

CONVENERS GROUP

Meeting with the First Minister

Thursday 12 September 2013

Transcript produced by the Scottish Parliament Official Report

CONVENERS GROUP

CONVENER

The Presiding Officer (Tricia Marwick)

IN ATTENDANCE:

Nigel Don MSP (Convener, Delegated Powers and Law Reform Committee)
Murdo Fraser MSP (Convener, Economy, Energy and Tourism Committee)
Kenneth Gibson MSP (Convener, Finance Committee)
Rob Gibson MSP (Convener, Rural Affairs, Climate Change and Environment Committee)
Christine Grahame MSP (Convener, Justice Committee)
Stewart Maxwell MSP (Convener, Education and Culture Committee)
Margaret McCulloch MSP (Convener, Equal Opportunities Committee)
Christina McKelvie MSP (Convener, European and External Relations Committee)
Michael McMahon MSP (Convener, Welfare Reform Committee)
Duncan McNeil MSP (Convener, Health and Sport Committee)
Elaine Smith MSP (Deputy Presiding Officer)
David Stewart MSP (Convener, Public Petitions Committee)
Kevin Stewart MSP (Convener, Local Government and Regeneration Committee)
Maureen Watt MSP (Convener, Infrastructure and Capital Investment Committee)

THE FOLLOWING ALSO PARTICIPATED:

The First Minister (Alex Salmond)

CLERK TO THE COMMITTEE

Ken Hughes

LOCATION

Committee Room 1

Scottish Parliament

Conveners Group

Thursday 12 September 2013

[The Presiding Officer opened the meeting at 13:12]

The Presiding Officer (Tricia Marwick): Good afternoon and welcome to today's meeting. For the first time in history, we have an early First Minister. You are welcome to this meeting of the conveners group, First Minister.

Of course, this is the first time since Parliament was formed in 1999 that a First Minister has come before us, prepared to answer questions from all the conveners of the committees of the Parliament. The meeting is taking place as part of our wider reform agenda of holding the Government to account.

Is there anything that you would like to say at this point?

The First Minister (Alex Salmond): I will be brief, Presiding Officer.

First, this is an historic occasion, which should be marked. I congratulate you and the committee conveners on bringing this into being; we should have done it some time ago. Over the summer, when the Scottish ministers held Cabinet meetings around the country, I was struck by how effective that process is in terms of public engagement; I note that the parliamentary committees also go around the country. It is an extremely effective means of the Parliament communicating to the people.

Secondly, regardless of what party has been in Government, there is no doubt that the Scottish Parliament has, over the past 14 years, established itself as being pre-eminent in terms of the trust that people place in it. The figures are overwhelming: when any social attitudes survey or opinion poll asks, "Who do you trust to operate in the best interests of the people of Scotland?", the Scottish Parliament is now pre-eminent. That is no inconsiderable achievement. I suspect that the interaction of the committees with the people has played an important part in that.

Thirdly, the key priorities in the Government programme are what I set out last week and what John Swinney set out yesterday. The priorities are to accelerate recovery, to create jobs, to make Scotland a fairer place, to empower communities and, of course, out of necessity to tackle some of the impacts of policies that are imposed from elsewhere, particularly in terms of the welfare

changes that are bearing down on so many of our communities. That is the onus of the Government's programme.

I look forward to being as helpful as I possibly can to every committee convener. I know that there are a lot of committee conveners and that we have limited time, so I will draw my remarks to a close and put myself in your hands, Presiding Officer.

13:15

The Presiding Officer: I am tempted to say that this is also the first time we have had a brief First Minister: you are absolutely right that time is limited. Every convener here has indicated that they want to speak about their area of choice.

I will start with Kenneth Gibson, who is convener of the Finance Committee. If any other convener wants to come in with supplementary questions on the themes that Mr Gibson develops, they should indicate that to me, but that will not prevent you from being asked to come in later with your own theme.

Kenneth Gibson MSP (Convener, Finance Committee): Good afternoon First Minister. You will be aware that the Finance Committee is taking the lead in scrutinising the legislation and financial powers that are coming as a result of the Scotland Act 2012. We have already completed the Land and Buildings Transaction Tax (Scotland) Act 2013 and we are now scrutinising the Landfill Tax (Scotland) Bill, and we look forward to the forthcoming revenue Scotland and tax powers bill that we will be looking at from November.

However, the Finance Committee has expressed some concerns about the lack of clarity around the respective roles of revenue Scotland and Registers of Scotland in administering the land buildings transaction tax, and revenue Scotland and the Scottish Environment Protection Agency in administering the landfill tax. Are you confident that the administrative arrangements will be ready in good time to ensure the smooth transition of the devolved taxes, and that all interested parties will be fully apprised of all the new arrangements?

The First Minister: Yes, I am confident of that, Kenny. Not least, I expect your committee to be placing Mr Swinney and his colleagues and their officials under rigorous examination to make sure that that is the case.

The setting up of revenue Scotland is an historic step; we have not had a revenue collection body or the introduction of new taxes in Scotland for more than 300 years. At this stage, the most encouraging thing is that the robust estimates of the cost of collection show that the establishment of revenue Scotland will do the job of administering

the new taxes considerably more efficiently than the alternative offer from Her Majesty's Revenue and Customs. It is a good and confident start, but I am sure that the Finance committee will closely examine the relative roles of revenue Scotland and the breakdown of responsibilities to make sure that it is successful. That is part of the parliamentary process.

Kenneth Gibson: Yes, indeed. Mr Swinney would confirm that he gets a fairly robust grilling when he comes to the committee. That will not change in the months ahead.

Given the time constraints and the number of other conveners who are here, I will ask you one other question about what will be a really important issue as we go forward. It is about the adjustment of the block grant in relation to the Scottish rate of income tax and other devolved taxes. Could you provide us with an update of where we are? The Finance Committee has some concerns about the rate of progress.

The First Minister: That is a very important issue. As we know from when the subject was discussed in some detail, there is a vulnerability in relying on projections and outruns. Unless those matters are considered carefully, we could get an effective deflationary squeeze on Scottish finances.

Progress is not at a level at which we can be completely satisfied. I am assured by Mr Swinney that there has been progress, but we have to make sure that we are not reliant, in terms of Parliament's finances—not on what is collected in Scotland because that is, by reference, a fair thing to do—on the forecasts of what might be collected in Scotland. There has to be a copper-bottomed method in that calculation so that we can be sure that we are not vulnerable to revisions in Treasury forecasts. As you know, Treasury forecasts are often revised.

Duncan McNeil MSP (Convener, Health and Sport Committee): Today's meeting and its scope are new to us. I hope that I can keep myself in your good favour, Presiding Officer. I would like to ask both a general question about the programme for government and a specific question on what might be included in that on an on-going basis.

First Minister, you have rightly made reference, and powerfully so in the past, to alienation and the inequalities that have bedevilled us in Scotland for some considerable time. Well-meaning initiatives, across Governments, have been attempted but, sadly, we have not cracked that nut. The Health and Sport Committee has an on-going inquiry on that theme to try to bring out some of the issues. In your discussions on the programme for government, did you evaluate the overall

programme, in terms of whether it would reduce inequalities and reduce the gap between rich and poor, and whether it would, broadly, have no impact or would improve matters?

The First Minister: For a second, I thought that Duncan McNeil was about to say that he wanted to get into my good offices, so I was quite relieved that it turned out that he was referring to the Presiding Officer—

Duncan McNeil: First Minister, I will continue to try. [*Laughter.*]

The First Minister: We equality assess both our programme for government and the individual bills. As you know, one of the targets for social cohesion that the Government is matched against is to do what we can to increase social cohesion across Scottish society.

We have to be aware that many of the instruments that could have an immediately overwhelming impact on relative family incomes are not under our control. For example, we do not control the minimum wage, although of course we control the living wage for the Government and public sector in Scotland. We do not control the welfare system, but in the programme for government we are, as you know, doing what we can to mitigate the impact of the welfare changes. In looking at our programme in terms of social cohesion in Scottish society, we are aware that we do not have the commanding heights under our control, but the policies that we have under our control are still very important.

As members know, early intervention funding is one of our key levers or initiatives for making long-term changes in Scottish society. We believe that the earlier we intervene, the better. Across a range of policies, that fund and that money will come into being and I am sure that its application will be closely examined by Duncan McNeil's committee.

Duncan McNeil: The reason why I asked the question is that, during the course of our committee's inquiry, evidence from the previous health secretary, the current health secretary and the chief medical officer Sir Harry Burns has pointed to the need for a wide range of interventions not simply on income but on how we can change people's outcomes. Health is the only portfolio that makes the reduction of health inequalities an absolute target against which it is tested. Given the importance of jobs, education and all the other portfolios, the question arises: why do those portfolios not include reducing inequalities as a top priority?

The First Minister: The Government has a social cohesion priority at the heart of its aims. It is understandable that the health portfolio has health inequalities as, as you put it, one of its top

priorities—and rightly so because health inequalities are to some extent a manifestation of underlying economic inequality. Therefore, I submit that, in what comes within the Government's province, we are doing exactly the right thing by having that as a priority in health, but also by having our overarching aim of social cohesion throughout Scotland.

Duncan McNeil: I do not know whether we will make much progress on the issue, but I think that the evidence shows that we need to do more on some of those other priorities. We need to recognise that inequality can be tackled within our existing remits and powers in areas such as education, where we need to improve educational attainment and access to appropriate education, and right across to the justice system where there are also big issues. I am uncertain about whether equality measurement provides the proper focus. I have no doubt that this Government is just as serious as previous Governments about trying to reduce inequalities, but more needs to be done.

Given the time constraints, I will move quickly to another question. I hope that there is also some consensus on it. Unfortunately, minimum pricing has stalled in the courts. We recognise that it is not a magic bullet and that other things that are within our competence could—and maybe should—be done. My colleague Richard Simpson has outlined a number of sensible measures that have gained support across the opposition parties. I take the opportunity now to put it to the First Minister that there may be room in the programme for government—the legislative programme—to take on the eminently sensible proposals in Richard Simpson's proposed member's bill. I hope that the First Minister can give us some assurance that he will give the bill a fair wind.

The First Minister: I say to Duncan that I welcome the fact that minimum pricing for alcohol has much more support across the Parliament than it perhaps did in the previous session, because I think that it is helpful when the Parliament moves forward with a common agenda—not least when we are battling through the courts to get minimum pricing established. We will look at any constructive suggestions for policy initiatives. Of course, some welcome trends in the consumption of alcohol in Scotland—from a very high and disturbing level—have developed over the past few years; there have been the first serious reductions in consumption for a long time.

I would not want it thought that minimum pricing for alcohol is the only Government initiative on these matters; I know that you are aware that it is not. For example, in the Licensing (Scotland) Bill we are toughening the laws on the sale of alcohol to underage people, and many people point to the

legislation that will outlaw bulk discounts on alcohol sales as one of the initial successes that shows that price determines consumption to a great extent.

Let me assure you that we will look at any positive suggestions, either for legislation or proposals that could be adopted into the Government's policies and programmes. We do not look at the background and the origins of good ideas. If they are good ideas, we will take them on board, Duncan.

Stewart Maxwell MSP (Convener, Education and Culture Committee): Good afternoon, First Minister. One of the interesting things in the document that you published, "Empowering Scotland: the Government's Programme for Scotland 2013-14" is the ambitions in the early years collaborative section. Can you expand on the issue of childcare? It repeatedly comes up in the chamber, at committee and at First Minister's question time. What is the underlying logic for the priorities that the Government has set out in the document in terms of childcare for under-fives? Why have you chosen those particular methods?

The First Minister: We want to make a success of delivering, in partnership with local authorities, a huge enhancement of nursery and childcare provision in Scotland—the move to 600 hours childcare from 412 hours in 2007. That will be of substantial benefit to children and families in Scotland. We are talking about, I think, 121,000 children benefiting. In cost terms, the benefit per child is £700, so it is a very substantial change for the better in Scottish society.

We are doing that in partnership with local authorities and we are committing the funds to reach that 600 hours target—which Mr Swinney did yesterday in his budget—so we are talking about very substantial amounts of public money; I think that it is £190 million over the next two years. We have to be absolutely certain that quality childcare provision is in place and that not only the demand but the supply are in place to make a success of the initiative. We are confident that that will happen, as are our local authority partners.

Sometimes, when we have debates in the chamber and I am told of things that are happening elsewhere, I look at what is happening elsewhere and find that there are huge controversies about whether adequate resources and places are available. It is very important for us to concentrate on delivering that childcare. On looked-after two-year-olds, and the most vulnerable two-year-olds, the initiative is obvious.

13:30

On other measures that we have brought forward, I know that the conveners group will be very familiar with the family nurse partnerships initiative, which is being rolled out across Scotland, and the benefits that it can have. How that initiative relates to the early intervention and change funds is really important. These are not one-off initiatives; they are part of a pattern, both to support the development of children at the earliest stage possible and to enable parents, in particular women, to re-enter the workforce, and to be able to afford to re-enter the workforce, because we think that that will confer substantial economic benefits.

Stewart Maxwell: I am glad that you mentioned re-entering the workforce and employability for women. At my committee this week, two parents raised that very issue. Although they welcomed the increase in hours, they also raised two separate points. First, if local authorities deliver on the basis of two and a half hours a day, that will not help to get into the workforce parents who want the flexibility, for example, to spread the hours across two or three days or two and a half days. Such flexibility—rather than two-and-a-half hours a day, which they saw as being ridiculously inflexible—would allow them to take part-time work.

Secondly, those parents wanted me to raise with you, and with Parliament in general, the issue of what happens when children go to school; they are in school for some of the day, and one of the problems in terms of parents taking full-time employment is the lack of after-school care.

The First Minister: We were asked initially why we are moving forward with legislation in that area, as opposed to just increasing the hours. One of the key reasons is that we know that flexibility and how the entitlement is delivered can be almost as important as the number of hours, for the very reason that you have explained. That is why we are taking forward legislation.

We have a group that has input from across the parties; Malcolm Chisholm is a member of the early years task force that is giving advice. One of its early pieces of advice reflects what the parents who were before the Education and Culture Committee said. The importance of the legislation is that it not only places things on a statutory footing—which is very important in itself—but introduces a different style and flexibility of delivery.

Although that is a substantial change for the better, it is still an incremental change, and I do not expect that it will meet every aspiration. Nonetheless, I think that most people will regard it as an improvement. It is critical, as we expand the

hours, that we secure the quality and introduce the flexibility to have the best early results.

Michael McMahon MSP (Convener, Welfare Reform Committee): It has been generally accepted that the Scottish Government cannot mitigate all of the impact of the draconian welfare reforms from Westminster. Equally, it has been generally accepted that what the Scottish Government has done—the legislation that you have introduced and the funding that has been made available—must be welcomed. While there might have been a debate about whether the levels of funding could have been more or less, there is certainly widespread acceptance that you have done a lot to address the damage that will come in the years ahead.

One of the things that you have done is introduce the Scottish welfare fund. However, there has been widespread disappointment at take-up of the fund. There is not yet a lot of evidence about the levels—we know that it is bedding in, and we are trying to get to the bottom of that. I have a sort of two-part question for you. The Welfare Reform Committee has taken on a budget adviser this year to look specifically at the council tax reduction element of the budget and at the Scottish welfare fund. According to your programme, we will legislate on the Scottish welfare fund. Will we have access to information about the fund as it becomes available, because we need that now?

Secondly, on take-up, was sufficient public-awareness raising done on availability of the Scottish welfare fund? Evidence is anecdotal so far, but it appears that part of the problem is that the Department for Work and Pensions was known to have been responsible for crisis loans and other support, but since that responsibility has been transferred to local government, advice and information to allow people to access it has not been forthcoming. Have we been remiss in terms of informing people of where they can access the available support? Is that part of the reason why the take-up has been so low?

The First Minister: First of all, let me acknowledge the helpful way in which Michael McMahon has asked the question. Government funding for mitigation over the next three years will total something like £224 million. Of course, that is only a portion of the estimates for income withdrawal, but it is nevertheless a very substantial part of Scottish Government funding.

Secondly, I should say that I follow Michael McMahon's Welfare Reform Committee's proceedings very carefully and so anticipated what direction you would, rightly, come from. I hope that this will be helpful. I can tell you that in November we will be able to give you the first figures, which

we believe will be robust and reliable, for the welfare fund's first six months of operation.

As for what has or has not been done with regard to the welfare fund, I want to draw a contrast with the council tax reduction scheme. If you remember, there was a debate over whether we had the legislative competence to introduce such a scheme—indeed, if I remember correctly, the Welfare Reform Committee received legal advice to the contrary—but we pushed ahead and with our local authority partners realised that if the measure was introduced as a reduction, rather than as a benefit, it would fall within our competence. As a result, there has been almost full take-up of what has been an effective scheme, and we have helped almost 500,000 families, who have not had to suffer the impact on their council tax that they otherwise would have suffered.

Because the new welfare fund, which is administered by local authorities, has just been brought into being, things are inevitably more difficult than they would be with a tried and tested funding method. The figures that we will be able to present to Michael McMahon's committee will provide a robust estimate of what is happening, so I expect that committee to look at the issue and to consider what improvements can be made. After all, it is in everyone's interests to ensure that the fund works effectively.

On estimating the number of folk in question, I have to say that I do not think that in the regular meetings and discussions that we will see the welfare fund being undersubscribed as it comes into operation. If we evaluate, on one side, the scale of the pressure on people and families, and on the other the availability of funds, I have to say that I do not think that undersubscription is going to be a long-term problem. The figures will come out in November; we will examine them robustly, and if the Welfare Reform Committee can identify any improvements to assist with take-up, the Government—and, I am sure, our local authority partners—will want to listen to what you have to say.

Michael McMahon: It is inevitable that this is going to be the case, but it has been raised with me that you are going to spend a lot of money on raising public awareness of your independence white paper and on promoting your cause. It would reflect badly if take-up of the Scottish welfare fund dropped because there was no parallel or, at least, equivalent commitment to publicising and raising awareness of the fund for those who might be able to benefit from it.

The First Minister: I do not think that you should necessarily expect any shortage in take-up to be a long-term problem with the fund. It is, as you suggested in your first question, far more to do

with the fact that it is, of necessity, an innovation. I think that we both agree that we would rather have a welfare fund than not have it, and that because of their housing and council tax benefit responsibilities the local authorities are the right people to administer it.

I also hope that the Welfare Reform Committee agrees that our putting the fund on a statutory footing in the legislative programme indicates the seriousness with which take this initiative and our responsibilities to do our best to—as Michael McMahon put it—mitigate the situation. We cannot wipe any of this away or eliminate it because we do not have the budget or responsibility to do that, but we can mitigate things and, as I said, the fact that the measure has been set out in the legislative programme underlines the seriousness with which we take our responsibilities on this matter.

Michael McMahon: I have one more short question, Presiding Officer.

The Presiding Officer: Make it brief.

Michael McMahon: I do not believe that there is anything that would legally prevent the Scottish Parliament from considering amending the Housing (Scotland) Act 2001 to address problems with the bedroom tax. There may be technical reasons why we should not go down that route because the legislation that is proposed is not considered to be the vehicle that will address the problem, but will you commit today to ensuring that any proposed legislation that is brought forward by individual members is given proper consideration? The bedroom tax is clearly a housing issue and we have responsibility for housing here, so we could look at the housing legislation to see whether we can address the problems that are faced by individuals who are affected by the bedroom tax.

The First Minister: If we remember the debate about the council tax, we will recall that there was great scepticism as to whether the method that we chose and put forward to face the issue was robust and legal, but we said that it was and we have been vindicated by events. If I remember correctly, there were a number of votes on that very matter. We know and believe that the mechanism that was proposed to us by Shelter for discretionary housing payments to help with the impact of the bedroom tax is robust and legal and that it falls within the top-up limit of one and a half times.

We do not have an assurance that there is another legal route, so we have two restrictions—one is about legality in terms of competence and the second is the available budget—that bear down, as Michael McMahon acknowledged in his first question. Nonetheless, as I told his colleague Duncan McNeil, if ideas come forward that would enable us, with budgetary provision and within

competence, to do something effective to help the people of Scotland, that is what the Government is about, so we will look at the quality of the idea, not the origin of the suggestion.

Rob Gibson MSP (Convener, Rural Affairs, Climate Change and Environment Committee):

In what ways will the new common agricultural policy deal, which was struck by the United Kingdom Government and which leaves Scotland's rural economy with the lowest support in Europe, hinder Scotland's highly successful food and drink industry in building on the record targets that have been announced this week and in creating new jobs in that sector?

The First Minister: That is an interesting area of discussion. It can be argued that, per hectare, we now have the lowest farm payments in Europe—the payments are averaged across the UK, and the UK Government shows a lack of enthusiasm for many areas of agriculture and farming support. Of course, on the one hand, people say, "Oh, that'll just be payments to big farmers," but, as we both know, the payments result in an impetus for the rural economy, and one of the best engines of growth in the rural economy is agricultural spending.

However, there is another difficulty, and it is a very serious one indeed at present. There has been outstanding success in the production and export of Scottish food and drink. That is not just because of the outstanding success of the whisky industry; the increase in other exports is paralleling that fantastic increase and has been a huge success. Food producers have met the target six years early—I wish that every Government target could be met six years early. In fact, at a reception the other night, I told those involved that that was totally irresponsible of them, because now every Government target will be under pressure to match their achievement. However, it has been a huge success and all credit is due to the industry, the new companies, the entrepreneurs, the farmers and rural communities for producing such fantastic figures.

However, a supply issue is developing. For example, the demand for quality meat products from Scotland now exceeds supply. You may ask, "Why on earth do people not furnish more supply?" and that brings us right back to your question. Certain supply patterns in Scottish agriculture and livestock production depend on upland areas supplying the ammunition for finishing high-quality cattle, and unless farm investment in those upland areas is protected, that investment can be difficult to make. Reduction in the weight of supply also puts pressure on ancillary services—slaughtering, processing plants and so on—so the food industry finds itself, as a result of our having the lowest

payments per hectare in Europe, in a position where demand for Scottish quality food and drink products can exceed supply in some cases. That is a critical question that we have to address.

Rob Gibson: I have a separate point about your announcement in June of a target that would double to 1 million acres the area of land to be under local control by 2020. Could that play a part in producing more cattle and sheep, and how do you expect us to achieve that target—whether six years earlier or otherwise?

13:45

The First Minister: That would be next year, Rob. [*Laughter.*]

I think that the target of having 1 million acres of land under local control is a realistic target, although achieving it obviously depends on a number of things. There has to be a Scottish land fund, which we have replenished to enable communities to have the organisation and the ability to exercise their pre-emptive rights—they have to be helped and financed to get them into that position. There are a number of excellent examples of the move to community ownership resulting in a rise in production as well as that joint ownership of the assets. That has been the case on certain islands, whether in relation to their renewable energy projects or the nature of their produce—I have great hopes for Machrihanish air base and the utility of that facility, too—and I am sure that it will continue be the case as we look to meet the 1 million acre target.

Although this might not contribute many acres to the achievement of that target, it is interesting to note that, over the summer, a lighthouse on the south-west of the mainland of Scotland came into community ownership and that a lighthouse on the very tip of the mainland of Scotland is well on the way to coming into community ownership, which will complete the great national trail. I think that that will help to inspire people. The conference that you mentioned was very much about the nuts and bolts of the process and the inspiration that community ownership can offer other communities.

Our legislative programme includes the community empowerment bill, which seeks to extend—in terms of public assets if not the number of acres—to urban and city communities in Scotland the ability to be empowered through community ownership.

Christina McKelvie MSP (Convener, European and External Relations Committee):

First Minister, you will know that the benefit of the European and External Relations Committee is that we get to look out at the rest of the world and see what the rest of the world is thinking when it

looks back at Scotland. The committee has recently done, and is continuing to do, big pieces of work on European structural funds and European regional development funding, and we are reviewing the Scottish Government's country plans. In relation to that work, can you tell me how the Scottish Government will maximise the use that is made of any funding that we can get from Europe? Is there a strategic plan?

My other question ties into the same issue and relates to the country plans: how do we develop Scotland's place in the world? We looked at educational links, cultural links and—specifically—business links. How we can use all those to encourage Scotland's economic growth and enhance its economic reputation?

The First Minister: We have a policy of maximising the best use of suitable funds, in relation not just to the external promotion of Scotland, but to the scientific budgets, research grants and so on. I think that our officials—whether Scottish Enterprise officials or Government officials—are extremely adept at ensuring that positive offers from Scotland match the criteria. For example, we are looking closely at the changes in the nature of the European research and innovation funds and at how those mark and can benefit renewable energy projects in Scotland. We have achieved considerable success in doing that, and the committee's insight into such matters has been important.

On how we match that to country profiles, your committee has produced reports that are very helpful from the point of view of our international engagement, such as your recent report on China. Such reports are always helpful in profiling the initiatives that we are undertaking against the results that we are achieving. It is always helpful to get insight into how that can be done better.

Virtually any country that I know of would give its eye teeth for two things. The first is the international reputation that Scotland has, which is excellent; the only requirement is to ensure that that reputation is enhanced and promoted. The second is the way in which Scottish Development International goes about its business. It is generally regarded to be one of the best direct investment and trade organisations in the world and is the envy of many other countries.

SDI's recent record on both export performance—the figures from last weekend showed that Scotland is the only country in these islands with an increasing export performance—and inward investment, where we have been enjoying a record number of projects and record years, is a tribute to the excellence of its work.

Christina McKelvie: I have a quick supplementary question on the United Kingdom Government. The committee sometimes finds that it is constrained in the way that it can look at things because of the fact that Scotland is not a member state. Do you believe that Scotland's not being a member state and not having a seat at the top table has a big impact on us and that, if the situation changes, as I hope it does, we will take the biggest benefit out of that?

The First Minister: Member state status, whether in Europe or worldwide, confers certain rights. Member states have rights that devolved Administrations do not, in terms of both our engagement and the engagement of our politicians. It is accepted that Scotland punches above its status and weight, but some of that punching is required precisely because we are trying to reach the status that would be accorded either to a member state in Europe or, in terms of international engagement, to a sovereign country by right. We have to work extremely hard to keep our profile up precisely because we are not a sovereign state. In European decision making, the Council of Ministers trumps all, and for a country to pursue the policies that it wants to pursue, there is no substitute for direct access to the Council of Ministers by right.

Murdo Fraser MSP (Convener, Economy, Energy and Tourism Committee): In a few weeks, the Economy, Energy and Tourism Committee will start a piece of work that will look at Scotland's economy after 2014. The publication of the Scottish Government's white paper on independence will be important in helping to inform that inquiry. When is it going to be published?

The First Minister: In the autumn.

Murdo Fraser: We are in the autumn now, First Minister. Can you possibly be a bit more specific, given that you probably have a date in your head?

The First Minister: It will be published before the autumn is over, Murdo. By definition, you will not have long to wait. Let me assure you that, when the Deputy First Minister decides the final publication date this autumn, your request and requirements will be at the top of the list in her considerations.

Murdo Fraser: Thank you for that. I have a follow-up question about something that might be in the white paper that will be of interest to the committee and to the business community more generally: the currency in an independent Scotland. I am sure that you are aware of the work of Jim and Margaret Cuthbert, who are economists who are not unsympathetic to your own political outlook. They published a paper this week in which

they state that it is difficult to see how a UK currency union would be consistent with

“any meaningful form of independence”.

They go on to say:

“But it is certainly the case that the constraints involved in such an arrangement are currently unknowable, so that the economic policy options open to a Scottish government in a UK currency union are largely a matter of guesswork.”

How will you ensure that your white paper is not based just on guesswork?

The First Minister: We could cite a range of experts, some of whom have not been considered sympathetic to the Scottish Government’s political direction. I am thinking of John McLaren and Brian Ashcroft, who have argued that a currency area with sterling would be the sensible option. Others who have not been great commentators on the direction of Scottish politics—I am thinking of Professor Danny Blanchflower, who is a notable economist of worldwide distinction—have argued that position. The Government’s own fiscal commission includes two Nobel laureates who have put forward a considered view as to why a shared currency—a sterling area—is the best option not just for Scotland, but for the rest of the UK.

The central argument is about the discretion that that would give us in economic policy making. If you read the fiscal commission’s report—which I am sure you will as an essential part of your preparation for reading the white paper—you will see a detailed list of fiscal and economic levers. It includes areas such as competition policy, energy policy, spending and tax raising, control of which is not available to the Scottish Government at present but would still be available to an independent Scottish Administration within a sterling area.

You are a well-known proponent—much to your electoral cost within your own party, if I remember correctly—of what we might call maximalist fiscal freedom. When you were advocating that position—and were, unfortunately, unable to take all your party with you—you were, presumably, doing so because you thought that that fiscal freedom was important for Scotland to have, for a range of reasons. Of course, under your formulation, that would have been done with sterling as a currency. If you thought that it was important to have that fiscal freedom, you must have at least acknowledged the great importance of those things in terms of the formulation of economic policy.

If we can leave politics aside, I am sure that you will find in the white paper nuggets that you can agree with in terms of future economic policy

formulation—whether you are allowed to say so is another matter.

Murdo Fraser: I think that you will find that there is quite a broad difference in our opinions, even on that matter. However, given the time constraints, it would be unfair to pursue this line of questioning much further.

The First Minister: I thought that the issue was the difference between your opinions and those of Ruth Davidson, but we will leave that to one side.

Kevin Stewart MSP (Convener, Local Government and Regeneration Committee): I am glad that you mentioned community empowerment in your opening remarks, First Minister. As the Local Government and Regeneration Committee has been going around the country in pursuit of its public sector reform inquiry and its regeneration inquiry, we have found that the issue of where power lies is extremely important. At the moment, the Convention of Scottish Local Authorities is considering its constitutional position with regard to local government. Do you have a view on the work that COSLA is currently undertaking in that regard?

The First Minister: I am open-minded with regard to some of the areas and proposals that COSLA has been considering and about the practical entrenchment of local government’s position. It would be useful if we let COSLA come forward with ideas.

Over the summer, in a variety of announcements, we have reflected on the powers that might be available to local authorities and island councils in Scotland. When I was in Shetland, there was the Shetland declaration, and when we were in the Borders, we talked about the borderlands initiative. We have reflected on the powers that are available and we will look closely at what the city councils have been saying. If COSLA comes up with plans that it thinks will enhance local government in Scotland, we will consider them with an open mind.

One of the successes of our term as a minority Government was that we managed to establish with COSLA a mutuality of esteem, through the concordat. I know that the concordat became a matter of political debate, discussion and even banter, but I believe that an important principle underlay the concordat—that of partnership working between central Government and local government, under different political frameworks. On a number of issues—as is evident in the recent figures on teacher employment—that approach has managed to achieve substantial progress for the people of Scotland in difficult circumstances. I will certainly look with an open mind at the

proposals that COSLA makes, along the lines that you are suggesting.

Kevin Stewart: On the mutual respect between your Government and local government in Scotland that has been gained in recent years, can we be assured that the level of flexibility and independence that local government now has will not be restricted in future by a huge amount of ring fencing, such as existed previously?

The First Minister: One of the initial things that we did during that period of minority Government was to release local authorities from what we felt was unnecessary ring fencing in a range of areas. That was well received by local authorities.

There is a temptation not just in this Parliament but in any Parliament for members to become impatient when they see an issue that they care about and think is really important—they want to make sure that that issue is under their absolute direction and control.

Sometimes we have to trust the people delivering those areas of policy and recognise, through that parity of esteem, that they have as much of an interest in delivering a successful outcome for the people as parliamentarians have. That was the impetus behind our release of local authorities from a huge amount of ring fencing back in 2008, and I think that the arguments for that still pertain. There are some areas in which, when additional funding is given, by agreement it has to be directed of necessity. Nonetheless, I do not think that anybody is seriously proposing that we move back to the extreme ring fencing that we had previously.

14:00

David Stewart MSP (Convener, Public Petitions Committee): First Minister, you will be well aware that our petitions system has a strong history. The previous Scottish Parliament had a petitions system and the idea dates back to David II, who had one in the 14th century. Many of the petitions that come before us highlight failures in public services—for example, the failure to roll out insulin pumps for diabetics throughout Scotland. What can you do in your legislative programme to ensure that health boards deliver uniformly on health priorities throughout Scotland and that ordinary patients are listened to when they have genuine health concerns?

The First Minister: I did not know that about David II—thank you for that information, which shows that the system has a long, honourable tradition.

We certainly look closely at the work of the Public Petitions Committee and we take it very seriously. I understand, from the information that I

have been given, that we have received 199 requests for information in relation to 105 separate petitions. That information and the issues that it throws up are treated very seriously by Government, including the question that you raise of insulin pumps.

During the public meeting in the town hall after the Fraserburgh Cabinet meeting last week, one of your petitioners, Ron Beatty, raised the issue of safety on school buses. He asked for a Government debate, which can often be facilitated by the Public Petitions Committee, and I am keen to see that happen. In his question and the answer that I was able to give, I was struck by the fact that, although people's absolute wishes for progress cannot always be met immediately, there is a great deal of respect for the position that he has been able to pursue through the committee, which gives a form and substance to requests for help. We take these things seriously and will also take seriously the point that you have made.

Maureen Watt MSP (Convener, Infrastructure and Capital Investment Committee): First Minister, my question is about the legislative programme. The Infrastructure and Capital Investment Committee is likely to be the lead committee on both the procurement reform bill, which, due to factors outwith the Government's control, probably because of Europe, has been delayed, and the housing bill, which is likely to be speedier in coming before the Parliament than might have been expected. Therefore, the committee is likely to be considering two fairly major pieces of legislation in tandem. We are not averse to hard work, but I worry that the public—particularly stakeholders—will feel that the committee does not have adequate time to hear all the evidence and scrutinise the legislation properly. The committee might also have its own work that it wants to do. Do your bill teams consult each other on when bills will be introduced to the Parliament, even before they come to the Presiding Officer's office?

The First Minister: I will certainly look into that. The parliamentary timetabling of the legislation that we propose is a matter for Government, but it is for the Parliament to decide how that legislation is scrutinised. I will see whether we can be helpful.

I signed the procurement reform bill over to the Parliament yesterday. Because this is a parliamentary committee, I can say a word or two about it. You are right to say that it was delayed by the changes that are happening to European regulation, but I am satisfied—subject to your committee's examination—that we have set down in the bill some key potential enhancements for the way in which procurement is used for the Scottish economy and, indeed, Scottish society.

First, for example, take our good record as regards small and medium-sized enterprises. We are third in Europe by most measurements in terms of the number of SMEs that get Government procurement and the bill outlines regulations on how we can make that even better.

Secondly, community benefit clauses are a critical way, in terms of the regulations in the bill, of allowing communities to take matters forward.

Thirdly, how procurement can be a means of eliminating blacklisting—from society as well as from public sector contracts—is an issue that I take very seriously and I gave a commitment to the Scottish Trades Union Congress last April on that. I think that, with our partners in the STUC, we have found a way of doing that—a method of empowering the Government and the Parliament to enable public sector contracts to be used. That will not be just a welcome notification of intent, such as that which the Welsh Government issued in the past couple of days; rather, the bill will enable regulations to be made so that if a company is found guilty of blacklisting it will not be able to qualify for public sector contractual obligations unless it is able to demonstrate that it has mended its ways in terms of how matters are taken forward.

It may be that the delay—the reasons for which were not in our hands, as you rightly say—has had the benefit, through our discussions with stakeholders, of producing legislation that I believe and hope will help small and medium-sized businesses in Scotland. It will help community empowerment through public benefit clauses, and will help to eliminate something that is deeply wrong in society: the blacklisting of people, sometimes unknown to themselves. We can use public sector procurement as a means of provoking a beneficial and welcome change in society.

Kenneth Gibson: To follow on from what Murdo Fraser was saying, the Scottish Government and its agencies are obviously doing a lot of work to raise awareness overseas of Scotland's high-quality goods and services. What impact is the independence debate—for and against—having on Scotland's profile overseas as regards attracting inward investment to Scotland?

The First Minister: I think that it is having a great effect on Scotland's profile. If I remember rightly, somebody from Lloyds Bank or Bank of Scotland came to one of the parliamentary committees—

Kenneth Gibson: Ours.

The First Minister: It was your committee—you will remember it better than I do, but I remember the reference. That person came and predicted

that effect some months ago. What can I say? The proof of the pudding is in the eating, as borne out by the figures.

A year past November, I think, the chancellor forecast that inward investment would take a substantial hit in Scotland because of the debate about Scottish independence. Since then, we have seen record levels of inward investment into the Scottish economy. Equally pleasing is the very substantial progress in exports. That may be because of that raised profile or for other reasons, such as the excellence of the relevant agencies. Certainly the raised profile that Scotland is enjoying internationally is being mobilised and utilised to very good effect in business and commerce at present.

Duncan McNeil: I am pleased that you view the procurement bill as being able to deal with some of our wider social problems. Something that we identified in relation to elderly care—and our committee is deeply concerned about this—is that those who are being asked to provide that care at arm's length are not treated or trained properly and are paid woefully.

As it stands, can the procurement bill address some of those issues by providing the living wage not only to those who directly work with us but to those who clean Government offices and who provide our elderly care—people who are suffering real inequalities, who are distant from the market and who are bearing the brunt of the constraints, accepting lower pay, zero-hour contracts and so on? Can we address all those issues through the procurement bill?

The First Minister: I think that we can address some of them. We have looked at this area closely. We can have criteria within the regulations by which we judge the fitness of companies that are pursuing Government contracts.

However, although we can make progress, we would not be able, for example, to set a minimum wage with regard to contractors. The European directives clearly say, "Look, if you want to increase the minimum wage, just do it"; however, we cannot do that. We would need the powers to address the issue directly because we cannot do it through procurement itself.

That does not mean that we cannot make progress. When your committee and Maureen Watt's committee get the chance to study the bill, you will see that there are regulations relating to, for example, the criteria by which we judge a company, but we cannot prescribe a minimum wage. The interpretation of the European Commission's own procurement regulations is—perhaps not unreasonably—that if a country wants

to increase the minimum wage, it should simply do so and not achieve that by some other means.

Duncan McNeil: I accept that other people are searching for other ways of dealing with these issues, but the fact is that, while council leaders and politicians in this place are announcing the living wage, people in those organisations are being outsourced to avoid the payment of such wages. If the procurement bill is not the way to deal with the problem, what can we do about it now?

The First Minister: First, please take as read what I have said about the procurement bill but, secondly, I point out that the Scottish Government has introduced the living wage and does not have zero-hours contracts in its areas of activity. The introduction of that minimum wage increase is a welcome development in Scottish society—

Duncan McNeil: Are the people who clean your offices subject to those terms?

The First Minister: In the procurement bill, we will be able to make progress in a number of areas, not least on the issue of blacklisting and our assessment of the fitness of companies.

The question that the European directives pose not only for me as First Minister but for all of us and you, Duncan, is whether this is an excellent reason why the Parliament should have the ability to increase the minimum wage directly—

Duncan McNeil: If you are not going to act now, First Minister, you are unlikely to act when you have the powers.

The Presiding Officer: I want the First Minister to answer, Duncan, but we need to move on to the other conveners.

Duncan McNeil: I am finished, Presiding Officer.

The First Minister: As we seem to have strayed into a political debate, let me see whether I can recapitulate slightly. We are taking considerable action on the living wage and with the procurement bill and our substantial discussions with the STUC we are going to achieve progress on a number of areas that are very close to my heart, the heart of the STUC and indeed the hearts of all those who care about fairness in Scottish society. We will be able to make progress in the law on procurement and how we judge the suitability of companies, but it does no one any favours to pretend that we in this Parliament have legislative competence over areas where we do not have such competence. As a result, it would be useful if people like you, who want this Parliament to address questions about the minimum wage, accepted as a responsibility

that we should have the powers to be able to do exactly that.

Christine Grahame MSP (Convener, Justice Committee): I am going to go back and ask about legislation. I should note that these questions have been authorised by the Justice Committee, so I had better stick to them.

First of all, First Minister, I listened with envy to your comment that you pay keen attention to the Welfare Reform Committee; I hope only that you pay the same attention to the Justice Committee. I want, however, to make a serious point. We have in train a large number of legislative proposals, which together with your announced legislation on courts reform and damages make very significant changes to the justice system. Moreover, the measures interact with each other. We must also bear in mind practicalities such as the closure of sheriff courts; the rightful burdens that the Victims and Witnesses (Scotland) Bill will put on the police and the Crown; the proposed abolition of corroboration, which might lead to more cases; and the impact of the end of certain categories of early release on the prison system. For different reasons, these measures make demands right across the spectrum of the justice portfolio and the committee's concern is that officials might be working in silos. Do they speak to each other? Is there any strategy for looking at not just the technical interaction of legislation but the practicalities that flow from it?

14:15

The First Minister: We look carefully at justice legislation and the practicalities that will flow from it, and I am sure that officials always do that, because they know that if they do not they will get short shrift under examination by Christine Grahame and her committee. We are conscious of the number of justice initiatives that are coming forward, and we think that they are doing good in society and are achieving results for the justice system. The decline in recorded crime, which is the best for 40 years, and the decline in reoffending, which is the best in 14 years, indicate that some of the changes that we have made are proving positive, but we know that justice changes require close examination, and we are confident that Christine Grahame's committee will give them exactly that.

Christine Grahame: It is not just a question of whether we do that, because we will; it is about the practicalities that follow such changes. Linked to that is the point that, under standing orders, committees are expected to carry out a range of business to scrutinise and hold any Government to account, which involves not just looking at legislation that is brought forward; there should

also be time for post-legislative scrutiny—very little of which is done in this Parliament—and to look at petitions and do inquiries.

Speaking on behalf of the Justice Committee, and having been involved in previous Justice Committees, I know that there is no room to do anything else. If the First Minister had been paying close attention to the Justice Committee, he would know that we just do legislation after legislation, like a sausage factory. What I am asking is whether, rather than that, before legislation is announced, before the Parliamentary Bureau—which always has a Government majority—allocates business, and before the current Government or any Government goes forward with anything, you could speak to conveners so that the committees can do their job properly, by balancing legislation and inquiries, thereby doing the Government a good service, let alone the Parliament and the people of Scotland. The balance at the moment, certainly for the Justice Committee, has shifted.

The First Minister: I understand the point. I also remember that, at one time, relatively recently, there were two Justice Committees in operation, so great were the legitimate demands on the committees' time. We have been forced to choose what justice legislation comes forward. For example, we have a commitment, which we intend to honour, to bring forward legislation based on the Cullen recommendations on fatal accident inquiries in Scotland. Because we are conscious of the pressure on legislative time for the Justice Committee and the Parliament, we could not put that into the current legislative programme. We will do it, but we are conscious that we cannot achieve all the legislation that we wish to achieve, particularly if it is bearing down on one particular area and on one committee. I hope that you believe that we are conscious of and grateful for the work that is done in the committee, and that we do hold over, and have held over, legislation because we are aware that, regardless of how desirable the legislation is, all legislation must be properly and effectively scrutinised. I have enormous confidence in Christine Grahame's ability to lead the committee in effective scrutiny.

Christine Grahame: That will not wash; I do not take flattery. It is a serious point. We should consider allowing certain committees—I can speak only for my own—to have time to do post-legislative scrutiny. We have no second chamber and no opportunity to do that. The Parliament is 14 years old and it should have a chance to look at how things have worked out. I understand that Governments want to announce lots and lots of bills, and that is fine; they have all been like that. However, committees should have time to do other things that would enhance their ability to scrutinise

current legislation; it would not get in the way of that.

The First Minister: In a non-flattering way—

Christine Grahame: At last.

The First Minister: I shall take that as a stricture in future: there will be no more flattery.

We are conscious of the pressure on the Justice Committee. As I said, we have had to prioritise a number of justice initiatives. I am aware that post-legislative scrutiny is a key part of our processes in the Parliament, and I am also aware that many justice issues, by their nature, are controversial and that people care about them a great deal, as they should, because justice is one of the integral parts of Scottish society.

The evidence that we have thus far tends to indicate that some of the legislative initiatives and general Government initiatives in the justice portfolio have been pretty successful in delivering good outcomes for the people of Scotland, such as the dramatic reduction in the amount of recorded crime. I particularly welcome the indications that reoffending is in decline in Scotland—that has been one of the perennial issues that committees of this Parliament have discussed. The move to a single police service has been not uncontroversial and represents a major change, and it has been well examined in Scottish society. Those are substantial issues. The legislation might have put great burdens on your committee, but there is a lot of evidence that it has had a substantial and beneficial effect for Scotland.

Margaret McCulloch MSP (Convener, Equal Opportunities Committee): Earlier this year, the Equal Opportunities Committee published its report on women and work. The committee looked in depth at issues such as occupational segregation and training, and also childcare.

Yesterday, we learned that women's unemployment in Scotland has gone up by 13,000 on the previous quarter, while total unemployment across the UK seems to be coming down. Why has there been such a dramatic rise in unemployment for women, and why is it so peculiar to Scotland?

The First Minister: On that aspect, I would look at the recent employment figures, which show that many more women are coming back into the workforce. The way in which you should judge the issue is to consider women's participation in the workforce.

The best thing to do is to contrast the situation in Scotland with the situation in Northern Ireland. Northern Ireland has the lowest level of female unemployment in the UK but, by some distance—

certainly, by a huge distance from Scotland—it also has the lowest level of women in work and participating in the workforce. Look at the participation rates. Scotland has the highest participation rate of women in the workforce. We have the highest employment rate of women in the workforce. Obviously, we want unemployment to decline as far as possible but the fact that more women are no longer economically inactive but are economically active is a good thing and an encouraging sign.

We can point to initiatives that are bearing fruit. There has been a dramatic increase in the number of women who are taking part in modern apprenticeships. That is very significant in percentage terms and is devastatingly significant in numerical terms because, when apprenticeships were down at 16,000, the percentage of women taking part was low. The apprenticeship level is now at more than 25,000 and the percentage of women has increased. It is not yet at 50 per cent, but it has risen significantly, which has led to a dramatic rise in the number of young women taking part in modern apprenticeships.

There are challenges within those figures. For example, the conference on women and work that we held jointly with stakeholders including the STUC identified that the number of women participating in certain apprenticeships, such as engineering and welding, was extremely low. We need to tackle some of the obstacles and barriers that people face when they enter what have sometimes been called reserved occupations. They should not be reserved occupations and they certainly should not be reserved for one gender. The Government is committed not only to opening up the overall level of female participation in apprenticeships but to securing advances in that regard, too.

I would look at the employment figures for women and would not be too discouraged by the trends that we are seeing in the workforce at present.

Margaret McCulloch: I appreciate that answer, but why do you think that, as the figure of 13,000 shows, unemployment for women has gone up? I understand that the situation with regard to modern apprenticeships is excellent, but we have problems with women going into work. In the past quarter, 13,000 more women were unemployed.

The First Minister: As I said, what has happened in terms of female employment is that there has been a sharp decline in inactivity—that is, people who are either not presenting for work or who are not looking for work. That is a good thing. We have the highest employment rate for women across these islands. We have more women in work as a percentage in Scotland than in England,

Wales or Northern Ireland. That is important when looking at labour market trends.

Why do people come out of inactivity and go into activity? They come out of inactivity because they are encouraged by the view that they might well find employment. If people think that there is no hope, or little prospect, of getting employment, then they stay in inactivity. They are not recorded in the unemployment statistics, because they are not looking for work. So, it is important that we look at employment figures in Scotland as one of the criteria when we assess how equal we are becoming as a society in terms of employment.

On that, despite the fact that we have more women in employment now—and more than in England, Wales or Northern Ireland—we still have a substantial issue with the gender gap between male and female participation in the labour market. That is exactly where I believe that positive developments in childcare provision, but perhaps also transformational developments in childcare, are the key to unlocking that great human resource in Scottish society.

If we look at other countries, we find that in those with the best childcare provision, such as Iceland, the gap between male and female participation in the workforce—which, incidentally, I think is the key criterion, Margaret, in judging the equality—is 5 per cent. In Scotland—or the UK, for that matter—that gap is 10 per cent. I think that that tells us that with the right provision—the improvements being made now and proceeding in the direction of the transformational improvements that I would like to see—we can be confident that we can close the gender gap in workforce participation.

However, in terms of just the unemployment rates, we are far better, relative to other countries in the UK and certainly compared with Northern Ireland, in having the high level of female participation in the workforce that we have, which I think is the key figure. We need to get that on to a par with male participation, or at least close the gender gap in employment.

The Presiding Officer: I am sorry, Margaret, but I need to get on and ask Nigel Don to come in at this point. I know that some of the conveners are participating in the debate at half past two. If they wish to leave now, they have my permission to do so.

Nigel Don is the convener of the Delegated Powers and Law Reform Committee. My next reform is to ensure that we have shorter titles in future.

Nigel Don MSP (Convener, Delegated Powers and Law Reform Committee): Thank you very

much, Presiding Officer, and good afternoon, First Minister.

I am conscious that the Arbitration (Scotland) Act 2010, the on-going Bankruptcy and Debt Advice (Scotland) Bill and the proposed conclusion of contracts bill, which will come to my committee, are all part of a process of reforming Scottish commercial law. Can you tell me where they sit in the general scheme of reforming Scottish commercial law to ensure that this country is a good place in which to do business?

The First Minister: I think that your question elicits its own answer. People often regard such points of law as technical and as if they have no impact. In fact, in many ways, the regulatory environment or the ease with which, under Scots law, contracts can be concluded is an absolutely critical part of business decision making. Scotland has a well-respected body of law, both civil and criminal, and legal institutions that are also highly regarded. They are economic assets for our country and therefore it behoves us as a Parliament to ensure that we have bills such as the conclusion of contracts bill to enable us to have the opportunity to make the best of the reputational asset that we have. They are hugely important in terms of how people conduct their business.

Nigel Don: I am conscious that, under another title, the conclusion of contracts bill came through the Scottish Law Commission system. Clearly, we are now organised to make better progress with those kinds of bill. Do you see the Scottish Government bringing forward those sooner rather than later, if I can put it that way? I think that that is what the Scottish Law Commission would want to see. The conclusion of contracts bill has been—or will have been—turned around very quickly, which I think is important to the commission. Is that something that you think we will be able to carry on doing?

The First Minister: It is an example that we should follow. Given the tenor of previous questions, I hope that we can get some legislation away from Christine Grahame's Justice Committee and into your committee, Nigel. Who knows? There is often a very close boundary between aspects of legislation.

The point about turnaround is important. When the Law Commission makes recommendations, by definition it wants to see them brought into effect. Therefore, the example of the conclusion of contracts bill is obviously one that we will try to follow.

The Presiding Officer: Okay. Thank you very much, First Minister. I believe that this is the first of many such occasions that will take place in the future, so we look forward to having two and a half

hours with you the next time. On behalf of the conveners, I thank you very much for giving up your time and answering the questions so comprehensively. We appreciate it very much indeed.

The First Minister: I thank all the conveners, and I give you a personal assurance that I will turn up on time on every future occasion that comes.

The Presiding Officer: You can come back any time.

Meeting closed at 14:30.