challenges facing social work, and “Delivering for Health” has done the same for health services. Our strategy will be based firmly on the excellent work already done; it will aim to bring together budgets to create seamless and personalised services that meet individual needs.

Mary Scanlon (Highlands and Islands) (Con): I am listening carefully to what the minister is saying about integrated services and seamless care. Will he explain why we still have 1,488 delayed discharge patients who cannot be cared for in the community?

Malcolm Chisholm: As Mary Scanlon knows, tremendous progress has been made on that matter, although more needs to be done and will be done.

Integration will increasingly be the theme of inspection arrangements. This week, I was pleased to give approval to the first ever joint inspection of older people's services, which will be led by the Social Work Inspection Agency.

Another key theme of the strategy is promoting and maintaining health and well-being. Perhaps one of the most feared and publicised consequences of an aging population is the possible increased burden on health services. However, longer life expectancy will not automatically result in a proportionate increase in demand on health services. The greatest demands for health services tend to come in the final years of a person's life, regardless of what age they happen to be. Health improvement does not stop at 50. Increasingly, people can have more years of healthy life. Many excellent initiatives exist. Simply going out for a walk improves physical and mental health and gives people the opportunity to get social engagement, fresh air and exercise. We therefore support the paths to health initiative, which uses older volunteers to support walking among older people. I was pleased to meet people who are involved in that project a few weeks ago.

Mental health and well-being are important factors. Mental well-being can improve quality of life and is an integral part of healthy aging. We have established the national programme for mental health and well-being, which has later life as one of its themes. The programme supports local practical projects that support the mental health and well-being of older people. We want to know about the key initiatives that make a real difference to people's health and well-being. That is why the strategy consultation asks about the most important aspects for good health and well-being in later life and what can be done to support them.

In our ever more dispersed society, transport is critical to allow people to stay involved. As our dependence on cars grows, those who are dependent on public transport can find themselves excluded. Free local bus travel for older people has made a huge difference to people's quality of life, as it enables them to get out and about and engage more fully with society. The extension of the scheme to national travel, which will happen in the near future, will bring wider benefits, as it will enable older people to travel, thus further improving their quality of life and connecting communities throughout the country. The strategy will consider how transport systems need to adapt to an aging population and how the design of housing and communities can meet the needs of older people, which is another key theme.

Christine Grahame (South of Scotland) (SNP): The minister will be aware that, although the national travel scheme is welcomed by all members, many people who live in rural communities will find it difficult to use their free national travel pass, because there are no buses or no low-rise buses. Will that be addressed in the strategy?

Malcolm Chisholm: The Minister for Transport and Telecommunications is addressing that issue. There is clearly more work to do, but we should all welcome and acknowledge the big advance in opportunities for older people that the national travel scheme will bring.

We want to support people to stay at home in accommodation and an environment that meet their needs as they get older. Meeting that objective is partly about designing wider services and partly about housing design and new technology that enables people to stay in their homes.

The aging population poses fundamental questions about Scotland's future. The issue impacts on all aspects of life, from health and social care services to employment practice. It is an issue for older and younger people. Because of that, we are undertaking a major public consultation exercise to ask public and

professional audiences what they think. The questions are complex ones with no easy answers and we want to hear from as many people as possible. I look forward to hearing from members today and I hope that their constituents will contribute too, either through the consultation paper or through the website—www.infoscotland.com/experience—that we have set up, which gives people the opportunity to make an online submission. We are holding a series of focus groups to find out the views of different age cohorts, to get rural and urban perspectives and to get perspectives from different equality groups.

The aging of the population is to be welcomed, not feared. It is testament to improvements in public health, longer life expectancy and our nation's growing prosperity. The issue presents us with challenges, which we ignore at our peril, but also great opportunities. We can reap the benefits of foresight and build a better Scotland for today's generation of older people and for everyone as we grow older.

I move,

That the Parliament acknowledges the changing age structure of Scotland's population and the benefits and opportunities it brings; values the enormous contribution of older people as volunteers, carers, workers and in many other ways; recognises the need to challenge stereotypes of older people and support them to contribute in ways which they choose; supports the further development of effective integrated services for older people, and welcomes the consultation and ongoing work currently being carried out to develop a Strategy for a Scotland with an Ageing Population.

15:10

Ms Sandra White (Glasgow) (SNP): As convener of the cross-party group on older people, age and aging, and as the age reporter to the Equal Opportunities Committee, I have always taken a keen interest in issues relating to aging. *[Interruption.]*

The Deputy Presiding Officer (Murray Tosh): Ms White, the sedentary interruption was to the effect that Mr McNeil could not hear you. Perhaps you could speak a little more loudly.

Ms White: That was nice of Duncan McNeil—normally he does not hear me or, if he does, he does not listen. I will do my best, Presiding Officer, although I hope that I will not lose any time because of the interruption.

The National Assembly for Wales launched a strategy on aging in 2003, and I have always said to the minister and others that Scotland should have a strategy. I am glad that we are now to have one. The strategy in Wales has been fully costed at £10 million for three years, and that sum has been committed by the Welsh Assembly. I hope that the Parliament, through scrutinising the

minister and his work, ensures that any strategy is fully costed to enable it to work so that the findings of the consultation can be turned into reality.

The minister has outlined the aims and objectives of the strategy. I support those aims and objectives, but as I have said to the minister on previous occasions, some issues concern me. For example, I wonder whether the 12-week consultation period is adequate. Will groups and individuals be able to respond within that period? Will the 12-week period for the collation of information be sufficient to bring about the launch of the strategy in December? Will there be a national advertising campaign to alert groups and individuals to the consultation so that they can get hold of the forms and send them in? It is imperative that we get the strategy right at the start.

My colleagues will focus on a number of the areas referred to in the Scottish National Party's amendment, but I wish to mention some of them briefly. First, food preparation under free personal care has become a postcode lottery. That problem must be resolved. The Executive said that it would issue revised guidance to local authorities but I believe that that has not yet happened. I would like a response from the minister on that. Secondly, care homes are closing almost weekly and older people have nowhere to go. There is a lack of secure tenancies for people in care homes, which leaves older people vulnerable. That issue should be covered in the strategy. I know that the issue is complex, and not just from a financial point of view, as we must also consider the suitability of buildings.

Some exciting developments are happening, and I hope that the strategy will tap into developments in the Parliament, such as Scotland's futures forum. The forum, which is based in the Parliament, was set up to promote new and fresh thinking and is embarking on a project on age issues. I look forward to seeing its report. Members of the forum are going to an international conference in Copenhagen in June, and then the forum will host a conference in 24 November in the Parliament, at which it will launch the results of its work. I hope that that will be possible to feed that work into the Executive's strategy. We should congratulate the forum on its ingenuity.

I have an article here entitled "Lords condemn government attitude to ageing". Obviously, that is a reference to the Westminster Government's attitude to aging, as the Scottish Parliament is at the forefront on aging. Perhaps Westminster can learn something from us—we will lead rather than follow. The Lords said that the Westminster Government seems to consider an aging population a burden, not an opportunity. I believe

that an aging population represents an opportunity.

That brings me to pensions. The SNP amendment says that moneys and autonomy should be handed over to the Scottish Parliament. Other countries have had innovative ideas. In Switzerland, for instance, people can work up to five years beyond the statutory retirement age to increase their state pension—all facilitated by the Swiss Government. We have to consider such ideas. At this week's meeting of the Equal Opportunities Committee, the minister said that if we do not have the powers to implement in Scotland ideas that emerge from the consultation, they will be fed back to Westminster.

Other good, innovative ideas are being implemented in other countries. For example, we should consider ideas such as reducing hours at work with no financial penalty, job sharing or shortening the working week five years prior to retirement and using the pension fund—if one is still available—to top up salary levels.

In Scotland, we are good at freeing up employees to undertake voluntary work without loss of pay in the pre-retirement period. We have been doing that for many years, and as we have just launched a national strategy for older volunteers, we should give more thought to that area. Older people want to volunteer but they do not want to be penalised by having to give up their work. We should feed that suggestion into Westminster if we do not have the powers to act on it in the Scottish Parliament.

Growing older should not be thought of as a burden or anything negative; basically, it should be celebrated. The older people whom I have met celebrate their old age; they go back to education and, if they want to work, they should be allowed to. I sincerely hope that the evidence that we get from the consultation proves that, although older people have concerns, they are not all about care and health but about the fact that they want to contribute to Scottish society. It is up to us to enable them to do that.

I move amendment S2M-4164.1, to leave out from "and welcomes" to end and insert:

"notes, however, the injustice of charging for food preparation under the free personal care legislation, ageism, fuel poverty and associated excess winter deaths, the punitive council tax and the discredited basic state pension, all of which deprive our elderly population of independence, security and choice, and recognises that until Scotland has power over tax and benefits many of Scotland's pensioners will continue to live in poverty."

15:16

Mrs Nanette Milne (North East Scotland)
(Con): My parents, who were nearly 40 when I

was born, brought me up on the maxim that age is an attitude of mind, which is quite relevant to the debate. I am sure that all members know people who are old at 40 and others who are young at 80 largely because of attitude of mind, although other factors—such as health and living conditions—inevitably play a part.

I get irritated when I see the word "elderly" in newspaper articles routinely being attached to people who are in their 50s and 60s. I have many contemporaries who hold down responsible jobs, care for older relatives or young grandchildren and do myriad voluntary activities, such as delivering meals on wheels, staffing citizens advice bureaux and carers centres or going abroad to underdeveloped countries to provide vision or other aid. Some do university degrees and others enthusiastically pursue outdoor activities such as hill walking, sailing and golf—I am proud that I qualify for my half-price senior ski pass when I visit the Alps.

People in my age group and older have a lot to offer, but there are increasing numbers of us and, as we get older, more of us will develop chronic health problems such as high blood pressure, arthritis or macular degeneration. We are likely to live independently for far longer than previous generations and, by the time we need care, we will be very frail indeed in body and/or mind. There is a need to plan ahead for that increase in the elderly population and to change the nation's mindset from one that regards older age as a burden on society to one that recognises and seizes the contribution that older people can make. We are all individuals and we have to be treated as such, not lumped together as older people, pensioners, senior citizens or whatever else others may care to describe us as.

At the previous meeting of the cross-party group on age and aging, I listened to Jess Barrow, who is on secondment from Age Concern Scotland to the Executive to work on the strategy for an aging Scotland. She is putting huge effort into reaching as many older people throughout Scotland as possible and listening to their wide-ranging viewpoints. I hope that she will heed what they say. A successful strategy will result in older people becoming part of the mainstream of society and participating actively at all levels. I hope that the strategy will be effective and practical, not just another glossy publication that is produced in a blaze of glory and left to gather dust on a shelf. To be frank, we are too driven by strategies and targets but, if the strategy leads to more respect for older people, the removal of barriers to their participation in society and better-integrated services for them, it will be a good thing.

Not everyone, I am sad to say, is fit in older age. I will say a little about the many people who

develop a communication disability as a result of illnesses that hit them in later life and who need support services, which currently are inadequate—particularly those that are based in the community. In Scotland, 10,000 people a year suffer strokes, and 5,000 of them are left with impaired communication—including 1,000 who will have lifelong communication support needs—while there is virtually no communication support for the 60,000 people who have dementia. Many others have progressive neurological conditions such as Parkinson's disease, which add to the challenges of the normal aging process. Those are current figures, but they will rise as the population ages and as medical improvements lead to higher survival rates among people with chronic conditions.

The new strategy needs to contain the key objective of developing a strong, sustainable communication infrastructure for older people with communication support needs. That infrastructure should include speech and language therapy and communication-accessible leisure and transport. To assess what is needed, it would be extremely useful if today's older people with impaired communication could be involved as a group in the current consultation process. Untold benefits to the quality of life of such people in the future could be delivered if their opinions could inform the strategy. I am pleased that, together with the communication impairment action group, the Minister for Health and Community Care has initiated research in that area. I look forward to the results of that research in due course.

There are some issues relating to care packages for the elderly that need attention urgently. Councils that charge older people who have been assessed as requiring free personal care for the preparation of food are going against the intention of the law that that should form part of free personal care. We have been assured by the First Minister that the people concerned have a right to free personal care as soon as they are assessed, so councils must be stopped from charging for that. A delay in carrying out needs assessments before providing the appropriate care package as a result of insufficient funding is common in councils across Scotland. That needs to be addressed, perhaps by moving to one unified budget to deliver seamless, effective and appropriate delivery of health care.

Fuel poverty, pensions, council tax and transport: there are far too many issues to deal with in a short speech, but they all have a huge impact on the lives of older people, and they all need to be addressed. The challenges before us are great, but I hope that the strategy, when it is developed, will go some way towards enabling people in Scotland to grow old both happy and fulfilled.

15:22

Donald Gorrie (Central Scotland) (LD): I speak with more confidence than usual in this debate, because its whole tenor comes from the fact that older members, like me, have great wisdom and experience to spread among the others, who should listen with great care and attention and who should value our efforts. I look forward to my efforts being valued more than they might be sometimes.

In order to sustain many of the good things that help older people to sustain themselves and to help other people, we need a more consistent funding system than the present one. Many organisations need very little money, but they need some. As long as the Executive goes only for shiny, new initiatives, rather than keeping the tried and tested ones going, it will struggle. The minister should pay more attention to directing small sums of money to the many organisations that would benefit from it.

Members have been right to mention the caring industry, which is largely sustained by older people, often looking after even older people. There is a lot of scope for carers and for supporting people who, although they do not need a carer, are lonely and need a bit of support. One-to-one interaction and social interaction in groups are both important. There was a reception in the Parliament the other evening for an organisation that, with a few paid staff, supports volunteers in explaining to older people how to manage their heating better, for example. That sort of thing is admirable. It involves like speaking to like—it is not a case of some young whippersnapper telling an older person what to do, which can often cause problems; it is an older person talking to another older person and giving them good advice.

We have often debated issues concerning grandparents. In my view, they still get a raw deal, and they are not sufficiently helped to make a contribution to looking after their grandchildren in cases when the immediate family is breaking up.

Older people can do many things in education. I know of examples of older people going to primary schools and helping pupils with their reading on a one-to-one basis. Through oral history, older people can make a great contribution to young people's understanding of the past. In reverse, young people can benefit from going to sheltered housing or old people's homes. There is often a good reaction between the older and the younger generations when we leave out the middle. In many ways, we can make better use of older people's talents and make them happier. The person who gives heating advice, for example, benefits from doing that by feeling that they are contributing something useful, and the person to whom they speak has company and good advice.

Another matter that I will discuss is leaving work gradually. It is insane that, in most ways of life in western industrial civilisation—if that is the right word—on Friday, John Smith still works X hours a week flat out, but on Monday, he does absolutely nothing and people expect him to accept that. That is a foolish way to organise matters. We should allow people to leave work gradually if they want to. We could smooth their path if we dealt more sensibly with pension and tax issues. Some of that is reserved, but I am sure that, with a bit of ingenuity, we could help people by supporting companies or charging companies less tax if they treat their employees intelligently and allow them gradually to ease off.

Some people want to continue to work, but not flat out. I have met many teachers who are in promoted positions for whom the whole thing is getting to be too much and who want to give up their posts. However, they would still quite like to teach in the classroom. Such people—especially if they are experts in a subject that is in demand—could be used no longer as a head teacher or the head of a department but as an ordinary class teacher, even if that were for only three or four days a week. They could make a real contribution, which would help them to feel that they were contributing and would make for a more worthwhile life. Within our abilities, we could do a lot of things. However, we should also kick the guys down at Westminster and Whitehall. They must sort out pensions and benefits, which are a total disaster. That is not a party-political issue, but a managerial issue. The whole system is a disaster and we must get it sorted out.

15:27

Karen Whitefield (Airdrie and Shotts) (Lab): I welcome the opportunity to speak in the debate and I welcome the steps that the Executive is taking to develop a strategy for an aging population. All the statistics that have been issued for the debate highlight the change that is taking place in our population. It is clear that we have an aging population. It is predicted that, in the next 20 years, 42 per cent of Scotland's population will be aged 50 or over.

It is not just the number of older people that is changing; it is inevitable that attitudes will change, too. I look forward to the next few years in which the baby boomers will be replaced by pensioner punks—the people for whom “Elvis” means Costello rather than Presley and who are more familiar with Sid Vicious's rendition of “My Way” than Frank Sinatra's.

However, I am sure that one thing will remain constant in the face of all that change—the important role that older people play in our communities. Anyone who has any experience of

the voluntary sector will know that older people form the mainstay of most of our local community and voluntary groups. From church groups to food co-operatives and from credit unions to tenants associations, such organisations could not survive without the hard work and commitment of older people. That is not just because older people often have more free time, but because older people bring with them a wealth of life experiences in matters such as planning, fundraising, managing budgets and dealing with the public. As Emily Dickinson said:

“We turn not older with years, but newer every day.”

Any strategy for supporting older people must recognise the value of such work and tackle the barriers that older volunteers face. For example, the strategy could aim to ensure that older people have improved opportunities for education and training and improved access to public transport.

Much has already been done for older people through Executive initiatives such as the warm deal and the central heating programme, which have provided real improvements to the quality of life that is enjoyed by senior citizens throughout Scotland. Having visited many constituents whose homes have been insulated thanks to the warm deal, I know how pleased people were to benefit not only from warmer homes, but significantly reduced fuel bills.

I am pleased that the minister announced last week that the Executive will extend the warm deal and the central heating programme beyond 2006. From 1 January 2007, the central heating programme will be widened so that pensioners in receipt of the guarantee element of pension credit will get an upgrade if they have a central heating system that is partial or inefficient.

However, more can and should be done. I have some sympathy with the call from Help the Aged for the Executive to establish energy efficiency targets under the Housing Act 2006 provisions on the development of a strategy for improving energy efficiency. It is important that we upgrade central heating systems for older people, but we must also ensure that new housing is built to a standard that both keeps people warm and helps to reduce fuel consumption and energy bills.

I also welcome the range of measures that have been introduced to enable older people to remain within their own homes for as long as possible. That is undoubtedly the preferred option for most older people. Not only do people feel more comfortable and at ease within their own home, they also retain the important links to the community in which they live.

The Executive's strategy, which is to be published soon, must also try to tackle any and all forms of age discrimination. I welcome the

minister's comments on the issue. Excluding people from work on the ground of their age is not only discriminatory, but detrimental to our economy. We cannot, and must not, lose the valuable skills and experience that older people can bring to many jobs. Although legislating for such a change could be difficult, the Executive must do more to improve how the public and business perceive older people and to highlight the many benefits of employing older, more experienced people.

In conclusion, I welcome the Executive's continued commitment to improving the lives of older people in Scotland. I also welcome the approach whereby older people are viewed as a valuable resource for our society rather than a burden. The Parliament can be proud of the services that it has provided for older people, such as free personal care, the central heating programme, the warm deal and free off-peak bus travel. All those initiatives are improving the lives of older people.

I urge the Executive to continue that good work and to ensure that the strategy sets out clear and measurable steps to improve the lives of all older people in Scotland.

15:33

Roseanna Cunningham (Perth) (SNP): During Wednesday's time for reflection, the Rev Martin Johnstone pointed out that 87 per cent of the media's coverage of young people was negative, but the same might be said about their coverage of older people. That possibly says more about our media than about either young people or older people. The coverage of older people always relates to issues such as pension black holes, bedblocking, resources and how older people place a burden on health provision, yet when we hear of a death—such as Margaret's—our immediate reaction is, "So young?" I digress briefly, but I believe that it is appropriate to pay tribute to Margaret Ewing in this debate for her work over many years in raising awareness of fuel poverty and of its impact on older people in particular. The prism through which older people are viewed is particularly negative, but that perception must change.

When I asked my assistant to pull together for me information about innovative ideas for living among older people, her default response was to hand me a lot of stuff about residential care, as if that is what it is going to be all about the minute we hit 60. We have only to look around us in the Parliament to know that that cannot be so.

I was hoping to be told that I was too young to take part in the debate, but the truth of the matter is that age does not mean what it used to, which is

a matter for rejoicing instead of doom and gloom. I spoke to a lady in my constituency two years ago who, having retired, went to art college, won awards for her work, went on to win a Churchill fellowship, spent nine months studying embroidery in Japan, came back and set up an exhibition in Perth gallery. She began a new career post retirement that came completely out of the blue. We can all point to such individuals.

That is not to say that there are not issues that need to be dealt with. The short consultation document touches on a number of important areas that need to be addressed. However, I am not taking the gloom and doom route this afternoon. I acknowledge that there are challenges and difficulties: the Health Committee care inquiry is considering personal care for the elderly, so I could hardly be in ignorance of them.

We should be particularly concerned to ensure that people are not pointlessly prevented from contributing across the board in all areas of life because of something as trivial as the date on their birth certificate. That will involve tackling prejudices in wider society. It will also mean acknowledging that if someone is over 50 or 60 that does not put them into a homogenised group that can be dealt with as if everybody over a certain age had the same needs and priorities. There is an ocean of difference between 60 and 90. It is the same difference as between 30 and 60 and we would not dream of putting 30-year-olds and 60-year-olds into the same age bracket. We need to find a way to acknowledge and embed such diversity into any strategy. In the modern world—Karen Whitefield touched on this—the 60-year-old will have more in common with the 40-year-old than with the 90-year-old. That is just the way our life is now.

We should all come clean on this. Until only about 50 years ago, older people would never have been questioned in society; they got respect automatically. We all point to the age that Churchill was when he became Prime Minister. There was never a question about his age. I cannot help thinking that the social change that swept away all that respect happened to coincide with the very baby boom generation—us—that now faces old age. Curiously, we demand from others that which we often denied our own parents and grandparents. That is a salutary lesson for us all.

My constituency has a higher than average age profile and it is getting older—that includes me. There are lots of local initiatives, as there are in many other parts of Scotland, most of which are aimed at involving older people themselves in the development of a strategy. That is all to be welcomed. I commend Scotland's Futures Forum for the work that it is undertaking.

It is important to go beyond the ideas that are contained in the consultation and the forum's work. Once I had disabused my assistant of the likelihood that everyone who hits 60 is in imminent need of a walking stick and residential care, I had to explain that I was really looking for examples from throughout the world of where older people have created for themselves new ways of living, which I think that we should consider.

I will take a minute or two to talk about co-housing, which is an interesting innovation. The idea was born in Denmark—I have to make a political point and say that that is a small country, which is a full member of the European Union and is independent. Groups of people in Denmark who were dissatisfied with existing housing and communities began to band together to plan their own communities that were more environmentally friendly and sustainable. Each co-housing community was planned in its context and was flexible to the needs and values of its residents and the characteristics of the site. The housing varied from flats to clustered detached houses. Some communities were multi-generational and involved older people in the care of children, which allowed them to remain connected socially—which is often not the case in our communities.

Inappropriate housing can leave older people feeling isolated and almost like prisoners in their own home. Co-housing, done well, can prevent older people from becoming cut off and help deal with crime, poverty, joblessness and lack of educational opportunity. That sort of community will meet older people's needs for housing that is easier to maintain, provides more security and contact with neighbours and offers common activities and mutual help without suggesting that elderly people have been put out to pasture.

The idea is imaginative, innovative and is the kind of initiative that we need to import. As we face up to the requirement of providing for older people, we should challenge perceptions, including an individual's assumptions about what they are capable of, and we should offer real lifestyle choices while recognising that, as they get into their later years, older people increasingly need—and deserve—help and assistance.

I hope that, when we debate a strategy in the longer term, the innovative practices from other parts of the world will be judged to be capable of being brought into Scotland and that, instead of older people feeling that they have a long, dark tunnel in front of them, they can begin to see that they have real choices and that their lives can change, even when they are older.

15:41

Patrick Harvie (Glasgow) (Green): The minister described Scotland's aging population as

one of the greatest changes that has ever been seen in Scotland. We all agree that the Executive is entirely right to address this issue.

I have been struck by the difference in tone between this debate and last week's on the fresh talent initiative, which also touched on the aging population—although, in that debate, it was more often described as the falling working age population—which was seen as a challenge for our economy. Today, however, the consequences are being talked of much more in terms of opportunities and benefits. To be honest, neither analysis has a monopoly on truth. Both interpretations have something to offer the debate.

The Executive's consultation reflects the fact that the issues that affect older people cover the full range and that older people are not a simplistic stereotype any more than are any of the other groups that we refer to in relation to equality strands.

The minister mentioned recent equality legislation, which includes the Westminster Equality Act 2006, under which the commission for equality and human rights—which will enforce provisions against age discrimination—will be set up. There is also legislation that gives us our devolved responsibility to promote equal opportunities. Those are important changes that will impact on many of the aspects of life that are distinctive for older people.

On work, Donald Gorrie was right when he talked about flexibility. After all, politicians make flexible provision for themselves in their retirement. When Westminster politicians graduate out of the Commons after many years and the constituency burden is lifted from their shoulders, they are still able to contribute from another chamber. Why should we not give that kind of flexibility to people in many different walks of life and jobs and enable them to continue to contribute at a level that is appropriate for them? Most people want to work in some way or other. That is reflected in the high level of volunteering among older people.

The diverse range of housing needs that people have must be recognised. Although some want to stay in the home that they have lived in for many years, Roseanna Cunningham is right to recognise the benefits of co-housing. She has already dealt with that issue, so I will not go into it in great detail. However, I will say that many people want to share their housing socially with other people.

We have said that older people are not a simplistic stereotype. That means that the services that we deliver have to reflect the diversity of older people. As Scotland's population ages, those services will encounter a far greater level of diversity in cultural and religious terms as our new

Scots, welcome as they are, age and begin to need to take up those services.

Sexual diversity is another part of the changing picture. Services for older people—particularly residential services—are quite used to seeing people who, sadly, start to experience dementia. Those people might have lived in the closet all their lives. Perhaps they were brought up at a time when being sexually different meant imprisonment or what today we would call psychological torture. Even though that is no longer the case, they live with those attitudes because they were ingrained at the time. If they are no longer able to maintain the pretence of living in the closet, which their families are used to, the already distressing experience of dementia can be all the more shocking for their families to encounter.

However, that situation will diminish and, instead, services for older people will encounter more people who are out and who have been living with a same-sex partner for many years. By then, we might even say that they have been married for many years. Services will need to adapt and be willing to challenge the prejudice that exists in residential settings.

I want to comment on the structure of communities. I know that I am running short of time. I think that we are on six-minute speeches. Is that correct, Presiding Officer?

The Deputy Presiding Officer: Yes.

Patrick Harvie: Although free local travel is an excellent, valuable development, it is not a substitute for local services in either the private or public sectors. Having a travel card is no compensation for the loss of post offices and local shops. Free travel is a great thing in itself, but it does not compensate for the changing structure of communities.

Members get a lot of complaints about antisocial behaviour. The Executive was right to address it, but I end by reflecting on an experience that the Communities Committee had during the pre-legislative inquiry on antisocial behaviour. We visited an older people's project and heard many stories. The residents told us that antisocial behaviour is an extreme problem that has a big impact on their lives, but we then heard half an hour of anecdotes about how they had all got up to far worse in their day. The picture is not as simple as it appears to be.

We will support the Executive's motion but I also want to support the SNP's amendment in recognition of the fact that, despite the consequences of Government choices both here and at Westminster, we still have a great deal to do to address the poverty that far too many people experience in Scotland today.

15:47

Irene Oldfather (Cunninghame South) (Lab):

A great deal of progress has been made in enabling our elderly people to live with dignity in retirement. Other members have spoken and will speak about the opportunities that retirement should afford elderly people to engage with and make a contribution to our society. In my speech, I will focus on the frail elderly and, in particular, on those who deal with the challenge of dementia.

We have come a long way—in particular, I mention the introduction of free companion bus passes, which has removed an inequality from the system—but we are still looking to develop future strategies and I want to mention a few areas in which more progress is needed. Because we are talking about a joined-up strategy for the elderly, I raise the issue of keeping old people with dementia out of care and in their own homes for as long as possible. We provide practical support and assistance directly through care in the community, but I ask the minister to consider the recent guidance on drug therapies for people with Alzheimer's.

The minister might be aware that the National Institute for Health and Clinical Excellence, with input from NHS Quality Improvement Scotland, is reviewing the guidance on the prescribing of drug therapies. There is no cure for Alzheimer's. The most recent guidance from NICE suggests that drug therapies should be restricted to those with moderate dementia and should not be made available to those with mild dementia. There are many reasons why that is inappropriate. We could spend the whole debate arguing about whether it is appropriate to use the mini-mental state examination as a definitive test to determine whether people will benefit. We could talk about the savings that could be made by keeping old people out of residential care and in their own homes using relatively cheap drug therapies.

We could argue about whether sufficient cognisance is given to improved quality of life for sufferers, their carers and their families. We could point out that the present NICE recommendation is inconsistent with the good practice for managing dementia that was outlined just last month by the Scottish Intercollegiate Guidelines Network. However, the overwhelming argument is that it is cruel and inhumane to deny those drugs to people with mild Alzheimer's. It is cruel because it means that, when someone is diagnosed—and we are calling for early diagnosis—they will have to be told to wait until they have deteriorated to a certain level before they can be helped with drug therapy. The Royal College of Psychiatrists is opposed to that, as are Alzheimer Scotland and carer groups, and I hope that there will be cross-party support in Parliament today to say that we are opposed to it.

I ask the minister, in summing up, to lend his support and weight to ensuring that the Scottish Executive input to NICE and to NHS Quality Improvement Scotland is unequivocal in calling for all sufferers, including those with mild Alzheimer's, to have the opportunity to try out the drugs and to see whether they benefit.

I ask that any strategy for the elderly should consider how people with advanced dementia can be managed in the acute sector when temporary hospitalisation is necessary. I would like all health boards to be required to put in place a plan for how people with dementia will be managed from the moment that they come into hospital, whether that happens through accident and emergency or through planned admission. If people have been assessed by social work as requiring 24-hour care, we need to ascertain how social work can work jointly with health boards and the health service to ensure that people with dementia are not placed at risk in a hospital environment during any time when a clinical condition has to be managed.

People with dementia become easily stressed and disoriented by unfamiliar environments and new faces, and a strategy to minimise their time in hospital and, if necessary, to ensure that a sitter service is available would enable simple steps to be taken to put better strategies in place so that elderly people can benefit from better joined-up service planning and working. The minister spoke of avoiding consigning older people to the scrap heap, and it strikes me as bizarre that, when an elderly person is admitted to residential care—the point at which they are perhaps at their most vulnerable—they lose access to the services that were previously available in the community. Their social worker withdraws, their consultant physician often withdraws, the care assistants whom they may have seen on a daily basis for years withdraw and, at a time of great change when they need advocates who can speak up for them and who understand their needs, they are literally written off the books. That increases social exclusion, and I ask the minister to consider how the strategy can better bridge the gaps back into their previous independent lives. Residential care is changing and there are examples of good practice, but we need to see elderly people—even those who are in residential care—as an integral part of our communities. The most vulnerable must have advocates who can speak up on their behalf.

The last time that we debated the subject, I spoke about the importance of the Scottish Commission for the Regulation of Care in regulating standards of care. The information that the care commission gathers about residential care establishments and independent agencies must be made more widely available. Homes that are falling short of the standards must be brought

to task. Increasing unannounced inspections, expanding the areas to be examined and providing greater access to information are all areas that merit further exploration in the work of the care commission. Let us not forget that the commission is not there to tiptoe around and to be nice. It is there to ensure that minimum standards are adhered to and that the highest standards are encouraged. If that means naming and shaming to protect old people, so be it.

Today's debate affords us an important opportunity to speak up for those who are not able to speak up for themselves. The people whom I have spoken about will not be standing outside with placards to lobby us. They are a silent majority. They are sitting quietly at home, or in nursing homes, looking out of their windows and watching television. Nonetheless, this is their Parliament and we represent their interests. Let us do so well. If we do not speak up for them, who will? I support the motion.

The Deputy Presiding Officer: I do not know whether anyone from facilities management is monitoring the debate, but if they are it would be helpful if the temperature in the room could be lowered from some remote command centre.

15:55

Mary Scanlon (Highlands and Islands) (Con): I will focus on three of the aims that I picked up from the consultation document, "Age and Experience: Consultation on the Strategy for a Scotland with an Ageing Population". I commend Irene Oldfather for her speech and for the short-life working group on dementia. I commend the work that she is doing as a member of that group and the progress that she is making.

The first of the three aims is

"Effective integrated services for older people",

which the minister has mentioned quite often. The second is

"Promoting and maintaining health and wellbeing".

The third is

"People living in accommodation and environments which continue to meet their needs and wishes as they age."

As I said to the minister during his speech, the figure for delayed discharges stands at 1,488. The situation in which people who have been assessed for care in their own homes or in a care home are being left languishing in a hospital, where they face the issues that Irene Oldfather mentioned, does not represent integrated care. A hospital is certainly not an environment that suits the person's assessed needs and their delayed discharge from a hospital does not indicate that there is an integrated service.

Recently I visited Dunoon hospital, where there are nine bedblocked patients who are there through no fault of their own. One of the patients—an elderly gentleman—enjoys smoking his cigarettes outside the hospital. He goes out through a fire door near his room. After Sunday, that gentleman will not be able to smoke there because the health board will not allow smoking in the grounds in addition to not allowing it inside the hospital. He has been assessed to go to a care home or his own home, where he could smoke. Does the minister expect that elderly gentleman, who is in his 80s, to stop smoking because he is, through no fault of his own, a delayed-discharge patient? That is a serious issue that must be considered. I have asked a written question on the matter, so I am sure that I will get an answer in the fullness of time.

Figures indicate that 26 per cent of Scotland's population will be over 65 in 2031, so surely we should encourage people to save for their old age and they should not be penalised for doing so. When people who are self-funding have to pay more for their care than those who are funded, that is hardly an incentive to save. A case was brought to my attention recently of a lady who pays £143 more per week than other residents in a care home because she is self-funding. She receives exactly the same level of care as everyone else. The care commission might want to consider that issue in regulations, because the situation certainly gives people no incentive to save for their old age.

The principle of understanding in the Community Care and Health (Scotland) Act 2002—the minister was on the Health and Community Care Committee with me when we considered the bill—was that there would be one type of integrated care home, which would cater for elderly people's needs as their condition deteriorated and they became frail in old age. Ministers gave us a guarantee that people would stay in one home and that, depending on their condition, nursing care and other care would be brought in so that care in the home would be appropriate for their needs. However, that has not happened. I do not know where the principle went wrong, but it went wrong somewhere between the act, the understanding, the guidance and the care commission regulations.

I have discussed that matter with the care commission and with members who served with me on the Health and Community Care Committee and who share my understanding of the position. Instead of there being integrated care homes to suit elderly people's needs as their condition deteriorates, the choice is between residential homes, nursing homes and a few integrated care homes. The result is that as a resident's condition deteriorates and they need nursing care or a

greater level of care than that which a residential home can give, they languish in residential care. Again, if we return to the aim, it is clear that people are not living in accommodation that meets their needs as they age. The minister must look again at that serious issue.

My final point, which has been raised by Age Concern, Help the Aged and several members in the debate, relates to free personal care for assistance with the preparation of food. I understand that 13 councils still charge for that assistance. The Community Care and Health (Scotland) Act 2002 stated clearly that free personal care covered assistance with the preparation of food. Unfortunately, the guidance contradicted the 2002 act. I ask the minister to ensure both that clarity is brought to the issue and that the act that was passed by the Parliament overrules the erroneous guidance. As someone said, there is a postcode lottery because some councils charge while others do not; the Western Isles Council used to charge, but has now paid back the money. The situation is a mess and people simply do not understand it.

The Conservatives welcome the strategy for an aging population. I hope that the minister will take on board the issues that I have raised, because they are crucial for vulnerable, elderly people and the understanding of what they are entitled to.

16:02

Nora Radcliffe (Gordon) (LD): Scotland's population has been roughly static for many years, but the age profile is changing, which has implications for public services, the private sector, employers, business and the leisure industry. It is sensible therefore to consider the issues at strategic level. The Executive's consultation should stimulate discussion and garner useful suggestions and information with which to develop the strategy.

The minister outlined to the Equal Opportunities Committee earlier this week how the Executive is working to ensure that the consultation is disseminated widely and that it is as inclusive as possible. That work is facilitated by the design of the consultation document and the suggestion that the document can be used as a basis for group discussions. I hope that that suggestion will be taken up. I think that it is a useful mechanism for involving people and doing a bit of blue-skies thinking and brainstorming on the issue. Perhaps we as MSPs could help to facilitate that in our constituencies.

I welcome the positive emphasis of the Executive's motion. As other members have said, the debate on aging and older people is too often coloured by negative stereotypes of older people

and old age. If we ask almost anyone to define old age or at what age someone becomes old, I can guarantee that the answer will be five, 10, 20 or 30 years older than the age of the person who is asked. That is why I am pleased that the consultation defines the word "older" as 50 years or older. That will get an awful lot of people thinking of the issues in terms of me and us, rather than in terms of them. That alone should help to dismantle widespread agist attitudes. Ageism is now illegal, but the law is effective only when we win hearts and minds.

Scotland's age profile is changing, but so is the working life profile. I was struck by an observation that was made to me that we are debating whether we can defuse the pension time bomb by raising the retirement age, but in fact a significant proportion of the working population retires far short of the current retirement age. If everyone simply continued to work until 65, that would have the same effect as raising the age of retirement. I am not an expert, but that sounded quite plausible to me. Whether it is the case or not, the point is perhaps not very relevant, because we probably need more flexible arrangements that would allow individuals to choose how long and how hard they work and which would offer them the opportunity of a tapering out of working life. Many people who take early retirement go on to second careers, either paid or voluntary, that may stretch over as many years as their first period of work. There is also a salient point to be made about older people who may not be in employment and paying taxes to help to fund pensions, but who may be making an even more valuable contribution, which could be quantified in cash terms, by bolstering statutory service provision through their voluntary activities.

As Malcolm Chisholm indicated in his speech, the stage in life at which more support is required is likely to be the last few winding-down years. However, as life expectancy lengthens, it is likely that those extra years of life will be healthy and vigorous, rather than necessarily part of a winding-down phase.

Irene Oldfather usefully highlighted the necessity for the strategy to address the needs of those people who cannot speak up for themselves. She made a valuable speech.

Having more older people around will create more demand for things such as better and more flexible public transport, better insulated homes, a wider range of housing provision and more inclusive leisure facilities. As Roseanna Cunningham said, there will be demand for different kinds of communities and ways of providing housing and living together, such as co-housing. That can only be good.

I am looking forward to old age and the heaps of things that I want to do but do not have time to do

now. There is a well-known saying, variously attributed, which runs along the lines of "Old age sucks, but it is better than the alternative." The maxim that I prefer is, "I intend to die young, but as late as possible."

16:07

Linda Fabiani (Central Scotland) (SNP): Unlike Nora Radcliffe, I am horrified to learn that I have only nine months left as a young thing and that I will then suddenly become part of a strategy for old age.

Nora Radcliffe: If you cannot be a good example, be a dreadful one.

Linda Fabiani: That sounds like very good advice.

I will try to get over my horror and astonishment and to make some of the points that I had planned to make. The minister started by talking about an issue that we have been discussing in western societies for a long time—the demographic change that cannot be ignored. There are many more older people in our societies. However, many members have made the point that older people are not a homogeneous group. Just as there are in any other walk of life or age span, there are many variations within the group.

I want to talk about a particular group about which I have spoken many times before—elderly carers, especially elderly parents of children with learning difficulties. There has been much talk about that issue of late, due in large part to the Murray Owen Carers Group in East Kilbride in South Lanarkshire, which has submitted petitions to the Parliament and has been very active in raising awareness through Enable. As a result of its activity, South Lanarkshire Council recently published a report that contains a great deal of information and which the Executive is considering.

There are some items of concern. Although I am quite knowledgeable about this subject, some points in the report really stunned me. We must bear in mind that its findings do not apply only to South Lanarkshire, but are likely to be relevant to the whole of Scotland. The report highlights the exacting nature of caring tasks for elderly parents. Two fifths of their sons and daughters living at home have an additional disability, such as epilepsy, erratic sleeping and dementia. Irene Oldfather talked about dementia in older people, but people with some forms of learning disability are prone to early-onset dementia with which elderly parents whose children still live at home have to deal. More than 42 per cent of family carers are lone parents and of them more than a quarter are over 70 years of age.

The problem is not just their living situation, but the fact that there seems to be disparity in different places—that takes us back to the postcode situation—in achieving assistance and getting information about help and services. That creates a terrible anxiety about the quality of the support that exists.

I have come to be very fond of the people I know who are over 80 and caring for their adult children at home. The report said that for many older family carers in South Lanarkshire, any new services might come too late and that the local authority should work with older carers as a matter of urgency. I found that particularly horrifying. The problem is probably Scotland-wide, and that is disturbing.

What brought the Murray Owen Carers Group to petition the Parliament was the publication of the report “The same as you?” The strategy was very worthy and the people who petitioned the Parliament had no problem with the principles of the report, but they said that despite the worthy attempts to ensure that people with learning difficulties who come from institutional care are properly placed and looked after in communities, those who still live in their family homes are not being provided for to the same extent.

Only one parent in the East Kilbride group of elderly carers of adults with learning difficulties has been able to get rented accommodation for her adult son to move into and that happened only after a crisis situation. That contrasts with the new accommodation that was recently provided for five residents so that they could move out of a hostel and into proper housing. That is not to say that those five residents should not have got that proper housing, but the needs of other groups must be considered, too.

We have spoken about demographic change and the fact that there are now more elderly people, but there has also been demographic change in relation to people with learning difficulties. The University of Lancaster carried out an interesting study on behalf of one of the Whitehall departments, although I cannot remember which one. The report says that there is good reason to believe that as a result of changes in the demographic profile of people with learning disabilities, changes in expectations and the pattern of informal care, the situation will become substantially more pressing over the following two decades.

I know that the Executive has seen and considered that academic study and that there are no plans to commission the same kind of research for Scotland. However, as I said, the South Lanarkshire situation is likely to be spread throughout Scotland and I imagine that the situation in England is similar. I ask the Executive

to consider carefully and with compassion the needs of elderly carers of adults with learning difficulties.

16:13

Helen Eadie (Dunfermline East) (Lab): I and many other people throughout Scotland welcome the debate. I know from a briefing that I received this week that Help the Aged in particular welcomes the debate and believes that the Executive should be applauded for recognising that Scotland's aging population represents an opportunity, not a crisis, and that much needs to be done if the challenges that demographic changes will bring are to be overcome.

Help the Aged says that the Scottish Executive deserves praise. In turn, as politicians, we too applaud and praise the efforts of so many voluntary organisations that do so much to support older people in our communities. In that respect, I think of 85-year-old Lizzie, who works in the Dr Barnardo's shop in Cowdenbeath and still wants to look after older people. I really admire her attitude.

Many people have joined the campaign for a Scottish strategy for an aging population because they understand that such a move would address obstacles that stand in the way of our capitalising on the opportunities offered by an aging population and ensuring that Scotland's older people benefit from their experience, skills and abilities. Most of the issues that members have raised this afternoon have already been raised by people who have asked us to take account of their concerns; of course, many of those concerns are already being examined. For example, in its first post-legislative inquiry into care in the community, the Health Committee is addressing many issues that have been raised in e-mails. I am sure that, given the points that she made, Mary Scanlon will welcome that.

As colleagues have pointed out, societal attitudes towards older people—who are now from the baby boom generation—and their expectations have changed. There is growing demand for different and more positive attitudes to work in later life. The challenge is to position Scotland so that it benefits from an aging population and to ensure that its services, economy, buildings, infrastructure and image contribute to a Scotland in which old age is no barrier to participation.

All Executive departments need to own and contribute to the strategy. After all, its success will be measured in part by how it addresses matters other than health, social care and transport.

The Scottish Executive is rightly conducting a comprehensive consultation process to identify the differing needs and views of age cohorts, and the relationships between them and policy

development. We can no longer think of old age as something that affects only people who are aged from 50 to state pension age or those who are aged 65 and over. I am sure that Linda Fabiani will be glad to hear that, although I should point out that, as they say, 60 is the new 50.

Christine Grahame: I have lost 10 years—just like that.

Helen Eadie: Indeed. I remember how, when my Polish friend, Krystyna Robinson, reached 50, she said to me, with a glint in her eye, “Here’s to the next 50!”

In our planning, we must stop lumping older people together and recognise different needs and aspirations. That will mean listening carefully to the widely varying views of all older people across Scotland.

I—and all MSPs—have a key role in shifting people’s perception that those in old age are simply end-users of services, instead of people who can contribute to society across a range of activities. We must change the view that older people are a burden on society and ensure that we maximise and recognise their contribution.

One major problem that must be tackled is age discrimination in the provision of goods and services. In that respect, we can be justly proud of our Westminster Government, which will shortly outlaw age discrimination in employment and training. However, although such moves will benefit wider society and the economy, they will do nothing to stop age discrimination in the provision of goods and services. For example, at the moment, insurance companies are within their rights to refuse travel insurance on the basis of age. I know from my postbag that many older people face that very problem, which will become more acute as Scotland’s population ages. Although control of that area of legislation is reserved to Westminster, I am sure that the Minister for Communities and the Scottish Executive already acknowledge the problem and will press our colleagues in the Westminster Government to address it urgently.

Donald Gorrie quite rightly pointed out that one creative challenge that we face is to identify ways of working with our Westminster colleagues on such matters. However, the Scottish Executive can counter pensioner poverty through maximising the take-up of benefits. According to UK statistics from the Department for Work and Pensions, up to 42 per cent of pensioners who are eligible do not claim pensioner credit and up to 47 per cent do not claim council tax benefit. Although there are a range of reasons for that, lack of knowledge of the available benefits and eligibility criteria, combined with complicated and confusing application forms, deter many potential applicants who are eligible for and would benefit greatly from those benefits.

I urge the minister to develop teams to go into some of the most deprived communities in Scotland, including some in my constituency. They could work in partnership with the Department for Work and Pensions—Donald Gorrie said that we had to be creative—and do door-to-door checks to ensure that the most impoverished people receive the great benefits that are available.

The Labour-led Scottish Executive, the UK Department for Work and Pensions, local government and voluntary organisations meet regularly in the partnership against poverty working group. We are working jointly to encourage older people to claim what they are entitled to. I hope that the working group will achieve its aims.

It is important to remember that women have been disproportionately represented among the poorest pensioners. Many women have not made full national insurance contributions, either because they took time away from employment to raise families, or because, in years past, they paid the small stamp. Increasing the basic state pension will not solve that problem, because only half of women pensioners have a full basic state pension. Furthermore, 60 per cent of the additional expenditure of increasing the basic state pension goes to better-off pensioners, whereas with Labour’s earnings-indexed pension credit, 80 per cent of the additional expenditure goes to the poorest pensioners.

I am pleased that the Scottish Executive has taken a holistic approach to fuel poverty. It has introduced the warm deal and free central heating programmes. Indeed, the Executive recently announced the extension of the central heating programme to 2008. The eligibility rules have been widened to include recipients of the guarantee element of the pension credit who have partial or inefficient central heating systems. In addition, there will be a two-year micro-renewables trial to investigate the possibility of adding renewables technology to the scheme in the future.

The free central heating programme and the warm deal on energy efficiency have made great inroads into tackling excess winter deaths and fuel poverty. The programme is the envy of the rest of the UK. It was important that the programme was extended—I know that organisations in my constituency, such as Help the Aged Scotland, are pleased that the Executive has done so much to expand the eligibility criteria.

The strategy depends on resources. I hope that the Scottish Executive will provide adequate funds for the implementation of the strategy once it is launched. The National Assembly for Wales allocated £10 million over three years to ensure that its strategy for older people had a strong base from which to grow. We hope that the Scottish Executive will follow that example.

Finally, I say “Salut!”—a toast, once we reach 50, to the next 50. Here’s to 100!

16:22

John Farquhar Munro (Ross, Skye and Inverness West) (LD): Before I start, I should declare an interest: I have reached the age when people are considered old, if not ancient.

Any strategy for an aging population should take into account the elderly people who want to continue to take an active role in the workforce—and there are many. There is a danger that we view the fact that our population is aging in a wholly negative way. Nobody here would take that view, and yet a prevailing view in society is that an aging population is a drain on resources.

I am sure that many members have seen at elections and rallies that pensioners want to get involved in the democratic political process. Some of us pensioners want to remain as members of the Scottish Parliament, and we hope to convince the electorate that the magic age of 70 does not diminish that aspiration. My friend John Swinburne was elected by the growing power of the pensioner vote. I thought that he would be here for today’s debate but—and this just shows the spirit of the man—he was playing five-a-side football and cannot be here because he sustained a slight injury. Quite amazing for a man of 75 years of age.

As I said, we have only to look in polling stations or in political parties’ campaign headquarters at election time to see that pensioners take an active role in the political process. While there is no doubt but that Scotland needs a strategy to deal with the aging population, I was slightly offended by the classification of older people as those who are over 50. Nobody accepts or believes that. When I was 50, I considered myself to be a boy; I am 70 now and I am not much older. If people are old at 50, what does that mean for John Swinburne, Donald Gorrie and me, as septuagenarians? There might be another term for us, but I do not think that Donald Gorrie considers himself to be old any more than I do.

I broadly agree with the strategy’s aims, particularly the importance that is placed on the maintenance of a good health service and suitable living accommodation, which are essential elements of anybody’s well-being. The most important way of keeping older people active in the community is to maintain their health for longer. The Scottish Executive strategy of health promotion is starting to be enacted in health centres throughout the country, which is to be welcomed. However, the increasing cost of fuel and therefore household heating could leave many pensioners susceptible to illness or death because of an inability to pay their heating bills. I am sure

that members agree that that should not happen in a rich and civilized modern society.

I listened to yesterday’s budget announcement and was disappointed that the £200 council tax rebate that was offered to pensioners in last year’s budget was shown to be a one-off pre-election bribe. I am not sure why pensioners need support in an election year but not in the year after. The move means that every pensioner household faces a £200 rise in bills this year, in addition to any increases that local councils make.

As I said, suitable accommodation is vital to older people’s well-being. I am disappointed to report that, in my area, Highland Council has in the past few years tried to abandon its responsibility to look after older people by selling off its care homes. The council is at present trying to dispose of seven care homes in its area. Members can imagine the trauma and difficulty that that causes for the elderly people who are housed in those establishments. Councils must be given a duty to look after the elderly in their areas and they must be funded to do so. Whenever I raise the issue with Highland Council, it says that the problem is a result of insufficient funds and that it needs more funding for its social work.

As with most issues, the present one ultimately comes round to funding. The Executive’s strategy is commendable, but we must ensure that sufficient funds are in place to deliver it.

16:28

Mr David Davidson (North East Scotland) (Con): I will not join the queue and declare my age. It has emerged clearly in today’s debate that there are a range of issues that the Executive must address, with, I hope, support from all parties, in developing a road to follow—I do not like the term “strategy”—to benefit and increase recognition of older people in the community.

The minister began by talking about barriers, which instantly made me think that he has not concluded his ideas and has not done anything other than acknowledge the problems. However, I welcome that encouraging start. He also talked about access to information, which is the key to all systems. If people do not have information, they need advice.

One or two members talked about advocacy, which is important. We have all had constituency cases in which people do not understand or know about something. Helen Eadie talked about pensions and unclaimed benefits. Someone who is entitled to something has a right to access it. We should ensure that those issues are properly addressed.

The minister touched on the key area of transport. Older people, whether they are retired

or partially retired, may have something to contribute, may need to interact with others and may wish to take part in recreation and leisure opportunities, but many of them do not have access to transport, whether it is their own transport or the routine bus services. I make a plea to the minister to consider proper funding for the voluntary dial-a-bus and community transport systems for young and old alike. A great chunk of the Scottish population does not live within easy access of a regular bus route. Many people look across three fields at buses going by on the main road and have no way of getting to them. We must get that right.

We had a debate on this subject some years ago and I mentioned that we should introduce annual health MOTs. Age Concern Scotland and others wrote to me about that and I raised it with the minister when he was responsible for health. If the Executive can put money into free eye and dental checks, it ought to be able to put resources in to health MOTs. As other members have said, if we know when a problem is coming and can get it dealt with easily, we will improve the quality of life. We must all aspire to that.

Many of us were at the 50-plus volunteering event last week, which has been referred to. I was overwhelmed by the enthusiasm, activity and energy of the people who attended the event. Such initiatives are a great resource for Scotland and, as the minister hinted, we must do all that we can to ensure that people are able to give back or add to society. If embroidery lessons and so on ends up in a career, good on you. Of course, there is always a tax take on that.

Sandra White mentioned care homes. Mary Scanlon and John Farquhar Munro talked about integrated care homes. Several members, including Roseanna Cunningham and Nanette Milne, talked about mindset and attitude. We tend to dump people in a box: "That is it. You are labelled." That is no way for society to operate, particularly when the benefits that we younger folk enjoy today came out of the efforts of those who went before us. They are entitled to have dignity and respect and to be involved.

Fuel poverty is a major issue. John Farquhar Munro highlighted the poor response from the Chancellor of the Exchequer when he withdrew the £200 rebate. It is a fact of life that the older one is, the more heat one needs. Sandra White mentioned building standards. Many on the Conservative benches have talked about that in the past. We must ensure that we use fuel efficiently and that people are warm. If people are warm and have good ventilation, and if they can get exercise and activity, they will remain in good health.

I was a bit disappointed in the SNP amendment, although the Conservatives agree with much of it.

Aging is a fact of life. It is not just about the positive things, such as putting people back in the community and keeping their skills going when industry is short of those skills. Bringing up the constitutional argument was a little misplaced. Patrick Harvie talked about post offices, banking and access to services. The minister cannot necessarily intervene on those issues, but we must have debate with the relevant sectors about them. Although unified budgets have been mentioned a lot, they must be focused and must contain priorities. I hope that in time the minister will be able to develop that.

There were some humorous contributions. Karen Whitefield, for example, referred to the Conservative-introduced warm deal. I congratulate the Executive on developing that. We can share a common interest there.

We must acknowledge the fact that our population is aging. It is becoming more important for us to address that fact, but there are age bands and ability bands within the aging population. It is not a case of older people ticking a box and falling off the shelf. Our economy needs older people to be involved and we cannot afford to lose their skill base. Whether in child care or in family support, they offer a huge service and we must help them to help the rest of us.

16:35

Christine Grahame (South of Scotland) (SNP): Who are the older people about whom we have been talking? I have found out in the debate that we are between 50 and 95, but my afternoon has not been entirely wasted because I lost 10 years thanks to Helen Eadie—that was very kind of her. Are we all the same? Of course we are not. Members need only look at Donald Gorrie, John Farquhar Munro, me and John Swinburne, who borrowed my walking stick earlier this week, to see what we are like. Some of us are not curmudgeonly—I will not point any fingers.

The debate has been wide ranging, so I will not be able to remark on every speech. I will start with some facts, because we cannot sidestep the issues. One pensioner in five in Scotland lives in relative poverty. Excess winter mortality in Scotland is three times greater than that in Germany and Sweden, where the weather is much colder. Only 12 per cent of buses and coaches in Scotland have low floors or a powered lift or ramp. For the reasons that Helen Eadie explained, 17.5 per cent of single women are not entitled to the basic state pension. Four out of 10 pensioners who are entitled to claim council tax benefits do not claim it. Those are facts.

Efforts have been made to make older people claim benefits and they have not worked. I hold

up—for the last time, I hope—the pension credit forms that pensioners are required to fill in. Given the size of the forms, it is no wonder that they give up trying to get their pension credit. I say to Mr Davidson that the reason for the Scottish National Party amendment is that one cannot walk away from the fact that, until we have a decent basic state pension and control of the benefits system in Scotland, ministers with good will, such as Malcolm Chisholm, have one hand tied behind their backs; they have limited resources and are often firefighting.

I applaud the contribution of elderly carers, as Donald Gorrie did. It is important because there is benefit not only to the person who is being cared for but to the carer. One-to-one interaction is good; it lifts people out of isolation and sometimes gives them something literally to get out of bed for. Linda Fabiani made a heartfelt speech about the support that elderly carers need. Members should remember that we now have two generations of pensioners—as I have said before, I am collecting my pension and my dad is collecting his at 91—so generations of pensioners are looking after each other.

We must remove age-related barriers. Let us start with the press, who insist on putting a person's age in brackets after their name. They do that particularly with women—I mean nothing personal to you, Deputy Presiding Officer—and it is absolutely irrelevant.

I thank Patrick Harvie for acknowledging pensioner poverty and supporting the SNP amendment. Council tax has been mentioned. I must correct Mr Davidson: the one-off payment to which he referred was money to help with the council tax. The Scottish Parliament could get a move on with a local income tax, which is supported by many members and would stop penalising elderly people who simply stay in their family homes and do not have the income to pay their council tax. Older people pay their bills and more elderly people in Scotland are in council tax poverty because one tenth of their income goes on paying council tax.

I commend Roseanna Cunningham for reminding us about Margaret Ewing's work on fuel poverty. When Margaret talked about cold-weather payments in the 1970s, I—just like everybody else—wondered what she was talking about. She pioneered the cold-weather payment, which has at last moved a step on. However, it is not good enough because, with every 5 per cent increase in fuel costs, another 30,000 people get thrown back into fuel poverty. Therefore, with the recent 30 per cent increase, 180,000 people have been thrown back into fuel poverty. That demonstrates why it is difficult for any Minister for Communities to keep promises about eradicating fuel poverty by

whatever date: we are not in charge of energy policy. The central heating programme is to be welcomed, but it needs to be extended not only to more kinds of systems but to low-income families.

Free personal care, which the Parliament pushed through, is not operating as we thought it would. The Sutherland report was quite clear about food preparation forming part of free personal care for people who cannot do it for themselves. We never thought, when we were voting on the policy, that they would be charged for it—and charged depending on where they live. That must change.

There have been council cuts. In the Borders, frozen meals are now given to people instead of meals on wheels, which had more of a personal touch. There is now home shopping, whereas it used to be delivered, or someone would come and take people shopping or would get them their messages and then have a wee chat with them. That is gone, and it is now a matter of ordering two weeks in advance.

Members have raised issues around care homes. There is great concern about the standards in some of them. We must look into the care commission, which is self-funding. I do not think that that is good enough. We need some independent funding to let the care commission do its job properly. There are some care homes that I would never want to be put near, frankly. I would rather put a gun to my head and end it than be put in them. We have seen some things on documentaries. That situation cannot be right in a caring society.

The concessionary fares scheme is excellent. However, we return to the fact that people might not have a low-rise bus service that they can use, or might be able to use a low-rise bus for part of their journey but not for the rest of it, as a result of which people can get stuck in places. There are people in Scotland who are disfranchised from transport and movement, and that is a big issue when it comes to keeping elderly people hale and hearty.

I heard the minister speak about housing design and new technology. Roseanna Cunningham made a substantive contribution, which would be well worth following through. Many people cannot get aids and adaptations. I say to Nanette Milne that we have been banging on in here for years about having one funding stream, so that social work does not compete with the health boards over which budget is used—we have been here for seven years. At least the consultation document is here now. I will be filling in my response, but I suspect that the space allowed for experience will be too small for me.

Roseanna Cunningham said to rejoice in age. Bits of me are but, to be honest, bits of me are

not—and modesty prevents me from disclosing those. However, I have a Malacca walking stick with a silver band, and it is on offer to anyone else who goes out and plays football with their grandson. I will end on the fact that I now have a shiny new bike.

16:42

Malcolm Chisholm: This has been an excellent debate, in which most people have welcomed our determination to develop a strategy for a Scotland with an aging population. However, I am slightly mystified by the SNP's wish to delete the part of our motion that

“welcomes the consultation and ongoing work currently being carried out to develop a Strategy for a Scotland with an Ageing Population.”

We are determined to have a comprehensive consultation process. I assure members that all Executive departments are involved, which is something that Helen Eadie called for in her speech. I am in the process of holding meetings with ministers, all of whom will be considering the implications of an aging population for their portfolios.

Traditionally, this subject has been viewed in terms of the demands on traditional services. That is certainly something that we do not overlook, but we want to deal with the issues in new and more integrated ways. There are further issues around the services that support the involvement and contribution of older people and all the work that we need to do to remove the barriers to that involvement and contribution.

John Farquhar Munro was concerned about older people in some places being defined as those over 50. As the consultation document says, we take a flexible approach there, and it is good to break down stereotypes. The fact is that that probably is the decade in which people begin to experience ageism, with regard to employment for example. Karen Whitefield highlighted the benefits of employing older, more experienced people, and other members also covered employment. Donald Gorrie did so in the context of flexible working, as did Nora Radcliffe.

Patrick Harvie made a comparison with last week's debate on fresh talent. I hope that there are not contradictions there. We are clear that if we are to grow Scotland's economy, we need to capitalise on the assets of the aging population. Older people have a lifetime of skills and experience, and they can contribute immeasurably in that regard. We need to help those people who want to stay in work until they are ready to retire, and we need to ensure that they have the skills that they need. We must increasingly think of retirement as a process, not an event. That is why

the whole idea of flexible retirement is so important.

I am pleased to have Linda Boyes of the Scottish Council Foundation on my advisory group. She has recently done a piece of written work on flexible working arrangements. Some changes to the pension regimes at Westminster are also helpful, including the change from next month that will allow people to receive an occupational pension while working for the same employer.

Sandra White raised several matters. She queried whether 12 weeks was adequate time for the consultation; we believe that it is. We are receiving responses and many inquiries for more questionnaires. The consultation document is easy to respond to, so we are confident that 12 weeks are enough.

Like Christine Grahame, Sandra White talked about food preparation under free personal care, to which the amendment refers. Discussions are taking place between the Scottish Executive and the Convention of Scottish Local Authorities to resolve those issues. As I chaired the care development group, I assure Sandra White that the issue was complex and that we spent much time on discussing it.

As for the closure of care homes, the fact is that some homes will not meet new standards by 2007. However, new modern facilities are being built and major companies are investing heavily in the sector, which shows confidence.

Christine Grahame, Sandra White and others mentioned pensioner poverty. We should recognise the significant reductions that the figures that were released 10 days ago or so showed. Half the pensioners who were in relative poverty in 1997 are now out of it and more than three quarters of pensioners who were in absolute poverty in 1997 have been moved out of it. Of course there is more to do, but we should acknowledge progress.

I know that the SNP and others are hostile to the pension credit. As Helen Eadie said, we must deal with uptake, but we should remember that pensioners are on average £19 a week better off with the pension credit than they would be if the earnings link had been applied to the basic state pension since 1997.

Many issues in relation to the frail elderly were raised. Nanette Milne talked about people who have communication difficulties because of stroke or dementia. We are exploring with disability organisations how to reach those people and to hear their views. A piece of research that I announced a while ago and which Nanette Milne supported is based on listening to the views of people who have communication impairment and learning from them in the development of services.

Irene Oldfather was concerned about various issues that relate to dementia. I will not become involved in the drug therapy issue, other than to note that the final appraisal document from NICE will be published soon, after which NHS Quality Improvement Scotland will give a view on it. Important developments in dementia care have taken place and I am pleased that, in the Easter recess, I will go to the dementia services development centre at the University of Stirling to launch its work on housing, care and support for people with dementia.

Mary Scanlon talked about delayed discharge. The latest census showed that 778 patients had been ready for discharge for more than six weeks, which was down 19 per cent on the figure in January 2005. The total of 1,488 patients, which Mary Scanlon quoted, represents a reduction of 10.8 per cent on last year's figure. Recently, Lewis Macdonald announced new targets to eliminate by April 2008 all inappropriate delays over six weeks.

David Davidson talked about health issues. He will know of the strong emphasis on anticipatory care in the management of long-term conditions following David Kerr's report.

Roseanna Cunningham talked about co-housing. We are certainly aware of innovation elsewhere, including co-housing. We welcome input that suggests new and innovative ways to meet housing need. More generally, in the survey that was conducted before the consultation's launch, housing was identified as marginally the top issue for the Executive to get right for the aging population. The houses that we build today will need to be suitable for an older population. We need to think beyond the traditional models of housing for older people and the Executive is reviewing older people's housing.

Karen Whitefield and Helen Eadie referred to the central heating programme and fuel poverty. I am pleased that they welcomed the extension that was announced last week. The programme will continue beyond 2006 and, from 1 January next year, it will be widened so that pensioners who receive the guarantee element of pension credit will be able to receive upgrades to partial or inefficient central heating systems.

Under our commitment to eradicate fuel poverty by 2016, we have already spent more than £200 million on measures to tackle fuel poverty. We have provided central heating to more than 63,000 homes and we have insulated more than 223,000 homes under the warm deal. Our central heating programme is the best targeted fuel poverty programme in the United Kingdom.

Patrick Harvie referred to antisocial behaviour. I have already met the Minister for Justice—she has just entered the room at a timely moment—to

discuss with her what impact an aging population will have on issues that come within her portfolio. Notwithstanding what Patrick Harvie said, many older people's lives are crippled by a fear of crime that stops them going out at night or getting involved in social or community activities. Many local police forces do excellent work in building bridges between generations and helping older people with basic security measures to help them to feel safer. Among other matters, the strategy will consider community safety as well as—to return to the central theme of both the debate and the strategy—the contribution that older people make to creating stronger and safer communities.

I see that I am in my last minute. As I am expected to keep to 10 minutes, I will stop at around 10 to 5 rather than repeat my previous performance and talk for 19 minutes.

As I said, the central theme of the strategy is the contribution of older people. Linda Fabiani and Donald Gorrie mentioned the role that older people have as carers, whereas Helen Eadie, Karen Whitefield and others highlighted their role as volunteers. Certainly, the central thrust of the strategy for a Scotland with an aging population is that it is time to break down the stereotypes about older people. We want to do everything that we can to remove the barriers that prevent older people from contributing to society in ways that they choose. That is not only an important but an innovative and radical approach, which I am glad has been broadly welcomed today.

We will not, of course, forget the traditional services that older people need. The strategy will also consider how those should be modernised and reformed for the benefit of older people.

I look forward to the consultation over the next three months and I hope that members will encourage their constituents to participate. I look forward to presenting to the Parliament the completed strategy later in the year.

The Deputy Presiding Officer (Trish Godman): I will suspend the meeting until 16:59 to enable people to get into the room.

16:53

Meeting suspended.

17:00

On resuming—

Decision Time

The Presiding Officer (Mr George Reid):

There are five questions to be put as a result of today's business. The first question is, that amendment S2M-4163.2, in the name of Jim Mather, which seeks to amend motion S2M-4163, in the name of Nicol Stephen, on growing a knowledge economy, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

Adam, Brian (Aberdeen North) (SNP)
 Aitken, Bill (Glasgow) (Con)
 Arbuckle, Mr Andrew (Mid Scotland and Fife) (LD)
 Baillie, Jackie (Dumbarton) (Lab)
 Baird, Shiona (North East Scotland) (Green)
 Baker, Richard (North East Scotland) (Lab)
 Ballance, Chris (South of Scotland) (Green)
 Ballard, Mark (Lothians) (Green)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brocklebank, Mr Ted (Mid Scotland and Fife) (Con)
 Brown, Robert (Glasgow) (LD)
 Brownlee, Derek (South of Scotland) (Con)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Canavan, Dennis (Falkirk West) (Ind)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Davidson, Mr David (North East Scotland) (Con)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Eadie, Helen (Dunfermline East) (Lab)
 Fabiani, Linda (Central Scotland) (SNP)
 Fergusson, Alex (Galloway and Upper Nithsdale) (Con)
 Finnie, Ross (West of Scotland) (LD)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gallie, Phil (South of Scotland) (Con)
 Gibson, Rob (Highlands and Islands) (SNP)
 Gillon, Karen (Clydesdale) (Lab)
 Glen, Marilyn (North East Scotland) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Goldie, Miss Annabel (West of Scotland) (Con)
 Gordon, Mr Charlie (Glasgow Cathcart) (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)
 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)
 Johnstone, Alex (North East Scotland) (Con)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lochhead, Richard (North East Scotland) (SNP)

Lyon, George (Argyll and Bute) (LD)
 MacAskill, Mr Kenny (Lothians) (SNP)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 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)
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)
 McFee, Mr Bruce (West of Scotland) (SNP)
 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)
 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)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, Eleanor (Highlands and Islands) (Green)
 Scott, John (Ayr) (Con)
 Scott, Tavish (Shetland) (LD)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Iain (North East Fife) (LD)
 Smith, Margaret (Edinburgh West) (LD)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Tosh, Murray (West of Scotland) (Con)
 Wallace, Mr Jim (Orkney) (LD)
 Welsh, Mr Andrew (Angus) (SNP)
 White, Ms Sandra (Glasgow) (SNP)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

AGAINST

Byrne, Ms Rosemary (South of Scotland) (SSP)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Fox, Colin (Lothians) (SSP)
 Kane, Rosie (Glasgow) (SSP)

ABSTENTIONS

MacDonald, Margo (Lothians) (Ind)

The Presiding Officer: The result of the division is: For 106, Against 4, Abstentions 1.

Amendment agreed to.

The Presiding Officer: The next question is, that amendment S2M-4163.1, in the name of Murdo Fraser, which seeks to amend motion S2M-4163, in the name of Nicol Stephen, on growing a knowledge economy, as amended, be agreed to. Are we agreed?

Members: No.

The 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)
 Davidson, Mr David (North East 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)
 Tosh, Murray (West of Scotland) (Con)

AGAINST

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)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Eadie, Helen (Dunfermline East) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Fox, Colin (Lothians) (SSP)
 Gillon, Karen (Clydesdale) (Lab)
 Glen, Marilyn (North East Scotland) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Gordon, Mr Charlie (Glasgow Cathcart) (Lab)
 Gorrie, Donald (Central Scotland) (LD)
 Harper, Robin (Lothians) (Green)
 Harvie, Patrick (Glasgow) (Green)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (Lab)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Kane, Rosie (Glasgow) (SSP)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 MacDonald, Margo (Lothians) (Ind)
 Maclean, Kate (Dundee West) (Lab)

Macmillan, Maureen (Highlands and Islands) (Lab)
 Martin, Paul (Glasgow Springburn) (Lab)
 May, Christine (Central Fife) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McCabe, Mr Tom (Hamilton South) (Lab)
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)
 McMahon, Michael (Hamilton North and Bellshill) (Lab)
 McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 Munro, John 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)
 Ruskell, Mr Mark (Mid Scotland and Fife) (Green)
 Scott, Eleanor (Highlands and Islands) (Green)
 Scott, Tavish (Shetland) (LD)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Iain (North East Fife) (LD)
 Smith, Margaret (Edinburgh West) (LD)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Wallace, Mr Jim (Orkney) (LD)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

ABSTENTIONS

Adam, Brian (Aberdeen North) (SNP)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Gibson, Rob (Highlands and Islands) (SNP)
 Grahame, Christine (South of Scotland) (SNP)
 Ingram, Mr Adam (South of Scotland) (SNP)
 Lochhead, Richard (North East Scotland) (SNP)
 MacAskill, Mr Kenny (Lothians) (SNP)
 Marwick, Tricia (Mid Scotland and Fife) (SNP)
 Mather, Jim (Highlands and Islands) (SNP)
 Maxwell, Mr Stewart (West of Scotland) (SNP)
 McFee, Mr Bruce (West of Scotland) (SNP)
 Morgan, Alasdair (South of Scotland) (SNP)
 Neil, Alex (Central Scotland) (SNP)
 Robison, Shona (Dundee East) (SNP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Welsh, Mr Andrew (Angus) (SNP)
 White, Ms Sandra (Glasgow) (SNP)

The Presiding Officer: The result of the division is: For 16, Against 74, Abstentions 21.

Amendment disagreed to.

The Presiding Officer: The next question is, that motion S2M-4163, in the name of Nicol Stephen, on growing a knowledge economy, as amended, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

Adam, Brian (Aberdeen North) (SNP)
 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)
 Canavan, Dennis (Falkirk West) (Ind)
 Chisholm, Malcolm (Edinburgh North and Leith) (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)
 Fabiani, Linda (Central Scotland) (SNP)
 Fergusson, Alex (Galloway and Upper Nithsdale) (Con)
 Finnie, Ross (West of Scotland) (LD)
 Gallie, Phil (South of Scotland) (Con)
 Gibson, Rob (Highlands and Islands) (SNP)
 Gillon, Karen (Clydesdale) (Lab)
 Glen, Marlyn (North East Scotland) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Gordon, Mr Charlie (Glasgow Cathcart) (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)
 Ingram, Mr Adam (South of Scotland) (SNP)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lochhead, Richard (North East Scotland) (SNP)
 Lyon, George (Argyll and Bute) (LD)
 MacAskill, Mr Kenny (Lothians) (SNP)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 MacDonald, Margo (Lothians) (Ind)
 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)
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)
 McFee, Mr Bruce (West of Scotland) (SNP)
 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)
 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)
 Scott, Tavish (Shetland) (LD)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Iain (North East Fife) (LD)
 Smith, Margaret (Edinburgh West) (LD)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Wallace, Mr Jim (Orkney) (LD)
 Welsh, Mr Andrew (Angus) (SNP)
 White, Ms Sandra (Glasgow) (SNP)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

AGAINST

Aitken, Bill (Glasgow) (Con)
 Brocklebank, Mr Ted (Mid Scotland and Fife) (Con)
 Brownlee, Derek (South of Scotland) (Con)
 Byrne, Ms Rosemary (South of Scotland) (SSP)
 Davidson, Mr David (North East Scotland) (Con)
 Fox, Colin (Lothians) (SSP)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Miss Annabel (West of Scotland) (Con)
 Johnstone, Alex (North East Scotland) (Con)
 Kane, Rosie (Glasgow) (SSP)
 McGrigor, Mr Jamie (Highlands and Islands) (Con)
 Milne, Mrs Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Tosh, Murray (West of Scotland) (Con)

The Presiding Officer: The result of the division is: For 95, Against 16, Abstentions 0.

Motion, as amended, agreed to.

Resolved,

That the Parliament welcomes the Scottish Executive's record investment in further and higher education and recognises its significance in Scotland's current and future economic growth with the sector's focus on key issues including sustainable development, research and innovation, globalisation, productivity and skills and now wishes to see that investment subjected to close scrutiny to identify its effectiveness in terms of growth, jobs and incomes under a process of independent statistical control that fosters an era of perpetual improvement and benchmarks Scotland's performance against international competitors.

The Presiding Officer: The fourth question is, that amendment S2M-4164.1, in the name of Christine Grahame, which seeks to amend motion S2M-4164, in the name of Malcolm Chisholm, on a strategy for an aging population, be agreed to. Are we agreed?

Members: No.

The 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)
 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)
 Ingram, Mr Adam (South of Scotland) (SNP)
 Kane, Rosie (Glasgow) (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)
 McFee, Mr Bruce (West of Scotland) (SNP)
 Morgan, Alasdair (South of Scotland) (SNP)
 Neil, Alex (Central Scotland) (SNP)
 Robison, Shona (Dundee East) (SNP)
 Ruskell, Mr Mark (Mid Scotland and Fife) (Green)
 Scott, Eleanor (Highlands and Islands) (Green)
 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)

AGAINST

Aitken, Bill (Glasgow) (Con)
 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)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Davidson, Mr David (North East Scotland) (Con)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Eadie, Helen (Dunfermline East) (Lab)
 Fergusson, Alex (Galloway and Upper Nithsdale) (Con)
 Finnie, Ross (West of Scotland) (LD)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gallie, Phil (South of Scotland) (Con)
 Gillon, Karen (Clydesdale) (Lab)
 Glen, Marlyn (North East Scotland) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Goldie, Miss Annabel (West of Scotland) (Con)
 Gordon, Mr Charlie (Glasgow Cathcart) (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)
 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)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 Maclean, Kate (Dundee West) (Lab)
 Macmillan, Maureen (Highlands and Islands) (Lab)
 Martin, Paul (Glasgow Springburn) (Lab)
 May, Christine (Central Fife) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McCabe, Mr Tom (Hamilton South) (Lab)
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)
 McGrigor, Mr Jamie (Highlands and Islands) (Con)
 McLetchie, David (Edinburgh Pentlands) (Con)
 McMahon, Michael (Hamilton North and Bellshill) (Lab)
 McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Milne, Mrs Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 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, Tavish (Shetland) (LD)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Iain (North East Fife) (LD)
 Smith, Margaret (Edinburgh West) (LD)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Tosh, Murray (West of Scotland) (Con)
 Wallace, Mr Jim (Orkney) (LD)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

The Presiding Officer: The result of the division is: For 33, Against 78, Abstentions 0.

Amendment disagreed to.

The Presiding Officer: The final question tonight is, that motion S2M-4164, in the name of Malcolm Chisholm, on a strategy for an aging population, be agreed to.

Motion agreed to.

That the Parliament acknowledges the changing age structure of Scotland's population and the benefits and opportunities it brings; values the enormous contribution of older people as volunteers, carers, workers and in many other ways; recognises the need to challenge stereotypes of older people and support them to contribute in ways which they choose; supports the further development of effective integrated services for older people, and welcomes the consultation and ongoing work currently being carried out to develop a Strategy for a Scotland with an Ageing Population.

Hospital Closures (Coldstream and Jedburgh)

The Deputy Presiding Officer (Murray Tosh):

The final item of business today is a members' business debate on motion S2M-3921, in the name of Euan Robson, on the proposed closure of Coldstream and Jedburgh hospitals. The debate will be concluded without any question being put.

Motion debated,

That the Parliament notes the contents of NHS Borders' consultation document, *Getting Fit for the Future*; believes that the preferred options for the closure of Coldstream and Jedburgh cottage hospitals manifestly do not command the confidence of the respective local communities; further believes that NHS Borders must take advantage of opportunities to redevelop both hospitals in conjunction with other statutory bodies, private providers and voluntary organisations in the spirit of Professor Kerr's report, *Building a Health Service Fit for the Future*, and the Scottish Executive's response to the report; congratulates the local action groups on their constructive approach to these issues, and believes that the Executive should reject closure and require redesign of the proposals to redevelop these locally delivered NHS services.

17:07

Euan Robson (Roxburgh and Berwickshire) (LD): I am grateful for the opportunity to place on the record my constituents' views on "Getting Fit For The Future – Modernising Health Services in the Borders", which is a consultation document that has been published by NHS Borders. It is the subject of controversy in my constituency. Some of the proposals that it contains would have a far-reaching effect on the two towns that are mentioned in my motion—Coldstream and Jedburgh.

The consultation document covers the future of the community hospitals in Coldstream and Jedburgh. However, it also covers other issues, some of which I will mention to set my later remarks in context. My colleague Jeremy Purvis will expand on certain points later in the debate if he catches the Presiding Officer's eye.

In our response to the consultation document, I and my Liberal Democrat parliamentary colleagues in the Borders stressed our broad agreement with the general statement of objectives that NHS Borders has set out. Who could argue against

"more flexible community-based services",

or

"a modernised network of health centres, increasingly bringing together a wider range of services provided by more organisations"?

That is indeed what we want. We welcome the extensive investment of some £15 million in health

centres and community hospitals in a number of places in my constituency—Hawick, Duns, Kelso and Newcastleton. We accept the case for

"a Borders Emergency Care Centre ... integrating Accident and Emergency, primary care out-of-hours services and a ward for emergency admissions into one purpose-built unit at the Borders General Hospital".

Yes, we want

"improved and more appropriate services for people with a learning disability"

and

"improved and more appropriate rehabilitation services for people with the most severe and enduring mental illnesses".

We agree with the concept of

"organisations, services and voluntary groups working together in localities".

Our concern lies in the way in which that has all been put together.

From the very start, I stressed to NHS Borders that local communities must have confidence in their NHS services. It is manifestly the case that the people of Jedburgh and Coldstream do not have confidence in the proposed closure of the community hospitals in their towns. There have been hundreds of letters to NHS Borders from both communities. On two Saturdays, hundreds of people turned out to march in both towns, registering their concern and calling on the board to change its mind. If the Kerr report is about anything, it is about listening to local people and providing services locally, and it is my submission that NHS Borders should go back to the drawing board at its meeting on 30 March and redesign those proposals.

How might that be done? The Borders emergency care centre is a project of considerable benefit to our area. The capital cost is £6.9 million, with an annual running cost of some £862,000, which, when aggregated with the debt charges, rises to around £1.3 million. A project of such cost in the acute sector sits uncomfortably among a series of proposals for primary and community care. That project is of not only local but regional significance, and should therefore be the subject of a separate discussion with, or bid to, the Scottish Executive. If that were to happen, NHS Borders could then rebalance its package. If the cuckoo were taken out of the nest, the other fledglings would prosper.

I turn now to the main substance of the motion, which is about Jedburgh and Coldstream cottage hospitals. Both facilities are highly regarded in their local communities. The quality of care is not in doubt in facilities that nearly all agree could benefit from modernisation. I pay tribute to the staff who deliver excellent care in those facilities.

Many people are emotionally attached to the two cottage hospitals, as generations have been born and have died in the buildings. Both towns have accepted, however, that much-loved buildings can outlive their purpose and that redevelopment is necessary and desirable. Indeed, placards carried on the marches said as much.

The towns have been represented by the two hospital action groups, led by John Craig in Coldstream and Len Wyse in Jedburgh, and those groups have made an immense contribution to presenting an alternative to the board's proposals, in which a commitment to redevelopment is stressed. An eloquent 39-page document has been produced by the Coldstream action group, which should be given detailed and fulsome consideration. In November 2002, local health professionals in Jedburgh, George Miller of the patient participation group and I submitted proposals to NHS Borders in a document entitled, "Looking to the Future", which stressed the need for redevelopment in Jedburgh, combining a new health centre and community hospital together with other allied agencies on one site in the town.

NHS Borders has gone some way towards meeting that objective by putting a health centre into its five-year capital programme. The board now says that it will locate two of the palliative care beds from the hospital in the town—but where? There is a shortage of nursing home provision in Jedburgh, and there, in my view, lies a major opportunity. Throughout Scotland, partnerships exist between nursing home providers and the national health service. There are examples in Saltcoats, Rutherglen and Hamilton, to name but three locations. There are partners who are prepared to talk to NHS Borders about co-located facilities, and there have to be advantages in sharing costs.

The board talks about the sustainability of its service in the future, and here is a way of delivering local needs and possibly introducing more services for local communities on an economic basis. At Coldstream, for example, outline permission apparently exists for a 60-bed nursing home directly opposite the cottage hospital. Provision could be made for a number of NHS beds, a day hospital, a dental suite and perhaps an input from social work services in the form of a day centre or variations thereof. All of that is achievable if there is a will to embark upon meaningful discussion and to find a local solution to meet local needs. Jeremy Purvis and I will offer to host a conference for the various parties this summer, to talk about the provision of community care services and to encourage joint co-operative working, as we believe that dialogue needs to improve.

I want to make two further points. NHS Borders' proposals are to move Coldstream and Jedburgh

patients to other community hospitals in neighbouring towns, but I am not as confident as the board is about spare capacity in other community hospitals. Jedburgh medical practice tells me that, in recent weeks, there have been four or five alerts from Borders general hospital about extreme pressure on beds. On 41 days between April 2005 and January 2006, if only Kelso community hospital had been available to Coldstream and Kelso patients, there would have been more patients than available beds.

Travelling arrangements for relatives, friends and carers—particularly if they are elderly—from Jedburgh and Coldstream will be difficult as public transport timetables are not particularly convenient. For example, there is no link between Coldstream and Jedburgh except for the morning and afternoon school buses, and it will be extremely difficult for someone from Coldstream who does not have a car to visit a loved one in Duns community hospital.

NHS Borders has made financial provision for care in the community for some of the people who would otherwise have been in the two community hospitals. However, the provision of such care, together with the investment required for the changes in provision for those with learning disabilities and mental illness, will add up to a very large new commitment for Scottish Borders Council social work department. Jeremy Purvis will explain that, in our view, that commitment will be almost impossible to meet.

I could say much more about issues such as the flaws in the consultation process, which the Scottish health council is investigating, the divisions in opinion on the closures among medical professionals and the contradiction of the outcomes embodied in the Kerr report.

If the board does not relent next Thursday and the proposals come to Lewis Macdonald and Andy Kerr, I want them to remember eight words from this debate: keep care in Jedburgh; keep care in Coldstream.

17:16

Christine Grahame (South of Scotland) (SNP): I congratulate Euan Robson on securing the debate. As he knows, we both submitted motions in almost identical terms. There is cross-party consensus on the need to retain the cottage hospitals in Coldstream and Jedburgh. I thank members of all parties who signed both motions.

Recent marches through the towns were attended by more than 700 people in Coldstream and more than 700 people in Jedburgh. That indicates the strength of feeling and emotion about retaining the cottage hospitals. People want the hospitals to be retained not for sentimental reasons but for practical reasons.

The general practitioners, the community councils and the churches fully back both campaigns. Statements from the churches make it plain how much the hospitals are required. For example, a letter from the minister at Jedburgh Old & Edgerston parish church states:

"As a Parish minister let me say that the quality of life in Jedburgh is partly reflected in how we care for the elderly, the sick and the dying within our own community. The Cottage Hospital more than fulfils the community's expectations."

Similar letters from Coldstream state that its hospital is integral to care in the community and care for elderly people.

Euan Robson mentioned the pressure that might be put on Kelso community hospital. The pressure that might be put on Borders general hospital by the need for beds for the elderly is equally obvious. When I was at the hospital very recently, some elderly people could not be discharged because the support services provided by social work and so on that are necessary for care in the community were not in place. The elderly people were therefore parked in the hospital—yet the health board is looking at taking away facilities in their communities.

As Euan Robson said, transport is a huge issue. Many people do not have transport that enables them to visit their friends and relatives.

The Kerr report made it plain that the first priority was

"Maintaining high quality services locally".

The executive summary in the Kerr report states:

"ensure sustainable and safe local services; redesign where possible".

Jedburgh and Coldstream have both put forward thorough plans. They accept that the buildings may not be suitable, but another facility could be developed. In Jedburgh, the facilities could be developed to extend to other services such as social work and benefits. The services provided from the facilities in Coldstream could also be extended.

The Kerr report states:

"redesign where possible to meet local needs and expectations".

What could be clearer than the local needs and expectations of the 700 people who marched through Coldstream and the 700 people who marched through Jedburgh? They said, "This is what we want. We are showing you what your consultation means. This is our response to your consultation. Will somebody please listen?"

A fairly recent newspaper headline stated:

"Reprieve for 100 cottage hospitals in ... U-turn".

The article states:

"In a significant reversal of the trend requiring patients and their relatives to travel long distances to larger district general hospitals ... the Health Secretary said she wanted more facilities to be provided in the community."

And it includes the following quotations:

"a service fitted round the patient, not the patient fitted round the service"

and:

"community facilities should not be lost in response to 'short-term budgetary pressures'"

Those quotations come from Patricia Hewitt and Tony Blair. They have seen the value of retaining cottage and community hospitals in the community and representing local people.

I share with Euan Robson and others who will speak the hope that if Borders NHS Board says on 30 March that it wants to close the Coldstream and Jedburgh hospitals, the minister will simply reject that, consider the other proposals that are on the table, be imaginative and, in this instance, follow England's lead—because sometimes they get it right.

17:20

Derek Brownlee (South of Scotland) (Con): I never thought that I would hear that from Christine Grahame.

Christine Grahame: I have said it before.

Derek Brownlee: I have never heard it before, but I congratulate her on that sentiment and on her sentiments on the cottage hospitals. I also congratulate Euan Robson on securing the debate and on his important and well-made comments about Borders general hospital.

Christine Grahame's points about Borders general hospital and bedblocking were well observed. Those of us who have seen family and friends in wards for the elderly in Borders general hospital have seen that bedblocking at first hand. Members have discussed bedblocking previously, but it must be addressed again. It is difficult to see intuitively how Borders NHS Board's proposals, as they stand, would not make the situation worse.

As Euan Robson and Christine Grahame said, we should pay tribute to the many people in the Coldstream and Jedburgh communities who have come together to work on detailed proposals to protect their local hospitals. As they also said, it is not a knee-jerk reaction against closure; it is actually a thoughtful, forward-looking approach to protect services in the local communities. We should all be keen to develop them.

I cannot remember the precise phrase that Euan Robson used to describe people's feelings about

the consultation process, so I will not quote him, but I think it is fair to say that most people in the local communities have a strong suspicion—I suspect that that is understating it—that, although Borders NHS Board has yet to make a formal decision, the closure proposal is pretty much the predetermined outcome. There is a real concern that not only has the consultation process been flawed, but no one is listening, despite all the outrage and concern locally.

There is great suspicion that the hospitals will close, regardless of what anyone says or does. That is not helpful, because the two communities have had a careful look at what they need and they have come up with incredibly innovative proposals that we may consider extending Scotland-wide. I hope that Borders NHS Board will think long and hard before it comes to its decision next Thursday.

I do not doubt that members of the board will act in whatever way they think is in the best interests of the people, given the constraints that they are under, but I think that most people in the Coldstream and Jedburgh communities question whether the direction in which they seem to be heading is the one that is best for either community.

The broader point, which I will not dwell on too much, is how we make the NHS more accountable. How do we give local communities more influence over the way services are provided? They pay for services through tax and they have a right to have their views taken into account. There must be a better way of making local decision making in the NHS more accountable. It strikes me that the influence of the GPs, in coming out with both sets of proposals, is crucial. I wonder whether part of what we need to do is look much more closely at giving GPs more power over commissioning in rural areas.

The Kerr report is all good stuff, but it is meaningless if it is not delivered. In fact, it is almost worse than meaningless if it is not delivered, because it raised many hopes about truly local health care. It is all well and good for Borders NHS Board to say that local health care is at Borders general hospital, but it does not feel very local if someone is in Coldstream. There are even people down the road in many communities nearer to the hospital who would say that it does not feel very local.

I echo the calls for the minister to look carefully at the closure proposal, if it comes before him, and, indeed, to reject it. He should come and have a look at the proposals for how the services might be reconfigured. They are some of the most innovative proposals that have been tabled to date. The minister would not be doing the communities a service if he did not look closely at those proposals.

17:24

Chris Ballance (South of Scotland) (Green): I, too, congratulate Euan Robson on securing this timely debate. Indeed, the timing of the debate is perfect. I apologise to him for the fact that, for personal reasons, I need to leave before the end of the debate. I hope that that is all right, Presiding Officer.

Development, not closure, is the way ahead for Coldstream hospital. The Coldstream hospital action group has thrown down the gauntlet to Borders NHS Board by presenting it with an alternative document that, I suggest, does the work that Borders NHS Board would have done if it was engaged in a genuine consultation. “The Way Ahead” outlines why Coldstream cottage hospital should remain open and how service provision on the site could be extended. It states:

“The Way Ahead proposes an action plan for health in Coldstream that incorporates a true interagency approach to health care and fits well with local and national strategies. It provides modern health care, as near to the patient’s home as possible and in full consultation with patients and carers. It integrates services, extends the skills of its workforce and is aware of and responsive to the needs of individual communities.”

Twenty-five per cent of Coldstream’s population is aged 65 years and over. It is predicted that by 2018 that figure will have risen to around a third, which will place increased demands on NHS services. That is a strong argument for reinvesting in services in Coldstream.

The development of Coldstream cottage hospital is the action group’s preferred option and was unanimously endorsed by Coldstream residents. Of the five options that were discussed, it was the initial choice of the Borders NHS Board appraisal team. It seems that a financial appraisal alone turned the initial finding on its head. That is short-termism that will simply divert costs elsewhere. For example, the closure of the hospital would increase the amount of traffic on our roads and create a need for extra public transport. It would also increase social exclusion, because those with the least mobility and disposable finance would need to spend more time travelling to appointments and to visit relatives.

Other members have mentioned the consultation process, which was severely flawed. Across Scotland, the public is sick of one-way consultations that are not consultations. I call on Borders NHS Board to really consult: not just to talk, but to listen; not just to tell, but to hear; and not just to impose, but to involve local communities in decisions that affect them deeply. I thank Euan Robson for bringing this excellent debate to the Parliament.

17:28

Ms Rosemary Byrne (South of Scotland) (SSP): I welcome today's debate and thank Euan Robson for securing it. I congratulate the campaign groups in both Jedburgh and Coldstream on the fantastic work that they have done to get so many people out on demonstrations and into public meetings. That is evidence of a significant move by communities to fight against proposals about which they feel strongly. They should be listened to.

The Executive white paper on Scotland's health recognises that there is an unacceptable gap between the richest and poorest communities in the area. Coldstream is the fifth most deprived area in the Borders, with the highest proportion of elderly, so why should we reduce health services to the elderly? Communities should be listened to. In an area with poor public transport links, the travel burden on families would be great. The proposal would create a problem for everyone and would place strain and stress on families all round. Elderly patients, as well as the young and the vulnerable, would have to travel to hospital. That is wrong in an area where public transport is so poor, as other members have said.

The white paper states:

"Looking at services from a patient's point of view underpins everything that we are seeking to do in the health service."

In this case, it seems that the patient's point of view is being ignored. I hope that the minister will take note of that today. The proposals clearly fly in the face of the white paper. Communities value their cottage hospitals. The Executive promotes access to community hospitals in other areas. We are developing such hospitals in some areas, yet we are closing them in others. There seems to be an imbalance between the Executive's views and what health boards in different areas are doing. We need to look at—it should be debated further.

I agree with Euan Robson that integrated services, including dentistry, could be provided. That is perhaps where we might differ, because I believe that those services should be part of the NHS.

The people of Coldstream and Jedburgh have shown their opposition through their community campaigns and they deserve to be listened to. I agree with Chris Ballance and others that the consultation process has been extremely flawed. I further agree with Chris Ballance that that seems to be the case throughout Scotland, because there are similar issues with the accident and emergency department in Ayr, which is also part of the south of Scotland. Campaigns seem to be rising up in several areas because of poor consultation and people feeling that decisions

have been made before they are consulted. Whether that is just a perception or true makes no difference—if people perceive a problem, there is something fundamentally wrong with the process.

I believe that the closures have been proposed because of Borders NHS Board's need to save money. The minister needs to answer two questions. Why is there a shortage of money? What is the problem? The closures would provide savings of £1.6 million—and the sale of the land, buildings and so on would bring in more.

Borders NHS Board claims that the focus on modern health means that the buildings are not fit for purpose. Why are they not fit for purpose? Why are we not investing in making them fit for purpose in the 21st century and fit for the people of the communities involved?

17:31

Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD): I commend all those who have spoken for their constructive speeches, but I pay particular tribute to Euan Robson for bringing the debate to the Parliament this evening. I also pay tribute to his work on behalf of his constituents. He has worked with the people of Jedburgh for over three and a half years to present their views not only to Borders NHS Board, but to the Parliament.

Although the debate rightly concentrates on the concerns about the community hospitals in Coldstream and Jedburgh, important Borders-wide aspects need to be addressed. Euan Robson mentioned the Borders emergency care centre plans, which form a large project in my constituency and involve the Borders general hospital. The project will consume a great deal of capital resource and revenue over many years to come. On the face of it, the project seems admirable, but we need to investigate the costs. The Executive should certainly consider it as a stand-alone project if it has the merit that Borders NHS Board officials believe it to have.

Euan Robson touched on matters relating to those who suffer from mental health problems and people with learning disabilities. I hope that that is not lost in the debate and that the board gives due consideration to it next week. In the submission that Michael Moore, Euan Robson and I made to Borders NHS Board, we made it clear in that although we accepted its approach to ensure that people are cared for in the community, it is not an inexpensive option. As we said to the board, we believe that some of its proposals are expensive and that the initial resources of £514,000 will be insufficient to achieve the objective.

Some of those who are leaving current residential units might require 24-hour care. Their numbers might be small, but they require intensive

care, although much depends on personal circumstances. That option carries a genuine burden for health and social work services.

Euan Robson and I recently met the Borders voluntary community care forum. Representatives of Borders mental health voluntary bodies agreed with our views and concerns. I hope that the board takes that into consideration in its discussions.

As regards the closure of the community hospitals, further burdens will be placed on social work services, as Euan Robson described. Despite an increase in Scottish Borders Council's social work department budget for the next financial year, the department faces problems of equal pay with regard to single status and guaranteed hours before it even begins to take on those new burdens, and there are other areas of stress in that department's budget.

Just last Friday, I heard from a distraught parent of someone under the care of the social work department about the cut that will be made to her care package at the beginning of this coming financial year. It is not realistic to state, simply, the expectation that, in some areas, a service will be transferred from the NHS to the council. Borders NHS Board must be careful that it accurately costs such changes.

Euan Robson and I acknowledge the quality of care that is provided in the community hospitals and believe that there is great value in what might be termed slow-stream rehabilitation in such settings, particularly for older people. Before her death, my great auntie benefited from such care in Coldstream and my grandmother benefited from care at the BGH, then at a cottage hospital in Kelso and then, finally, at her home. Respite care, which forms part of that care package, is immensely important not only to those who have chronic conditions that might be marginally improved or stabilised, but to carers.

Some parts of Borders NHS Board's plan have merit and should be commended, but at next week's meeting it must throw out the plans for the Coldstream and Jedburgh hospitals, respond positively to Euan Robson's proposals, work with the local communities and keep care in Jedburgh and Coldstream.

17:36

Karen Gillon (Clydesdale) (Lab): I congratulate Euan Robson on securing the debate. As a Jethart lassie and a regular visitor to Jedburgh, where most of my family still live, I am well aware of the strength of feeling in the town and will focus my remarks on that aspect.

As Jedburgh is not known as a hotbed of radical political activity—after all, its people vote Liberal

Democrat—getting 700 people on to the streets is a remarkable achievement and shows the strength of feeling about the cottage hospital. The town has a huge emotional attachment to the hospital. In my case, all my cousins were born there; my granny and family friends spent time there; and I had my fingers put back in there when I dislocated them in a basketball incident.

However, for most people, the emotional attachment is not to the building itself but to the care that they receive. Most, if not all, accept that the current building, which is at the top of a steep hill, is not fit for purpose. It is not served by public transport and folk face a long walk up to it, especially in winter. When the health centre was built, the plan was to put a second storey on top of it, move the hospital down the road and provide people with care in the town centre. However, we are a long way on from that and the plan now appears to revolve round the closure of the cottage hospital.

I should point out that, when the first plan was put in place, there was a nursing home in the town. However, that facility no longer exists and, if these proposals go ahead, the only provision in the town will be an already oversubscribed residential home at Millfield.

Jedburgh has a considerable—and growing—elderly population. It is the kind of place that people retire to at the end of their working life—indeed, I might well be one of them. However, where will those people go if they become ill? First, they will go to the BGH, which is just outside Galashiels and then, if the proposals go ahead, they will receive continuing care either in Hawick or in Kelso. However, Borders people like their own towns. As the Deputy Presiding Officer knows, a day in Hawick is a day wasted; Jethart folk are very proud of coming from Jedburgh. The Hawick cottage hospital is also a considerable distance outside the town centre; it is far from the public transport links on which many people in the Borders rely and elderly people, in particular, face a significant walk to get there.

My grandmother, who had never been out of Jedburgh in her life, eventually had to move to the Inch hospital in Kelso to receive long-term care. Because no one in her family or among her friends had cars, they could not visit as often as they would have if the hospital had been in Jedburgh and the woman became relatively isolated. That situation is not right.

I realise that, in weighing up all the issues, the minister faces a huge challenge. After all, we all go to him and plead for our constituencies. If the Kerr report and consultation are to mean anything, then local health delivery is vital. There is a good proposal for Jedburgh on the table that would combine the hospital, the health centre and,

potentially, nursing home care with a range of other services. The Executive should support that kind of integrated approach. Although I appreciate that the minister's hands might be tied over what he can say, I hope that when the proposals come before him, he will bear in mind the strength of feeling across all the parties in the chamber—even those that are not directly represented in the Borders—about the need for local health care delivery in local situations. That is the right way for us to go.

17:40

The Deputy Minister for Health and Community Care (Lewis Macdonald): I start by congratulating Euan Robson on securing the debate. I listened with interest to his remarks and to the other positive contributions about modernising and improving health services for the people of the Borders. Clearly, that is the right approach to take.

I know that Euan Robson has raised the issue previously with Andy Kerr, the minister who will be responsible for making the decision. Because of that, it would not be appropriate for any minister to comment in detail on the proposals that might be made as a result of the debate until such time as they have been finalised and made formally in the appropriate manner. It is also important that the local consultation and decision-making process should take its course before ministers give detailed consideration to what arises out of it.

The Kerr report and the Executive's response to it—"Delivering for Health"—have put in place a national framework for service change and we expect NHS boards to make any proposals for service change with an eye to that framework. "Delivering for Health" sets out a comprehensive strategy for health care in Scotland for the next 20 years and NHS boards must show that they have taken that into account.

Euan Robson and other members talked about possible alternative ways of delivering the same objectives. All I will say about that at the moment is that when NHS boards make their final proposals, they must show that they have considered all realistic options for the future delivery of services.

The strategy that is set out in "Delivering for Health" aims to bring services as close as possible to patients' homes. Consequent on that strategy is the requirement for the prioritisation of investment in local health services, including community health centres. It is also about developing practitioners with extended roles, and fully utilising the skills of all professionals through stronger teamwork in community health partnerships. We expect NHS boards to identify priorities for

investment in a delivery plan that builds on our framework for health, including mental health services and services for people with learning difficulties.

Members have described the process of engagement by Borders NHS Board with staff, voluntary organisations and the public in reviewing services. That has been done over an extensive period of something in the region of 18 months.

As I said, I will not comment in detail on the proposals. However, the NHS board has set itself the test that its final proposals should be able to demonstrate improvement in health care and delivery of waiting times targets, and better co-ordinated care for those with a chronic illness. Those targets are in line with the recommendations of "Delivering for Health".

Although I recognise some of the points that have been made, it is important to be clear that the principles of "Delivering for Health" are not about saying that there should never be change; in fact, they envisage quite radical change. I hope that members will accept that. The direction that has been set will require reconfiguration of services in some cases. It is also in the document that NHS boards must engage in genuine dialogue with patients and communities to build a consensus, where possible, on how such change will be achieved locally in order to deliver the high-quality health care that we envisage.

Boards need to be transparent over decisions on what is to be delivered locally. We expect boards to ensure that patients' interests are put first in developing proposals for service redesign. When there would be an impact on patients and communities, that must be explained fully and carefully and the public must be engaged from the earliest possible stage. With proposals of the sort that we are discussing, the board must be able to demonstrate increased capacity in community services, increased support for people to stay in their homes for as long as possible, an emphasis on preventive and anticipatory care and encouragement for self-care.

It is important to say a word or two about the consultation exercise, which members have mentioned. The process is complete, apart from next week's board meeting, which has been referred to. In examining service redesign proposals, ministers must consider whether the consultation process has met the necessary standards. During the consultation, there have been more than 50 meetings of various kinds, including drop-in meetings, roadshows and meetings with specific groups in the community and groups of users and carers. However, the determination of whether a consultation has been adequate is not simply about adding up the number of meetings.

Euan Robson mentioned the interest of the Scottish health council in the matter. The council has been involved from an early stage in the process—the board invited its comment. We will consider the council's view on whether the process has been adequate. As has been said, the Coldstream and Jedburgh action groups have produced alternative proposals, which I expect to be given serious consideration. I understand that both action groups have worked closely with the board to ensure that that happens. The board must take into account those views and the interest in and enthusiasm for maintaining and developing local services.

Another issue that ministers will consider is transport, which several members have mentioned. The local authority and voluntary groups have been involved with the NHS board in discussions on the matter. A traffic impact assessment has been carried out and the local authority has been actively involved in discussions. However, we must wait for the final proposals before we consider the conclusion of those discussions. In deciding on the final recommendations from the board, Andy Kerr will have to consider whether he is satisfied that the board has examined all the views that local people and the action groups have given and all the issues about which concerns have been raised, including transport, access to services and alternative options for delivering services. I assure members that Andy Kerr will give the matter proper consideration, on the basis that I have described.

Meeting closed at 17:48.

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