The Scottish Parliament
Pàrlamaid na h-Alba

Official Report Debate Contributions

⊟ Meeting of the Parliament 02 February 2012

⊞ **Colleges (Funding)**

⊞ **Prison Visiting Committees**

⊞ **Scottish Executive Question Time**

⊞ First Minister's Question Time

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⊟ **Broadband**

The Presiding Officer (Tricia Marwick): The next item of business is a debate on motion S4M-01893, in the name of Alex Neil, on Scotland's next-generation broadband infrastructure plan.

14:56

The Cabinet Secretary for Infrastructure and Capital Investment (Alex Neil): Placing Scotland at the forefront of the digital revolution and making world-class digital infrastructure a reality is one of the Scottish Government's top priorities.

On Tuesday, the Scottish Government published "Scotland's Digital Future—Infrastructure Action Plan", which sets out our ambition and commitment and the steps that we will take to deliver world-class and future-proof digital infrastructure throughout Scotland by 2020, with a step change by 2015. It also sets out our intention to move forward at a rapid pace. The action plan is about delivering transformational change in the quality and coverage of internet and mobile access across Scotland, enabling people to connect from their homes, at work and while on the move. I hope that that will include an improved service in this building.

The scale of transformation will require significant investment and the Scottish Government is committed to sourcing and securing that investment for Scotland. Delivery of the plan will require strong partnership working across the private, public and third sectors, and a willingness to collaborate to realise our shared vision.

Our ambition is a society that takes full advantage of the digital age and thereby prospers economically, socially and culturally. We are clear about where Scotland should be. We are determined to lead the world in the quality of provision and in our ability to take full advantage of the benefits for all Scotland.

Rob Gibson (Caithness, Sutherland and Ross) (SNP): I draw the cabinet secretary's attention to the broadband needs of my constituents in small communities such as Letters on Loch Broom, Kenmore at Shieldaig, Wester Alligin on Loch Torridon and Laid on Loch Eriboll. Can they be assured that where they live will not mean that they will have to wait until 2020 to have the broadband access that is essential to their contribution to Scotland's economic revival?

Alex Neil: I can confirm that a key part of the Government's approach is that rural and remote areas will not be left to the tail end of the process because they are rural and remote. In fact, the benefits that will be gained by rural and remote areas are proportionately greater than those that will be gained by some of our more urban and central areas. They will be starting from a lower baseline, so the improvement will be greater. From an economic as well as a social and cultural point of view, we are keen to ensure that rural and remote areas are not left at the end of the queue when it comes to the roll-out of the technology.

Richard Baker (North East Scotland) (Lab): When will we have clarity on the amount of Scottish Government funding that will be allocated to some of the local schemes that have been proposed and are outlined in the action plan?

Alex Neil: We have already spelled out what money is available to the Scottish Government and how we will use our funds. We are waiting for two key decisions from the United Kingdom Government, one of which is in relation to the urban mobile fund of £100 million, which was announced in the autumn statement.

We believe that, in the future, the UK Government may provide additional funding for urban areas—that might happen in next month's budget, although, of course, I have no insight into what will be announced. More important for rural areas, the allocation of the £150 million fund for mobile access is still to be announced. Many rural areas in Scotland will require mobile access rather than fibre-optic access. Our view is that, once we know what our share of that allocation is—I hope that it will be a higher share than the share that we got of the BBC licence money to reflect the particular needs of Scotland—we will be in a position to be more precise about which communities our share of the resources will go to.

I share the member's ambition—indeed, in the spirit of consensus, we will support Richard Baker's amendment. We are always keen to ensure that there is clarity. Once we know the final allocation of the budgets in question, we will be in a position to be precise about the allocation of funding in Scotland.

David Stewart (Highlands and Islands) (Lab): Will the spectrum auction be a key factor in access for rural Scotland?

Alex Neil: The 4G spectrum auction will raise money for the UK Government. There are no Barnett consequentials from revenue; the Barnett consequentials come from the expenditure side. For example, if the UK Government decides to increase expenditure on broadband as a result of the revenue that it gets from the spectrum auction, we would benefit. If it decides to put all that money into the general Government fund and to make no allocation for responsibilities that are devolved to this Parliament, there would be no Barnett consequentials. If we were independent and we had our own 4G spectrum auction, all the money could come to Scotland and we would all be a lot better off.

Alex Johnstone (North East Scotland) (Con): Rubbish!

Alex Neil: As I was saying before those three interruptions—or rather, interventions—the importance of digital connectivity to rural areas was debated by the Parliament last June, when there was overwhelming cross-party consensus that improving broadband and mobile coverage in rural areas must be a key priority of not just the Government, but the Parliament.

Addressing the digital divide that Mr Gibson referred to is at the core of the action plan that we published on Tuesday. The action plan is not just about taking hard wires to homes and workplaces. As I have just said, improving mobile coverage across Scotland is also critical. More and more people are accessing the internet from mobile devices while they are on the move. A report by the Boston Consulting Group cites the fact that, by 2016, mobile devices will account for 80 per cent of all broadband connections. Quite simply, Scotland's businesses and people—and its MSPs—cannot do without faster broadband speeds and decent mobile coverage.

John Park (Mid Scotland and Fife) (Lab): A key issue is broadband use by people who use public transport to travel to and from work. Does the cabinet secretary believe that a contractual obligation to provide wi-fi on services could be included as part of the ScotRail franchise renegotiation?

Alex Neil: Why wait until 2014 for the new franchise? We are doing it already. We are working with ScotRail to ensure that wi-fi is available on as many train services in Scotland as possible. We will certainly look at building that in as a permanent feature of the contract, but we are not prepared to wait two years before we make progress. Indeed, I believe that my colleague the Minister for Housing and Transport may well have an announcement to make on that fairly soon.

The action plan has four critical programmes. The first programme will bridge the current digital divide and provide a step change in speeds for everyone by 2015. It will focus on Scotland's core or backbone infrastructure, ensuring that it is fit for purpose and future proofed, and that it reaches those areas where the market, if left to its own devices, would not go. Those areas will mostly be rural areas, but we know that there are urban and semi-urban areas, such as Kirkliston outside Edinburgh, that also struggle to get good digital connectivity.

By 2015, we aim to achieve speeds of 40 to 80 megabits per second for 85 to 90 per cent of the population, and we aim to achieve the best possible speeds for those for whom it will not be possible to deliver speeds of 40 to 80 megabits per second.

We recognise the early progress that is being made in the Highlands and Islands and will progress with the current procurement for the region because we do not want to hold it back. A contract will be awarded this summer and improvements will be delivered from January 2013.

Jim Hume (South Scotland) (LD): The minister mentioned the Highlands and Islands. Is he aware of the good progress on the broadband project in the south of Scotland and the buy-in from Dumfries and Galloway Council and the Scottish Borders Council?

Alex Neil: We are not only aware of the progress but have played our part in ensuring that it happens, particularly in and around the Annan area, which will be the early priority in that programme.

For the rest of Scotland—including Coatbridge and Airdrie—we will produce a procurement strategy by March and commence procurement by the summer with the aim of awarding a single contract in the first half of 2013.

As Mr Hume mentioned, some areas are more advanced with their local plans than others, but I urge every local authority in Scotland to get in touch with us as soon as possible, either in combination—as is the case with Aberdeen City Council and Aberdeenshire Council in Grampian—or individually, with their aspirations and action plans for broadband in their areas.

Bill Walker (Dunfermline) (SNP): Everyone else is getting a geographical mention. I am one of the poor souls in the constituency of Dunfermline in West Fife who does not have broadband in his house. I have petitioned the cabinet secretary, but to no avail.

Does the cabinet secretary agree that the tremendous connectivity and advances that have been made in broadband—I am trying not to be party political—are one of the reasons why we managed to get Amazon to locate in Scotland? Does he also agree that broadband played a substantial part elsewhere in Fife in getting the Samsung Heavy Industries Company to choose Scotland as its first location in Europe? Does he agree that broadband connectivity is a substantial issue?

Alex Neil: Absolutely. I am even prepared to be quoted in any press release as a result of that intervention.

The second programme will be taken forward in parallel with the first and the others, and will focus on developing a longer-term plan to deliver world-class infrastructure by 2020.

We want Scotland to be, and are determined that it will be, at least on a par with the best in the world. That will require a different approach. We need to ensure that we have the right mechanisms, partnerships and commercial models in place to deliver sustainable digital infrastructure for decades to come. By the end of this year, we will develop a full plan outlining the options for delivering our world-class ambition.

Programme 3 will encourage and support the development of local projects that deliver local solutions for communities to which the market will not go, or in which early progress to world class can be demonstrated. That could support projects in the remote Highlands and Islands, such as the Tegola project.

By April this year, we will establish a seed fund and provide an initial injection of £5 million from the Scottish Government to encourage that process. We expect that money to leverage funding from the private sector, communities, third sector, local government and Europe. Indeed, in Lothian and Fife—I am going around the country during this speech—there are already good examples of that beginning to happen.

The final programme is targeted at increasing digital participation rates for individuals and businesses. Increasing take-up is fundamental. It is the only way in which we will achieve our overarching objective of ensuring that everyone in Scotland is well placed to take full advantage of the opportunities of the digital age.

For business and the public sector, those opportunities can lead to productivity gains through more

efficient and lower-cost provision of services. In the plan, we have outlined two projects to communicate to the small and medium-sized enterprise sector the benefits of getting online. Those projects are due to commence this year.

For individuals, digital participation can deliver household savings, increase learning opportunities and provide enhanced entertainment experiences. The Cabinet Secretary for Rural Affairs and the Environment also tells me that it will be a substantial enhancement for farmers by helping them to claim their European subsidies with a quicker turnaround than is currently the case. That news is, no doubt, music to Mr Johnstone's ears.

We are fortunate in that we are supported by a groundbreaking alliance of more than 35 organisations from the public, private, academic and third sectors that have signed up to Scotland's digital participation charter. In so doing, those organisations have committed themselves to aligning resources and delivering a difference in Scotland's level of digital participation. Discussions are under way on the Glasgow area, where there are particularly low levels of take-up, with a view to understanding how partners can work together to make a difference.

The two programmes that I have described, along with programmes 3 and 4, about which I will go into more detail in my closing speech, represent a comprehensive, ambitious, challenging and realisable plan for digital in Scotland. We do not just want to be up there with the best; we want to be the best.

I move,

That the Parliament welcomes the publication of Scotland's Digital Future - Infrastructure Action Plan and the commitment to world class, future-proofed infrastructure that will deliver digital connectivity across the whole of Scotland by 2020; recognises that putting this infrastructure in place will make a real difference to the way people in Scotland live and work, including how they access public services; agrees that achieving the ambition will require the Scottish Government to work in partnership with local authorities to deliver committed and coordinated action across the whole of Scotland; calls on the private sector to work in partnership with the public sector to deliver open access future-proofed infrastructure and to support measures to increase take-up and participation in the digital economy, and calls on the UK Government to make available the right levels of funding to meet the challenges of delivering infrastructure in rural and remote areas of Scotland, to ensure that mobile 2G and 3G not spots are addressed in Scotland and that the roll-out of 4G in Scotland at least matches the UK average.

15:11

Richard Baker (North East Scotland) (Lab): I am delighted that the cabinet secretary has had an excellent moment of common sense and will support the amendment in my name.

I think that all members are aware that a great deal is riding on the Scottish Government getting its digital infrastructure strategy right. It is about ensuring that everyone in Scotland can benefit from broadband. Whether we are talking about online banking, online retail or the ability to make videocalls to relatives abroad, more Scots need to take advantage of the opportunities. In a world in which the internet is increasingly the focus for accessing goods and services and in which Government services are increasingly online, Scots' access to broadband is more and more an important matter of social inclusion.

Broadband access is vital to Scotland's economic growth, too. In his evidence to the Infrastructure and Capital Investment Committee's inquiry, Professor Michael Fourman, of the Royal Society of Edinburgh, said that the Organisation for Economic Co-operation and Development estimates that

"A 10 per cent increase in take-up"

will lead to

"a 1 per cent increase in gross domestic product".—[Official Report, Infrastructure and Capital Investment Committee, 7 December 2011; c 445.]

Given that gross domestic product growth in Scotland stands at a less-than-inspiring 0.5 per cent, we need to take all the action that we can take to strengthen our economy. As broadband take-up in Scotland is only 61 per cent, compared with the UK figure of 74 per cent, the potential for progress is clear.

Dave Thompson (Skye, Lochaber and Badenoch) (SNP): Does the member accept that the Royal Society of Edinburgh also says:

"The Action Plan sets out a level of ambition that has not previously been seen at Scottish or UK level."

Well done, cabinet secretary.

Richard Baker: I am not sure that I would be quite as fawning as that. Did the RSE say, "Well done, cabinet secretary," or did Mr Thompson add that? He might well have done. However, we can get behind the ambition. I will say lots of positive things about that, as always. The national strategy is crucial and—for the avoidance of doubt, I say to Mr Thompson—we welcome the publication of "Scotland's Digital Future". How refreshing it is to discuss ways of bringing people together rather than pulling them apart.

There is not much in the programme for action in the document with which we can disagree. For example, we do not disagree with the ambition for an uplift in broadband speeds by 2015. "Achieving world-class by 2020" is surely a lofty and admirable objective, and everyone should support the goals on developing local solutions and increasing take-up. Not for the first time, we can agree with the Scottish Government about the ambition of the policy.

Of course, there are many questions about how the policy will be delivered. The key issue is that the rhetoric should match the reality. Once again, we have a Scottish Government plan that majors on ambition but is somewhat short on the detail of how that ambition will be achieved.

The funding that is available to develop digital infrastructure will be crucial to the success of the work. The plan is right to identify the need for private sector involvement and Scottish Government support for Scottish bids to the UK urban development fund. We are happy to join in calls for the UK Government to provide additional funding. Given that Scotland currently has only 85 per cent coverage, we also agree that Scotland should derive an appropriately significant share of the £150 million that the UK Government is allocating to address areas in the UK that do not have even 2G coverage.

If we agree that the Scottish Government should press the UK Government to give Scotland the right priority with regard to investment in our digital infrastructure, the Scottish Government in turn needs to ensure that it is getting its funding of the initiative right.

Although the Government funds of £154 million are significant, far more money could be spent on developing our digital infrastructure and more investment from other sources will be required if the ambitions in the Scottish Government's plans are to be realised. In particular, we need to hear how some of the exciting local plans that have been developed will be funded, not least for the sake of the flurry of local press releases that will obviously follow the debate.

The £5 million of seed funding is welcome, but I am aware that, in my area, Aberdeen city and shire economic future has made a bid for £15 million of funding from the Scottish Government. The cabinet secretary referred to the plans there. Aberdeenshire Council has already allocated £18 million to its rural access strategy and the open access fibre network in the area. I do not always agree with the councils' decisions on a range of issues, but it is clear that there is local commitment to developing the much-improved broadband infrastructure that our local economy and residents need.

The Scottish Government must match that commitment if the plans are to succeed. Obviously, that applies not only to my region, but to other rural areas such as the Highlands, of which I am sure we will hear more during the debate, and to the local strategies that have been developed in our cities. However, we still do not have clarity from the Scottish Government on how much of the pot of £154 million will be devoted to local initiatives. The cabinet secretary says that we will have more clarity in the weeks ahead about exactly which funds will be allocated to local schemes but, given the timescales that he has set—we applaud the ambition on that—we need more clarity on those important issues sooner rather than later.

We welcome the fact that a national strategy will be put in place, and no one wants unnecessary duplication of effort, but the Economy, Energy and Tourism Committee, in its broadband inquiry, heard evidence from several witnesses that local leadership and direction of broadband initiatives will be crucial to their success. In a country that is so diverse in need and in geography, which presents a variety of technical challenges, there will be no one-size-fits-all solution. Therefore, I can see the sense of having a national programme board overseeing a national strategy, but I hope that within that structure there is scope for regional leadership to find local solutions and that the approach is not overly directive and centralised.

It is good to be ambitious, but some of those who are involved in the industry have impressed on me the scale of the task. In particular, the 2020 target will require a step change in access to broadband in Scotland from where we are now. It has also been impressed on me that we must invest in the right technologies that will have the optimal impact on expanding access. The action plan document recognises that and the nature of digital communication as a fast-moving area of technology.

The Scottish Government will need to consider carefully how to achieve the widest roll-out of a fibre network and the role that 4G can play in extending broadband coverage. The cabinet secretary and

Dave Stewart rightly referred to that. I hope that the Scottish Government will take steps to ensure that fibre roll-out can be linked to major public infrastructure projects. In my region, the Aberdeen western peripheral route, when it is finally delivered, can be a prime candidate for that, and there will be other examples throughout the country. Given our comparatively low rate of take-up, it is clear that, to achieve the goal of Scotland having the highest take-up rate in the UK by 2015, a range of technical solutions will be required. The key will be to get the balance right to achieve the maximum return on investment.

I will close on the point with which I began: that the strategy must benefit all Scots and should promote social inclusion. Simply expanding the potential for access to broadband throughout the country and at higher speeds is not the same as ensuring that the technology will be used by as many Scots as possible. That point has been made in some of the briefings that members received for the debate. The issue is not just about access; it is about ensuring that people can use broadband facilities. There are harder-to-reach groups such as some older people and those who will be deterred from using broadband in the home because of cost. If we want to realise the ambition that the document sets out for increased take-up, we will need to involve Scots in all sections of society. We need to hear more from the Scottish Government about how people who can access broadband now but who choose not to or who are deterred from doing so will be encouraged and enabled to use broadband in the future.

There is much to applaud in the strategy, but questions remain for the cabinet secretary about how those important goals will be achieved. I hope that he will be able to answer them today, because they will be crucial in ensuring that the aims are realised and that we have the step change in digital infrastructure in Scotland that is crucial for the future success of our economy and society.

I move amendment S4M-01893.1, to insert at end:

", and calls on the Scottish Government to ensure that local and community projects receive an adequate share of the available funding and to develop strategies to improve broadband uptake among people over 55 and low-income groups who are currently excluded from the benefits of broadband access."

15:20

Mary Scanlon (Highlands and Islands) (Con): I welcome the tone of the debate so far. There is so much that could be included in the debate as so much has been done, is being done and needs to be done, particularly as the average broadband speed in Scotland is around 7 megabits per second and the Scottish Government aims to increase it to between 40 and 80 megabits per second by 2015.

In preparation for the debate, I thought back to when the Parliament was set up. Many local people and businesses contacted those of us who are members for the Highlands and Islands as part of their campaign for access to broadband. First, proximity to exchanges and copper cabling were issues, then it was broadband speeds, superfast broadband and now new generation broadband and fibre to street cabinets. The phrase "new generation" is apt, given that all that has happened in just over a decade.

We welcome the action plan. There is no doubt that first-class, effective broadband connections and speeds are essential not only for competitive economic growth, but to advance telehealth, online learning, worldwide communications and so much more. All countries aim for such services in these difficult financial times. Ireland, for example, aims in the next five years to have an advanced broadband infrastructure with download speeds of at least 100 megabits per second.

The UK Government has invested £70 million in Scotland from the current £530 million pot. That is a 13 per cent share of the budget for our 8 per cent share of the UK population, which is essential, welcome and not unreasonable, given the geographic needs in Scotland.

Dave Thompson: Will the member take an intervention?

Mary Scanlon: I want to make progress, if the member does not mind.

Scotland has the opportunity to benefit from the £100 million investment in urban broadband to create superconnected cities, with Edinburgh already having guaranteed funding in that regard. As Richard Baker and the cabinet secretary stated, Scotland will also benefit from the £150 million investment in improving the communications infrastructure for mobile coverage. Again, that is much needed. My colleague Alex Johnstone will discuss that issue further.

Of course, there are many community broadband projects that are all working to find local solutions to connectivity problems. There is also the critical pilot funding for next-generation broadband in the Highlands and Islands, which was chosen as one of four UK pilot areas. That is a key part of the strategy.

The UK Government is right to aim to have the best broadband network in Europe by 2015, and of course the cabinet secretary is committed to next-generation broadband being available to all by 2020, which is not unreasonable or unachievable. However, as the cabinet secretary said, in areas with some of the best broadband speeds in Scotland, such as greater Glasgow, take-up is only 50 per cent; for over 55s it is 34 per cent; for social groups D and E it is 30 per cent; and for those with household incomes under £17,500, take-up is 26 per cent.

The United Nations target for universal broadband is to have internet access for 40 per cent of households in developing countries and 50 per cent internet-user penetration by 2015. As Richard Baker and the cabinet secretary said, the Government needs to work in partnership with the private sector, third sector and others to increase broadband take-up in Scotland, otherwise parts of Scotland could lag behind developing countries in that regard. I acknowledge the commitment in programme 4 of the action plan to increase take-up, and I hope that progress will be regularly monitored.

There is work to be done to address the use of the internet by Scottish small and medium-sized businesses. I was quite shocked—as I think most of us were—when I read that 25 per cent of SMEs do not use the internet at all. Work is being done in Scottish Enterprise and Highlands and Islands Enterprise—and I accept the points that the cabinet secretary made—on business support for, and the upskilling of, SMEs. However, there is undoubtedly much more to be done to ensure that we keep pace with other countries.

Finally, I noted on page 13 of the action plan the Government's strategy on procurement for public sector investment and low-cost access. I am the deputy convener of the Public Audit Committee, which received a paper from the Auditor General about the Registers of Scotland and other organisations. An information technology contract that was initially estimated at £66 million is now estimated at £132 million, with considerable impairment charges. How will the strategy ensure that Scotland's public sector procures at the right cost—offering good value to the public purse—in a way that achieves an IT system that is fit for purpose and provides much-needed returns on investment? I welcome those points in the action plan.

The broadband action plan requires the monitoring of progress and positive and constructive working relations with the UK Government, the Convention of Scottish Local Authorities, the public and private sectors and the third sector to ensure success. I can see that the cabinet secretary is nodding and I am sure that all the discussions will be both constructive and positive.

I move amendment S4M-01893.2, in the name of Alex Johnstone, to leave out from "local authorities" to "funding" and insert:

"the UK Government, local authorities and the public and private sectors to deliver open access future-proofed infrastructure and to support measures to increase take-up and participation in the digital economy and".

15:26

Aileen McLeod (South Scotland) (SNP): I thank the cabinet secretary for providing a robust and detailed plan on how the Scottish Government intends to achieve the aims of the digital future strategy. The digital future of Scotland is of the highest importance; it is central to achieving a fair, modern and competitive economy. By aiming not only for 85 to 90 per cent coverage of high-speed broadband by 2015, but for next-generation broadband to be available to all by 2020, the Government is demonstrating its ambition and its commitment to those ends.

However, I appreciate that meeting those targets will not be without its challenges. The cost of upgrading the infrastructure to enable us to provide high-speed and even superfast broadband, although not prohibitive, will need to come from a variety of investment programmes. As we see from the infrastructure action plan, the private sector is investing, where commercially viable. That investment is vital, but it is not enough to stand alone. I commend the Scottish Government for securing £68.8 million from broadband development UK, although I only wish that it had been more, given the geographical issues that we have to overcome in Scotland, especially in our remote and local areas.

Jim Hume: Will the member take an intervention?

Aileen McLeod: I would like to make some progress first, and then I will take an intervention.

I also commend the Scottish Government for allocating £79.5 million from the Scottish budget to improving broadband services—including up to £25.5 million of European Union funds.

Jim Hume: If my sums are correct—and I know that they are—the Westminster Government is giving some 27 per cent more to broadband in Scotland than the Scottish Government is giving. Does the member acknowledge that?

Aileen McLeod: In the Highlands and Islands, £300 million must be paid, so £68.8 million is still not enough. We need more—and we need to consider European funding as well. Further EU funding might well be available in the next financial framework. The European Commission is proposing that some €9.2 billion be allocated over the period 2014 to 2020 to support upgrades to deliver faster internet connectivity, through its connecting Europe facility, and I hope that colleagues in this Parliament will give their support to that important initiative.

Public funding of £185 million has already been identified, and establishing a £5 million seed fund for local projects by April this year will allow innovative solutions to evolve, with a longer-term view to national roll-out. An excellent example of how that is starting to take shape is the work of the south of Scotland alliance. As a member who represents South Scotland, I know only too well that the region is badly served by broadband access. Dumfries and Galloway is 31st out of Scotland's 32 council areas for broadband availability, and approximately 15 per cent of phone lines across the region are unable to support 2 megabits per second. That is a totally unacceptable situation that must be—and is being —addressed.

There is no doubt that the region's economic development potential will not be exploited fully until it can boast the quality of internet connectivity that today's businesses require. If we are to bring further investment to the south of Scotland, improving broadband infrastructure is critical.

The south of Scotland alliance has developed a highly ambitious next-generation broadband programme, which seeks to ensure that the south will be at the forefront of the delivery of Scotland's digital ambitions. As I have indicated, there are few more appropriate regions in Scotland to lead that initiative.

The programme aims to play a lead role in transforming the delivery of public services, economic development and social cohesion in rural communities from Stranraer to Eyemouth. It is based on the type of partnership that the Scottish Government recognises is necessary if its digital ambitions for rural Scotland are to be realised. It involves Dumfries and Galloway and Borders councils, the two national health service health boards and Scottish Enterprise. I am delighted that, last November, the Scottish Government committed £5 million to commence the procurement phase of the south of Scotland alliance next-generation broadband project.

The alliance is now working on a bid for providing next-generation broadband to cover 100 per cent of the south of Scotland population. The forecast cost is £120 million and, although both councils have agreed a joint commitment of £21 million in capital funding and £1.5 million in revenue over the lifetime of the project, the partnership is looking to various other sources of funding, including the UK Government and the EU, to bring the project to fruition. The efforts of the south of Scotland alliance project team are to be commended, and I thank the cabinet secretary for his continued support for the project.

I briefly turn my attention to the elements of the motion that deal with 4G mobile broadband and

mobile phone coverage, with regard to a meeting that I had this week with the mobile phone operator Three. As members will be aware, the UK Government holds the cards when it comes to auctioning the spectrum to operators, and delays on its part have meant that the UK has fallen significantly behind in progressing coverage. During my meeting with Three, it was clear that, apart from Greece, the UK will be the last west European country to auction 4G. That is in stark contrast with 2003, when we were the first to auction 3G, so I fully support the Scottish Government motion where it seeks to ensure that the roll-out of 4G in Scotland at least matches the UK average.

However, we must impress on Westminster and Ofcom the importance of allowing the 4G auction to take place sooner rather than later, or we risk falling behind other European countries in our coverage and therefore in the take-up of broadband.

The infrastructure action plan states:

"empowering communities to develop tailored solutions to meet their local requirements can deliver significant benefits."

Yes—and the Scottish Government's plans for a digital future in Scotland are ideal for empowering communities not only to develop the technology to sustain themselves but to encourage business growth, tourism and a subsequent increase in confidence in local economies.

I commend the Scottish Government on its foresight in promoting the notion of a digital future for Scotland.

15:33

David Stewart (Highlands and Islands) (Lab): I welcome the opportunity to contribute to this vitally important debate on broadband. Highlands and Islands Enterprise rightly described broadband roll-out as "transformational" for the Highlands and Islands. I agree, and I will concentrate on the Highlands and Islands almost exclusively, but I will also touch on three best-practice examples, which include Eigg and Cornwall. I will do so in the spirit of consensus, as the cabinet secretary, Alex Neil, is the model of calm and the master of conflict avoidance. Some have said that he would put Henry Kissinger in the shade, but perhaps I overstate my case.

There is much to be welcomed in the infrastructure action plan. I do not think that anyone would disagree with a commitment to

"a world-class, future proofed infrastructure that will deliver digital connectivity across the whole of Scotland by 2020."

However, I have a few questions for the cabinet secretary on the detail, which I will touch on in a few moments.

In my earlier years in politics I remember dealing with a small community in Lochaber that could not get television reception because it was literally surrounded by Munros—of course, I mean the mountains and not the clan. The solution was eventually found by using a self-help transmitter in the village, and "Coronation Street", "EastEnders" and "Match of the Day" were soon beamed into every single household. Is that not an analogy for broadband roll-out in rural areas? The last 2 per cent of locations will be the most geographically challenging—our island communities, isolated valleys and hillside hamlets.

As BT has said, we need a mixed economy of technologies, including fibre optic, satellite, wi-fi, 3G

and 4G. However, as BT tells me, the number of slow-spots, where speeds are less than 2 megabits per second, as they are for 12 per cent of the population, could be further reduced by highly technical solutions such as television white space—the utilisation of spare TV channel frequencies—long-reach fibre, and the development of 4G. However, there are a number of challenges. What about gap funding in situations where there is no economically viable case for commercial organisations independently to implement next-generation broadband? Does the cabinet secretary agree with BT's evidence at the Infrastructure and Capital Investment Committee that the target of significantly improving access to faster broadband speeds by 2015 needs to be more specific and defined in order to judge progress?

The target is to improve Scotland's broadband uptake so that it is above the UK average by next year. As we have heard, that is a big challenge. Scotland is about 13 per cent below the UK average uptake of 74 per cent. What assessment has the cabinet secretary made of the level of funding available through the challenge fund under the Scotland rural development programme's LEADER scheme for broadband roll-out? There are several best-practice schemes across the UK. For example, in Cornwall, BT and Cornwall Council aim to deliver 100 per cent coverage of superfast broadband by sourcing over £50 million from the European regional development fund, along with £78 million from BT. It has been described by a probably very ambitious press officer as the

"world's most ambitious rural next generation broadband project."

It is worth emphasising two key points. First, people in Cornwall are using satellite and wireless technologies to in-fill areas where fibre optic development is not practical. Secondly, it is a good example of gap funding, which meets the difference between what is and what is not financially viable.

We all know that the market cannot possibly solve all the problems of broadband roll-out. I flag up the excellent project that Mary Scanlon mentioned in the Highlands and Islands, where the work of BDUK and EDF will make a revolutionary change. Let me give another example. Some time ago, a resident of Eigg conducted a survey of all users on the island. He looked at broadband speed, service reliability and the cost of service and found that there was massive dissatisfaction regarding all three aspects. There is good news, however. Following the survey, the resident, working with representatives of the University of Edinburgh, developed and established an alternative service for Eigg. He sent my office a letter saying:

"This is acting as a pilot project for the wider roll-out network over the small isles, Knoydart and Loch Hourn area, for which we have yet to achieve any funding. The Eigg network is now almost fully operational, with over 20 households currently connected. For Eigg alone, when 40 subscribers are connected, the total net cost will have been less than £200 per household".

As the cabinet secretary said, Professor Peter Buneman of the University of Edinburgh has recently spoken about the Tegola project, otherwise called the "last mile" solution. That is an excellent example of a local initiative. I welcome the seed fund initiative, which appears in the action plan for local solutions. The network has been running for four years and covers Corran and north-west Knoydart, serving about 60 households. It delivers speeds of about 25 megabits per second—although it is slightly limited by backhaul problems—and excellent voice over IP through services such as Skype. Professor Buneman makes the very relevant point that rural communities need the internet as much as urban communities, partly because there are more businesses in rural communities. Of course, there is also a greater reliance on online shopping and other forms of communication. One of the key issues is how to avoid isolation. He gave an excellent example of a resident of Knoydart who uses teleconferencing to communicate with his grandchildren in New Zealand every weekend.

New-generation broadband is arguably the most important tool for rural development, particularly for

our super-rural and fragile mainland communities. There is much to commend in the action plan, which is written in the spirit of the Royal Society of Edinburgh's report "Digital Scotland". I hope that the cabinet secretary will be able to respond to my remarks.

Finally, the wider question that the Royal Society of Edinburgh addresses is whether broadband infrastructure is a means to an end rather than an end in itself. How can we work together to narrow the digital divide among the over-55s and the lower-income groups to implement a world-class infrastructure that will cultivate Scotland's social, cultural and economic sectors?

15:40

Willie Coffey (Kilmarnock and Irvine Valley) (SNP): As a computer science graduate in the dim and distant past, I could only dream of the kind of vision that is set out on page 11 of the Scottish Government's action plan—that of a family using technology to learn, to have fun, to connect with new people from other countries, to catch up on favourite television programmes that have been missed and to keep in close contact with loved ones around the world using live video streaming. The crucial element in all of it, apart from the fabulous developments in software and hardware that make it possible, is the need to make it possible for all our population, no matter where they live.

We should make no mistake: a technological revolution is well under way that will offer society the ability to do things in such a completely different way that it will change for ever how we live, work and make connections with one another. Distance will no longer be a barrier to that. I am happy to see that the Scottish Government's paper recognises that and places considerable emphasis on the need to close the various gaps that we know exist.

Achieving the step change of between 40 and 80 megabits per second for up to 90 per cent of premises in the next three years is excellent. The possibility, in today's terms, of speeds of up to 100 megabits per second and, beyond, to 1,000 megabits per second—1 gigabit per second to those in the know—is an incredible prospect. Rightly, too, attention is being paid to the well-known not-spots and slow-spots that have been mentioned by colleagues—places that are currently not served particularly well by the technology due to their geography or small customer numbers.

The theme of the debate is how we will develop the infrastructure to give Scotland a world-class service by 2020. In progressing the plan, however, we must not lose sight of the social digital divide that has existed for many years. Figures published by Ofcom on fixed broadband access show that, although Scotland exceeds the UK figure for broadband take-up among the 35 to 54 age group, we seem to lag behind the UK in take-up among older age groups and lower-income groups. The figure for greater Glasgow, which is now 50 per cent, has been historically much lower even than the figure for Scotland, which is now 61 per cent, and the figure for the UK, which is now 74 per cent. However, I urge caution in that those figures do not include mobile broadband and there are other ways in which the public accesses broadband services—particularly smartphone technology.

I am the convener of the cross-party group on digital participation and it is clear to me, from the many shared experiences around Scotland, both urban and rural, that work still needs to be done to close both digital divides—the geographic and the social. The work to tackle the latter may be for another debate but, as the gap widens, even the best technology on offer will have little impact on the lives of ordinary people if they continue to disengage from it. That point was made by one of my Labour colleagues.

I recognise and welcome the contribution that has been made by the Royal Society of Edinburgh not only to the debate but to the work of the cross-party group. Through Professor Fourman, the society has been a steadfast supporter and driver of many of the issues under discussion, which are contained in the infrastructure action plan. Its comments in welcoming the ambition of the Scottish

<mark>Government to achieve the standards that it has set via open-access or technology-neutral solutions is much appreciated and I look forward to working with the society on future occasions.</mark>

As the action plan also makes clear, the required level of service cannot be delivered entirely by the public sector or, indeed, the private sector on its own. Working in partnership can achieve the Government's aims. Just last month, we heard of BT's latest investment plans, which will bring superfast broadband to another 277,000 homes and businesses, 21,000 of which are in my constituency. Using a mixture of fibre to the cabinet and fibre to the premises, that will offer speeds of 40 megabits per second and upwards to 300 megabits per second. Those speeds will mean that families will be able to do all those things that I mentioned at the same time, downloading music in seconds and taking under 10 minutes to download full-length, high-definition movies.

Fourth-generation mobile coverage is also just around the corner. Ofcom estimates that the demand in western Europe for mobile data services such as video streaming, messaging and social networking could increase by 500 per cent over the next five years.

Claudia Beamish (South Scotland) (Lab): On the point about mobile coverage, I want to highlight an inclusion issue. Earlier this week, a care forum in the Borders highlighted to me the importance to deaf people of text messaging in relation to the national health service. That kind of service is not happening in the Borders or, I believe, anywhere else in Scotland.

Willie Coffey: Absolutely. The member's point is well made. One of the key things about technology is that it has to serve the whole population, particularly the disabled community, which sometimes depends on it rather more than we do.

Sometimes a discussion about the power of technology can be blurred by our terminology and have little meaning to the people whom we serve. I began by saying that this technology will change the way we live, the way we learn, the way we work and the way we communicate. There are limitless possibilities for our schools and how they engage with the online world in which we live, and there are many advantages to our citizens' being able to access vital information that directly affects them. As that computer science graduate from the dim and distant past, I think that this is the most exciting time of all to be part of this technology revolution, to support the Scottish Government's proposed work and to give Scotland the world-class service that will open up so many doors to a brighter future.

I am pleased to support the Government's motion.

15:46

Rhoda Grant (Highlands and Islands) (Lab): I welcome the action plan's acknowledgement of the scale of the challenge ahead. As things stand with the current infrastructure, only 50 per cent of Scotland will get next-generation broadband. We are in real danger of being left behind; indeed, at this rate, rural India will have next-generation broadband before rural Scotland. Not only have the people in that area recognised the need for connection, they are rolling it out.

My worry is that this is not an action plan but a route map towards one. It outlines four distinct programmes, the first of which is to achieve a step change by 2015; the second, to achieve world-class broadband by 2020; the third, to demonstrate and deliver innovative local solutions; and the fourth, to increase take-up rates. The Scottish Government's previous goals were to make next-generation broadband available to all by 2020 and to make significant progress by 2015, and I am a little concerned that both are being watered down. Given that achieving a step change and world-class broadband are part of the same trajectory, why are there different pathways?

Programme 1 will be put out to tender in September while an action plan for programme 2—to achieve world-class broadband—will not be launched until December. To do this properly, we must ensure that what we do now contributes to the final goal. For too long now, we have had a piecemeal approach.

We also need to remember that, as we progress with next-generation broadband, many of the communities in the Highlands and Islands, particularly in the Western Isles, have no broadband provision at all and we need to focus on those communities, which have already fallen behind because of market failure.

If we are to roll out next-generation broadband, the infrastructure must be in place. We need fibre to connect communities. The Scottish Government knows where the fibre is and who owns it; indeed, the public sector itself has already invested in fibre—for example, in the pathfinder north network and JANET and on electricity transmission lines—and there has been investment by, among many others, Network Rail and Scottish Water. I ask the Scottish Government to publish Scotland's fibre map showing the current location of all fibre because that alone will show the gaps that are preventing the whole of Scotland from getting next-generation broadband.

Given that Ofcom has opened up BT's ducts and poles for use, is it not time that the same principle applied to fibre? Indeed, I really hope that that is what the cabinet secretary means by the reference in the plan to "open access". Legislation might be needed, but I truly believe that, with all-party support, that can be done quickly.

As taxpayers have funded much of this fibre infrastructure in the past, they must benefit from it going forward. With pathfinder north, for example, local government has been able to procure fast connections between its offices and schools and other buildings. People have argued against using that fibre because, under the original procurement process, its use was not extended to communities and businesses.

In most cases, however, the pathfinder infrastructure is owned not by the state, which simply rents part of it, but by other businesses, so there is nothing to prevent communities and businesses from contracting with the owners of the fibre to use the spare capacity in the cables.

The action plan mentions the seed funding of £5 million, which is welcome. However, we need the fibre infrastructure to allow communities to go the last mile. If the backhaul is not in place, no community solution will work.

Where communities do not have the ability to go it alone, the Government needs to consider enabling a community internet service provider to take things forward and build community resilience to make that affordable. What keeps costs down in the Tegola project is that members of the community carry out repairs and replace parts as required. If a large ISP were to do that work, it would cost thousands of pounds per repair and the running costs would be unattainable.

I welcome the fact that the report promises to deliver an open-access infrastructure. Under such an approach, all public procurement of fibre must be tendered properly to allow public agencies to be part of the solution. However, we also need to future-proof our planning system. Retrospective laying of fibre is expensive. Fibre, or at the very least the ducts, should be incorporated into all new road and building developments. It is almost cost free to put ducts in when roads are resurfaced or housing developments are built, and once they are there, it is relatively cheap to put fibre down.

Geography and landscape mean that there is no one-size-fits-all solution to the problem. I have seen at first hand the problems with trying to achieve good broadband connections in the Highlands and

at first hand the problems with trying to achieve good broadband connections in the Highlands and Islands. I welcome the fact that commercial mobile services are improving—for example, 3G and 4G services—but the areas that do not get broadband are the very areas that are unlikely to get a mobile signal, so all technologies need to be used: fibre, wireless, satellite and the white space that is freed up by the shift from analogue to digital television.

We need a mix of providers. BT is the largest supplier and is the only one left in the Highlands and Islands pilot. We need to involve the other players such as Cable & Wireless, which owns much of the pathfinder infrastructure, and National Grid and Scottish Hydro Electric Transmission Ltd, which also own fibre transmission lines.

Large internet service providers will roll out next-generation broadband where the market is sufficiently large to pay for it. It is vital that Government money does not skew that process but is used where the market fails, which is in rural areas.

Solutions needs to be future-proofed. It is hard to find a solution for rural areas that can be updated at a later date.

The long-awaited action plan is not an action plan but a statement of what requires to be done. The Government admits that the technology is moving apace, and it also needs to move apace to ensure that Scotland does not fall behind.

15:53

Dave Thompson (Skye, Lochaber and Badenoch) (SNP): At the start of every week, I spend four hours travelling to Edinburgh from my constituency of Skye, Lochaber and Badenoch. With all due respect to the railway network, it takes just a split second for an e-mail to make the same journey. Much commerce and business is now conducted electronically, without the need for face-to-face contact, which greatly reduces costs. Good access to broadband allows Highland businesses and organisations to compete with those in the central belt and indeed across the world. Schools can enjoy the educational benefits of being online and people can keep up to date with friends and family on the other side of the globe.

However, many thousands of homes in Scotland do not have access to good, reliable and fast broadband, and many of them are in my constituency. This is a serious problem for Scotland's economic growth and productivity because a great percentage of Scotland's small and medium-sized enterprises are in the currently broadband-deficient Highlands.

This week, I was contacted by Iain Blois, who lives and works in my constituency. His work requires him to be able to download files, purchase goods and services online and fill in web-based applications. He lives 3 miles from Beauly, which is a small town close to Inverness, so the population density is not as low as it is in many other parts of the Highlands. Nevertheless, he wrote to say that the broadband speed is only 0.34 megabits per second. That means that a one-minute BBC news clip aborts with the message "Insufficient speed".

The home of another constituent of mine, Henry Mennie, is categorised as "out of reach" of the exchange server. He lives on the Black Isle, less than 5 miles away from the exchange in Dingwall and just over the firth from Inverness. We therefore have problems even close to Inverness, but many of my constituents are much more remote than that. My constituency has a low population density, which means that it usually slides off the map of market-led digital provision, but digital inclusion is essential for us; indeed, it is even more essential for us than for those who live in urban Scotland.

The dangers of the digital divide are self-evident. Without equality of broadband provision across

Scotland, businesses in rural areas are uncompetitive, school leavers migrate to the cities, and there is limited economic growth. In a 2009 study by the Organisation for Economic Co-operation and Development, it was shown that a 10 per cent increase in broadband results in a 1 per cent increase in GDP. For the sake of my constituents and Scotland, we must ensure that the digital divide does not widen any further; indeed, we must endeavour to narrow it.

Fortunately, that has been recognised by the Scottish Government, which has set out to deliver world-class broadband to all by 2020. I welcome its ambition, and congratulate it on its publication of "Scotland's Digital Future—Infrastructure Action Plan", which acknowledges that there are particular challenges in delivering broadband infrastructure in rural areas but nevertheless pledges to address those issues and ensure that the broadband roll-out in Scotland matches the UK average. We have already heard that the Royal Society of Edinburgh has said that it has not come across such ambition before. We need ambition in this country and the ability to meet it, which will come fully with independence, of course.

Highlands and Islands Enterprise is planning to roll out superfast broadband across my constituency and the region, as the cabinet secretary has said. Work will begin in 2013, which is to be warmly welcomed. That work will cover the length and breadth of the region and 125,000 premises, of which 11,000 will be business premises. The roll-out must ensure universality in the provision of broadband, and I have pressed Highlands and Islands Enterprise to guarantee that. In areas of low population density, superfast broadband is very expensive, as fibre optic requires a sufficient concentration of subscribers per cabinet to make it economically viable. Therefore, alternative solutions must be considered for many consumers in my constituency.

A number of solutions have already been mentioned. One solution is wireless broadband, of course, which includes mobile broadband, 4G and satellite, and which can be deployed quickly and cheaply.

David Stewart: I think that the member is just coming to this point, but I stressed that fibre optic cannot possibly be the whole answer for the Highlands and Islands. A whole suite of alternatives must be used. In the past, satellite was used through an ISP. Does the member agree that satellite, wi-fi and 4G must be considered to ensure that the last 1 per cent is covered?

Dave Thompson: I thought that I had just said that. I mentioned 4G and satellite. I agree with the member that we must look at a range of solutions in addition to fibre optic.

I will say a wee bit more about that. To ensure full coverage, we must build the solution that I mentioned into the contract that HIE is currently negotiating with BT. I am pleased to say that HIE has given me assurances that that will be the case and that it is looking seriously at that matter as it moves towards finalising the contract with BT, which is the remaining sole bidder.

To conclude, I agree with the Government that broadband provision should be market led, but that that will not work in every area, and that everyone in this nation must have access to reliable and cost-effective broadband. That will lead to innovation, improved productivity and sustainable economic growth in Scotland. The Government is to be congratulated on taking such a positive and ambitious view on infrastructure provision for the whole country.

15:59

Jim Hume (South Scotland) (LD): I am happy to debate the Government's infrastructure action plan for Scotland's digital future. It is only right that the Government is publishing its plan to get Scotland switched on to the numerous economic and societal benefits that will derive from the roll-out of next-generation broadband. It is refreshing to read a Government publication that makes no reference to independence—although the SNP back benchers made some half-hearted attempts to bring it into the debate.

The Government's publication, "Scotland's Digital Future—A Strategy for Scotland" last year revealed that uptake of broadband was lower in Scotland than in the other nations in the UK; at 61 per cent, it was 10 per cent below the UK average. That figure must be increased, so I welcome the publication of the plan. I hope that the cabinet secretary will be willing to acknowledge the instrumental part that the UK has played by providing the largest proportion of funding, and I hope that he will continue to work in partnership with the UK Government.

Alex Neil: Obviously, the Scottish Government welcomes the £68 million that we got from the BBC licence money, but compare that to the £58 million that Wales got. Scotland has not received its fair share.

Jim Hume: The UK Government has put in £68.8 million, while the Scottish Government is proposing to put in £54 million. As I said, Westminster has supplied the largest proportion.

The Scottish Chambers of Commerce has spoken of digital connectivity as being as important as transport connectivity, particularly because the ability to utilise broadband connections has become important to the competitiveness of small businesses.

As Dave Thompson said, the OECD has spoken of a 10 per cent increase in the uptake of broadband resulting in a 1 per cent increase in GDP. The availability of broadband is important in helping to anchor businesses in rural areas—businesses which would, without access to this basic tool of commerce, be forced to leave such areas and take their jobs with them.

The benefits are also tangible. In evidence to the Infrastructure and Capital Investment Committee, Fiona Ballantyne of the Communications Consumer Panel spoke of estimates from 2008 that suggest that people who are online can save £560 a year. With high-speed broadband, people can work from home to create a better work-life balance, undertake education or receive more convenient and personalised care using telehealth measures.

It is in rural areas where the plan should have the greatest impact. Alex Neil has already mentioned Kirkliston in the constituency of Mike Crockart MP, who is fighting for better coverage in that area. I also know of the good work that has been done by the south of Scotland alliance. Its hard work has led to the development of an ambitious plan to ensure that the south of Scotland—Dumfries and Galloway and the Borders, in this case—is not left behind. I welcome the Government's awarding of £5 million to the plan, which will get it started. Of course, the plan will require significantly more finance to achieve its aims, and I look forward to the Government's continued support. We will be happy to work with the Government in that regard. A plan of that scope must include significant involvement by the private sector. The Government recognises that and goes to great pains to say so throughout the infrastructure action plan, stating:

"We expect the industry to work in partnership with us to deliver the plan and we will put in place mechanisms to secure greater investment from the private sector"

which will ensure that

"all of Scotland is able to benefit."

It is obvious that, if broadband's reach can extend further across Scotland, it will open up attractive commercial opportunities for internet service providers in the UK. Therefore, it is only proper that some of the capital for the plan be found in the private sector. However, as other members have mentioned, there is much talk of expectations in the document, but little about commitments. The question is this: Do we have a plan whose success will be reliant on a private sector that is not yet on board? I would be interested to hear from Alex Neil about discussions that he has had with the private sector about the support that it is committed to offering in order to make the plan a success.

The report is also light on information regarding just how many jobs the plan will sustain and create. In our manifesto, we detailed our digital economy action plan and made a commitment to use £250 million from our investing in Scotland's future fund to accelerate the roll-out of superfast broadband across Scotland. We believe that our plan could have created as many as 20,000 jobs through installation of infrastructure and use of improved connectivity to build businesses. I can find no estimates of jobs that would be created in the cabinet secretary's plan, so I would be interested if he would refer to that in summing up.

I welcome the recognition that improving mobile phone coverage is important, and the commitment to work together with the UK Government and Ofcom to that end. However, that should not happen at the expense of measures that the Scottish Government can take. I would like the cabinet secretary to explore the possibility of widening the scope of operator partnerships in order to spread the cost of building and maintaining new masts in rural locations, where building masts might not be commercially viable. That would go a long way towards improving 2G and 3G coverage in those often-neglected areas, such as the Ettrick valley down in Selkirkshire. I have heard anecdotally from Tweed Valley Mountain Rescue Team that mobile phone reception is better in the hills of Iceland than it is in some parts of the south of Scotland.

The situation contributes to the youth drain from our rural areas and damages small businesses. I would welcome the cabinet secretary's close attention to that and other issues in his closing speech.

16:06

Nigel Don (Angus North and Mearns) (SNP): A constituent recently told me that what is important in my part of the world is the cost of booze, the cost of petrol and the speed of broadband. That is a somewhat materialistic view of the world, but there is a little point in there somewhere. We are dealing with the speed of broadband. Is it not strange to talk just for once about something to which everybody would say, "Yes, in my back yard"?

Alex Johnstone: Did Nigel Don's constituent want all those items to go up or did he or she have differing opinions?

Nigel Don: My time is a bit too precious to answer that, but it was a nice try.

We know and have said that the debate is about the haves and the have-nots. We will have targets that refer to 98 or 95 per cent of the country, but I am concerned that what we need is solutions for all. We expect every house to have running water, electricity and sewerage. We should think, too, about every dwelling having broadband access. If we think in those terms, we must recognise that the technical solution will differ for each dwelling. I say to the cabinet secretary that, to achieve 100 per cent coverage, or as close to it as we can get, every necessary technology should be in the mix. Otherwise, some people will—by dint of geography—be left out when they should not be.

I draw to the attention of the Presiding Officer and members a map of Scotland—it is like a measles rash—that shows not-spots in red, pretty good areas in yellow and very good areas in green. That map shows clearly that people who are within about 2 miles of a telephone exchange are probably okay. In my part of the world—Angus North and Mearns—people will get about 7 or 8 megabits. Outside 2 miles, the figure is down to about 1 megabit or less. The solution for places such as Marykirk and Johnshaven in my constituency, which are outside the 2-mile radius, is to have a fibre cable run to the middle of the village and to work from that. That is not economically viable for the profit-seeking BT, but it is clearly the solution that is needed, which is why gap funding is appropriate. In other areas, such a solution will not apply. We need to explore all such matters, but I will not spend more time on that.

I will, by comparing Broughty Ferry with Marykirk, consider some benefits and problems. I do not want to upset my friends in Broughty Ferry—I do have friends there. Broughty Ferry is, of course, to the east of Dundee; people should never say that it is in Dundee. People who live in Broughty Ferry have a choice of supplier—BT, Virgin Media, Sky and O2—whereas people who live in Marykirk have only BT. The speed in Broughty Ferry is up to 40 megabits, whereas people in Marykirk might struggle to reach 2.5 megabits—I know of people there who must run two lines to get 2 megabits, which is 1 megabit for each line. People who live in Broughty Ferry pay less than £20 a month, whereas people who live in Marykirk pay at least £25 a month. People in Broughty Ferry have access to 3G, but people who live in Marykirk have no such access. That is the stark reality for people who are living 30 miles apart, and it should not be like that. It is like that simply because the commercial environment in which we have been working so far has given us those consequences, for reasons that we well understand because we understand the commercial world.

What will be the benefits of getting it right? I will expand on those in the few moments I have left. Members have mentioned savings on travel, and saving money from being able to buy things online. Comment has also been made about telehealth. We could comment about how people can simply do business. Someone who runs a business over the internet could run it from Marykirk if they had access to 40 megabit broadband. At the moment, they could do that in Broughty Ferry, but not in Johnshaven or Marykirk.

Getting it right will mean that people can have the world of information at their fingertips, and that is how we will draw older people in. Of course, if we hang around long enough, we will be the older generation.

Christine Grahame (Midlothian South, Tweeddale and Lauderdale) (SNP): Some of us already are.

Nigel Don: As Christine Grahame said, some of us already are.

If our older folk are accessing the information that they want and understanding that the internet is the place to get it—they do not have to go to the library because they can look it up online—they will get used to that and all sorts of other benefits will come to them.

We need to recognise that we need solutions that will cover 100 per cent of premises, and that there are huge economic benefits to be had throughout Government, local government and private life that will far outweigh the amount of money that we are talking about. We really must get on with it. If it comes down to finding a bit more money, I am sure that the cabinet secretary will do his level best to do so.

16:11

Margaret McDougall (West Scotland) (Lab): I welcome the opportunity to speak in the debate because I have been active in my region in discussing the issues around broadband.

Within North Ayrshire, 12.9 per cent of people still get less than 2 megabits, broadband uptake is only 58 per cent and there is no access to superfast broadband. I am concerned that broadband uptake in Scotland seems to have stalled. Ofcom's "Communications Market Report: Scotland" of 2011 shows that since quarter 1 of 2009, broadband uptake in Scotland has remained at 61 per cent, which is 13 per cent behind the UK average. Although that is discussed in the Government's infrastructure plan, the plan is very vague on how the Scottish Government will get uptake increasing again.

The infrastructure plan is ambitious but I wonder how feasible it is—especially given that the "Communications Market Report: Scotland" states that 50 per cent of premises in Scotland are in postcode areas in which high-speed broadband is available, and that that could increase to around 60 per cent by 2014. The plan promises significant uplift in speeds for everyone by 2015, with a target of 40 to 80 megabits for between 85 and 90 per cent of users. I and many others would welcome that and look forward to it, if it happens. However, if there is only going to be a 10 per cent increase to at least 24 megabits in two years, I fail to see how that can be increased in a single year for 85 and 90 per cent of users while tripling or quadrupling speeds. The plan is silent on how the target will be achieved, so I would welcome an explanation from the cabinet secretary.

Recently BT announced that most BT exchanges would be upgraded by 2014 to provide next-generation broadband in my area. However, we need to ensure that when the exchanges are upgraded, the wiring is also upgraded because how far someone is from the exchange is a major factor in the speed of the broadband that they receive. Even so, the upgrading does not often happen in areas that have little market potential or which are rural and hard to reach. That is one of the main reasons why we have seen continued investment in the same areas leading to some households being able to connect to 40 megabits, while others get only 2 megabits from the same exchange. We need to shift away from that model and upgrade Scotland's broadband infrastructure more equally. I am glad to see that the infrastructure plan acknowledges that, but it contains very little about how it will be achieved.

Being left behind is a real concern for rural areas. According to the new Ofcom report, the level of rural broadband penetration is 84 per cent in England, 68 per cent in Scotland and 67 per cent in Wales. That is good, but it is still not good enough.

Bill Walker: I know that we are getting very technical, but does the member agree that the problem with copper wires and the distance from the exchange can arise almost anywhere? There are places throughout the central belt, such as Cumbernauld, my area of west Fife and Kirkliston—which we have heard about—where people cannot get broadband. It is a problem not just in rural areas but in urban areas, too.

Margaret McDougall: It was urban areas that I was referring to when I mentioned copper wiring. The distance someone is from the exchange is the real issue—broadband degrades the further away people are from the exchange.

I recently met a company that used to specialise in providing wind-farm sites with broadband, which has started to shift its model to benefit the domestic consumer. It uses a form of wireless technology. In simple terms, it functions in a similar way to the mobile telephone network and can provide rural communities with broadband speed of 20 megabits. Members of one community in my area, Cunninghamhead, benefit from the service and are delighted with it but, so far, because the company is such a small business, it has not been able to expand into other areas. Such technology seems to be a promising alternative to wire-based internet and one that would benefit rural and hard-to-reach areas if it received an initial subsidy from the Scottish Government.

It would be beneficial if the Scottish Government could look into providing subsidies for such options in order to speed up the penetration of broadband into rural areas and to allow providers to offer fast and stable connections at low cost. We cannot afford to leave parts of Scotland behind in the digital revolution. We must do more to ensure that the uptake of broadband starts moving again.

As more and more of our services are accessed online, it is becoming much more important that we invest in and improve Scotland's broadband infrastructure. The UK as a whole has been extremely slow in upgrading the infrastructure in comparison with other countries, which are leaps and bounds ahead of us.

It is important that we explore all our options when it comes to providing broadband to rural areas. I hope that we can start to shift away from providing broadband through the old copper-wiring model, which I mentioned earlier.

The Deputy Presiding Officer (John Scott): I would be grateful if you would draw to a close.

Margaret McDougall: I understand that it will be a difficult task to upgrade and connect all of Scotland but, as I said, we cannot afford to be left behind.

16:18

Christine Grahame (Midlothian South, Tweeddale and Lauderdale) (SNP): I really feel like the proverbial fish out of water. I say to Willie Coffey that I speak, in part, for some of the over-55s. In addition, I am a technophobe. I can change a light bulb and I am so-so with fuses, but white space, ducts, ISPs and 4G are a complete mystery to me. I do not tweet—my brother forbids it, because he seems to think that I am a bit indiscreet. I do not Skype, but I intend to do so, as my eight-month-old granddaughter is regularly on Skype to her Canadian granny. There is a generational divide. Unsurprisingly, I am a master at shopping online.

However, there is an age divide. When I talk about tablet, I am talking about the teeth-rotting variety, but I am aware that when other people talk about tablet, they are talking about another kind of tablet that is now very fashionable. There are many learned technical people, but for those—like me—who

require explanations to be simple, I liken the impact of digital technology, broadband speed and mobile phone reception to the impact of the Roman roads, the Victorian railways and those stalwart Telford bridges that took people over water on those roads and railways. Just as before roads and rail Scotland's waterways provided essential commercial routes, so today, in addition to that built infrastructure, we need digital technology.

I hope that I am getting there somehow. I hope that that explanation helps those technophobes like me whose eyes glaze over when 4G is mentioned—I still do not know what it means. I understand "freezing screen", "crashing", being "unable to log on" and about too many people logging on—although I think that those last two are the same thing.

However, I congratulate everyone in the south of Scotland who has worked hard on it, the cabinet secretary and, indeed, all members who see how important broadband infrastructure is. Nigel Don was right to liken it to the delivery of other utilities, such as water and electricity. If we think along those lines, we will realise how important it is to get the funding in.

I note that the cabinet secretary—God bless him—is concentrating on essential services in places where the market will not go, such as in Midlothian South, Tweeddale and Lauderdale. However, I congratulate the people of Innerleithen, who managed to get funding all by themselves. Communities can move forward, but they need help.

Why do we need broadband? Everybody has said—they are right—that we need it for economic development and regeneration. We also need it for democratic reasons. More debate about any subject—whether it is the referendum or anything else political or non-political, including international affairs—is taking place on the internet, so there are people who are being denied access to democratic debate.

We also need broadband for practical things such as e-government and e-health. Mary Scanlon has banged on about telehealth. The Health and Sport Committee did a terrific report on it in the previous session of Parliament, but we are still not using it. It saves people from making long and stressful journeys. We could be doing that.

Dave Thompson mentioned e-learning. Roads and rail are necessary, but people can access e-learning opportunities without having to leave their own homes. That is particularly important for people who have disabilities or frailties.

Broadband infrastructure is a cost-saving facility and is bang in line with the mantra of "spend to save". Perhaps the cabinet secretary could get more money from other Cabinet ministers to help us to spend to save more.

We need better mobile coverage for reasons that Claudia Beamish mentioned—for example so that people with hearing disabilities can text the national health service to make appointments.

We need broadband for local television, which is the coming thing. I am afraid that newspapers are withering on the vine, but people will be getting on to those tablet thingies and watching television on their mobile phones.

Many of us get letters from our constituents on the matter, and I will quote from one of mine, who raised with me the problems for business in the Borders. He lives in Galashiels and said:

"As an individual consumer I have always thought that the provision of a modern communications infrastructure is beneficial to a sparsely populated area like ours. Since starting my own business over

two years ago I have come to realise that a high capacity broadband service is not only desirable but of crucial importance to the survival and competitiveness of businesses based in regions like the Borders … Ironically, access to the national and international travel infrastructure is actually quite good: I can reach London within four hours on the now much improved East Coast service; and I can reach major international aviation hubs like Schiphol and Heathrow through Edinburgh and Newcastle airports. However, access to the internet is so poor as to represent a growing cost to my company. My broadband connection through the Blainslie exchange is slow and greatly affected by contention rates"—

I do not know what contention rates are, but I take it that the term means other people on the internet.

"As you know, 3G network coverage for working on the move in this area is extremely limited."

That is the hindrance to Scotland's economy. It is also a hindrance to people accessing services.

If Willie Coffey starts up a beginners class in the terminology of broadband, digital and the internet, I will sign up first.

16:23

Mark Griffin (Central Scotland) (Lab): I welcome the Government's ambitious target for next-generation broadband coverage, but the infrastructure action plan does not answer a number of questions about how the Government will deliver on its commitment.

It seems appropriate that the term "grey area" is used in the plan to signify areas where it is unclear whether the market will be able to deliver. However, far too much in the Government's action plan is left as a grey area outside that technical definition. It is particularly lacking in detail on the procurement strategy.

Of primary concern to me is the current level of service that is experienced by many of my constituents in Cumbernauld, particularly those north of the A80—that is, the M80; the road has been upgraded, so we will wait and see whether the broadband follows. Normally, the service that many people receive is less than half what it is supposed to be. At peak times people are lucky to get the most basic access or any service at all. Worse, they are paying internet service providers a fee that is similar to the fee that is being paid by people in other parts of Cumbernauld and North Lanarkshire whose service operates at 10 times the speed.

My fear is that the Government invests in areas on the basis of reported levels of service, rather than based on actual speeds. A doubling of reported available speeds from 20 to 40 megabits per second will not help the people who are struggling along on a fraction of the reported speed, regardless of their package and the equipment that they are using.

As I said, many families who live north of the M80 in Cumbernauld are plagued with access and speed issues. People have told me about frequent outages and access that is often extremely difficult at peak times. A number of constituents who are required, or would prefer, to work at home find it impossible to do so.

Enabling people who run businesses and people who work in demanding jobs to work flexibly when necessary would be of great benefit to them and to the wider economy, so I welcome the Government's acknowledgement of the benefits of enabling people to work in such a way. It is vital that the Government emphasise extending working broadband services to Cumbernauld and areas that have similar access problems.

There are limitations to upgrades, which will need to be looked at. Upgrading of exchanges over the existing copper network means that any beneficial effect will be limited by distance. The situation in Cumbernauld is particularly bad where there is aluminium wiring.

The problems are not restricted to residential areas. A new company, which has just taken over a 45,000ft2 factory in the Westfield industrial estate, is struggling with broadband access. The company is planning to double its workforce, but the broadband problem could force it to move out of the area, taking much-needed jobs with it.

There is a long way to go. I am sure that the cabinet secretary agrees that Cumbernauld needs improved broadband service. I hope that the siting of additional street cabinets and exchanges will bring the level of service up to standard, and I am optimistic that if progress is made, in line with the ambitious target that the Government has set, my constituents will be able to benefit from improved services.

It is of particular concern to me that the infrastructure action plan states:

"the 40-80Mbps target is intended to signal the extent of the step change required, rather than being a precise measure."

The cabinet secretary should set a definitive target and produce a clear strategy for how he intends to achieve it, instead of raising expectations with a vague statement. When my constituents get past the headlines they might be unimpressed by an unclear cop-out clause that is hidden in the small print.

It is suggested in the infrastructure action plan that the market will not be able to deliver for nearly 30 per cent of homes, so I welcome the commitment in the plan to go where the market will not go by 2015. However, 30 per cent of homes equates to a large amount of people who have no access to next-generation broadband, and the Government has failed to spell out its procurement strategy in relation to its commitment.

In the plan, Sweden's

"robust strategies and funding mechanisms"

for delivering on its ambitious targets are acknowledged. Swedish planning was based on a high proportion of users having access to some level of broadband. The cabinet secretary should accelerate action on the issue, so that a full plan, which is as robust as the Swedish model, is developed as soon as possible rather than by the end of the year. Such an approach would allow options for delivery to be considered and decided on quickly and sensibly, to meet a firm target.

Areas where the market is unwilling to deliver must be identified swiftly. The situation will differ from area to area. Specific solutions will have to be identified to tackle specific problems, for example in Cumbernauld, where the up-front figures do not represent the actual level of service. The digital programme office will need to ensure that it works in partnership with local authorities and communities to address specific access issues. A top-down centralised approach will be unlikely to address local issues efficiently. To guarantee next-generation access to people in rural areas will require an approach that is different from the one that is needed in urban areas such as Cumbernauld.

Cash-strapped local authorities will require significant support from central Government to help them to deliver on local projects. It is of concern to me that local authorities, despite their best efforts and intentions, will be unable to meet shortfalls in central funding, due to cuts that are being imposed on

them. I hope that the cabinet secretary will work constructively with the Convention of Scottish Local Authorities to deliver improved high-quality next-generation broadband.

16:29

Mike MacKenzie (Highlands and Islands) (SNP): I am pleased to speak in the debate, because I have first-hand experience of the importance of broadband for people who live in rural and remote rural areas, as I have lived in a remote area for most of my life. The thing that has changed my life and that of my neighbours more than anything in the past 30 years has been the arrival of broadband. Initially, dial-up connections offered limited usefulness, although I remember printing out a copy of the first e-mail to arrive in the tiny island where I live and handing it to a local museum. Somehow or other, I understood that something significant was happening, although at that point the usefulness was pretty limited because so few people had e-mail addresses. I could not have guessed then the significance that the new technology would have so quickly.

Now, rather than me living out in the sticks and on the periphery, disqualified from participating in modern life, my 4 megabits per second connection allows full and proper participation in modern life. I must add, though, that I am lucky. For reasons that are unknown to me, not all my neighbours enjoy that staggeringly high speed. Yes, I am lucky with my 4 megabits per second because I can shop for bargains on the internet and at least partially offset the higher cost of rural living; I can be as well informed and as socially connected as anyone else in the country; and, as a citizen, I can participate in the democratic process, even to the extent of fulfilling my duties and obligations as a member of the Parliament.

Not all my constituents in the Highlands and Islands region are so fortunate. Unbelievably, this far into the 21st century, many of them remain without broadband or with speeds that are so slow as to be almost useless. There are days when my broadband luck fails me and my connection seems to crawl and dither like—well, let us just say that it is very slow at times.

Broadband availability is a matter of economic, social and democratic exclusion. We have two classes of people: those who are without broadband and who are therefore excluded, and those who have it and are not. I therefore welcome the Scottish Government's "Scotland's Digital Future—Infrastructure Action Plan" and its ambitious targets. I particularly welcome its focus on addressing rural areas.

David Stewart: Does the member share my view that students in the Highlands and Islands have had a big boost from the University of the Highlands and Islands through its high-speed broadband, which utilises JANET? Does he agree that everyone should be able to access that form of communication?

Mike MacKenzie: I certainly welcome that. I do not know whether it is technically possible or feasible for everyone to access that but, if it were, of course I would support that.

The renewables revolution is already under way in rural areas, which are set to become the economic powerhouses of Scotland. A vital ingredient of that will be the availability of next-generation broadband in those areas. I therefore welcome the funds that have been committed to help achieve that by the Scottish Government, the European Union and the UK Government, although I wish that the UK Government would dig deeper into its pockets. Members might ask why I pick on the poor old UK Government. It is because it has another tool in its box that can help to achieve superfast broadband for all. Regulation is the means by which the free market must be controlled. In that, the UK Government has once again failed us in relation to broadband and 3G coverage. It has certainly failed us here in Scotland.

Indeed, the current aspiration of the UK Government and Ofcom to roll out 4G to 98 per cent of the UK population seems a worthy goal, but it could in theory leave more than 20 per cent of the Scottish population without 4G. I suspect that if that were allowed to happen, a high proportion of such people would be in the Highlands and Islands region. Nevertheless, I welcome the UK Government's co-operating with us to help us to achieve an ambitious future for Scotland. However, if that Government lacks the will to regulate, I would call on George Osborne to open his wallet a bit further and help us pay for first-class broadband services for all Scotland's people.

16:35

Alex Johnstone (North East Scotland) (Con): It is a pleasure to speak in the debate. I do not disagree with much that the cabinet secretary said, given that we share the aspiration to achieve a world-class broadband infrastructure by 2020 and that the issues that have been discussed during the debate indicate general agreement about many of the means by which we will achieve our objective.

Again, I do not disagree with much in the motion. In fact, I lodged an amendment only because I felt that one or two areas of the motion needed clarification and that I perhaps disagreed with the cabinet secretary on one area. I therefore took out a few cards from the pack, shuffled them and stuck them back in again, if members understand what I mean.

I want to go over those points quickly because there are other things that I want to say. First, as I think was highlighted by the previous speech, the Scottish Government and SNP back benchers tend to believe that the Scottish Government's increased aspirations should be entirely funded by budgets coming from south of the border. If they are serious about independence, they need to realise that that situation cannot go on forever. Perhaps this issue is a good place in which to start realising that.

Another point that concerns me is that the motion states specifically that the Government

"calls on the private sector to work in partnership with the public sector to deliver open access future-proofed infrastructure and to support measures to increase take-up".

I would like the cabinet secretary to clarify that that does not mean that the problem is that the private sector is not working with the public sector, but that he wants them both to work in partnership and is not suggesting that one is working harder than the other in that respect. I suggest that in some cases it is the public sector that needs to work harder on working with the private sector in order to deliver.

Another issue on which I would like clarification is 4G roll-out. The end of the motion refers to ensuring that

"the roll-out of 4G in Scotland at least matches the UK average."

I wondered whether the cabinet secretary was talking about the coverage, the timescale or another aspect, because the motion does not state what he wants the average to cover.

My other points relate to the approach to market forces in the process. We are actually very lucky in Scotland. Many members have told us of their experience of difficulties with broadband and of constituents who have contacted them because of similar difficulties, but large areas of Scotland have a good broadband service that is improving quickly. The reason for that is that the market approach delivers in higher population areas. As a consequence, the broadband provider, which in practical terms in the Scottish context is BT, will invest because it will get a genuine return. It is important that we realise that the market has that role to play.

Of course, we have the problem in Scotland of a dispersed population and low-population geographical areas, which means that the market will fail in the roll-out.

Dave Thompson: Will the member take an intervention on that point?

Alex Johnstone: I need to make progress.

The Government must ensure that it funds the development of broadband infrastructure in such a way that it does not subsidise areas that the market could deal with. The Government's structure to support the roll-out of improved broadband services must be the mirror image of the market. The Government must ensure that it does not spend money where the market would deliver and that resources are targeted at areas where the cost of gain is highest. We need to achieve the reverse of market forces.

What do we need to do? The market teaches us much about structures. Over much of Scotland, the problem is that—regardless of what is done locally—we lack the fibre infrastructure and the backhaul capacity to support it. Even in some of our less-populated rural areas, we need bigger pipes and we must remember that, for wireless systems and 4G, the connection is only to the nearest mobile phone aerial, and it will be fibre that connects that aerial to the main system. We must target resource on reinforcing fibre capacity across as much of Scotland as possible.

I wanted to touch on the issue of 4G. It was said earlier that Britain was one of the first countries to roll out 3G and that we did so very effectively at the time. However, I think that we rushed it, with the result that large areas of Scotland, in particular, missed out on 3G. The area where I live is just 10 miles from Aberdeen, but it does not have 3G coverage—unless a person is willing to get into a rowing boat and row 2 miles offshore, in which case they will be able to get 3G from Aberdeen. That is not much use to me.

We have had a discussion, and we have had a suggestion from the cabinet secretary that I fully expected—that, if Scotland were independent, we would do the 4G roll-out better. If Scotland were independent, I suspect that the cabinet secretary would raise the percentage target for 4G coverage. However, as the target is raised, there comes a point at which the value of the spectrum in the marketplace gets to be zero, because the cost of provision is so high. There is a lot to be said for ensuring that targets in Scotland are as high as possible, but we do not want that to become a cost. Government should ensure that resource is made available to extend 4G in the areas in which it is unlikely to be economic to provide it; the Government should not find itself paying, because of lower resources from the marketplace, for 4G coverage across the board. We have to target resources.

Mike MacKenzie: Will the member take an intervention on that point?

Alex Johnstone: I think that I have come to the end of my generous six minutes.

The Deputy Presiding Officer: There is a little time in hand.

Mike MacKenzie: What percentage of people would be denied broadband coverage under the Conservatives' proposals, and whereabouts would they live?

Alex Johnstone: I have no desire to deny broadband coverage to anyone. However, what I wish to avoid is public money being used to reinforce a broadband network that is already strong in densely populated areas, and in some rural areas, so that money is diverted from priorities. I want to ensure that the market works as effectively as possible in producing high-quality services across Scotland, and that resources are sourced from wherever they can be found—

The Deputy Presiding Officer: You can stop any time now.

Alex Johnstone: And not sourced just from the UK Government. Resources should be used to provide services to people for whom the market cannot deliver, and—

The Deputy Presiding Officer: Fantastic.

Alex Johnstone: And that is the most effective way of using public money in this case.

The Deputy Presiding Officer: Thanks, Alex. I call Elaine Murray, who has a generous seven minutes.

16:43

Elaine Murray (Dumfriesshire) (Lab): That is very generous, Presiding Officer. We, too, welcome the aspiration to a world-class and future-proof digital network that is accessible to everyone in Scotland, and we welcome the opportunity to debate the action plan that was published earlier this week. Clearly, there is unanimity among members of this Parliament that digital connectivity is essential for the Scottish economy and for local economies.

Many good points have been raised during the debate and—goodness me—who would have expected that this cabinet secretary would have been able to stimulate so much consensus, even on these benches.

Christine Grahame: And on the benches behind him.

Elaine Murray: And behind him. That may be unusual, too, although Christine Grahame knows more about that than I do.

Broadband has already made a great contribution and it will make an increasing contribution to education, health and social activities. Broadband infrastructure, in its widest definition, is as essential to economic growth as transport infrastructure. It truly is an alternative highway.

According to Ofcom's figures from the first quarter of 2011, Scotland has challenges. Other members have mentioned that, too. Our uptake of broadband lags behind that of England, Wales and Northern Ireland and, at 61 per cent, it is 13 percentage points lower than the UK average. Rather worryingly, our take-up has increased by only one percentage point over the past two years. As many members have noted that is partly down to geography and the sparsity of the population, but those are not the only issues. The take-up in rural Scotland is—counterintuitively—8 per cent higher than it is in urban Scotland. The take-up in greater Glasgow is only 50 per cent, and Margaret McDougall referred to North Ayrshire where take-up is only 58 per cent. As Mary Scanlon pointed out, only one in three people over the age of 55 in Scotland use broadband, whereas in the rest of the UK it is 55 per cent.

Christine Grahame: On that point, I announce to members that Willie Coffey has set up a sub-group for members to learn the basics of internet technology, for which I have already signed up.

Elaine Murray: There is quite a striking difference between the rest of the UK and us. The take-up of broadband is less than one third in socioeconomic groups D and E in Scotland, whereas it is around

55 per cent in the rest of the UK. Only one quarter of households with an income of under £17,500 have internet access at home.

Programme 4 of the action plan, which focuses on increasing take-up and stimulating demand, will need to address the reasons why those figures are so much poorer for Scotland than they are for the rest of the UK. It is not just a geographic issue, but a social issue too.

As Mike MacKenzie illustrated, people who are excluded from internet usage—whether for geographic or social reasons—will be increasingly disadvantaged. We know how much can be done online. We can look for work, which is a very important use, and children and young people can research materials for school, university or college. We can book our holidays, pay our car tax and income tax, search for bargains when we go shopping, find out about health matters, book theatre or cinema tickets and keep up to date with the news. People who are not online are missing out—including financially, as it has been estimated that the average household saves £560 per annum through internet booking and internet shopping.

The action plan expresses an ambition to overtake the rest of the UK in broadband take-up in the next three years, as David Stewart mentioned, but we have some way to go. I know that various parties signed Scotland's digital participation charter last November, but it will take real determination and focus to tackle that form of digital exclusion. It may be easier to seek technological solutions where that is the problem than to deal with the reasons why people in certain groups are not taking advantage of the broadband provision that in some cases is already there. Those reasons can, according to the Ofcom survey, include lack of confidence, lack of knowledge of the benefits of broadband and a perception that it is too expensive.

The other part of our amendment emphasises the need to ensure that local and community projects get an adequate share of the funding. Dave Stewart referred to the Eigg network, which is costing only a remarkable £200 per household. Rhoda Grant outlined the savings that can be made when networks are maintained by the community rather than by other, larger organisations. Margaret McDougall and Mark Griffin gave us perspectives on some of the problems in urban areas, where the actual technology is wrong: it is about distance from the exchange and the fact that the types of wires that link people up can also exclude them.

Jim Hume and Aileen McLeod spoke about the south of Scotland alliance. Like them, I am pleased that the document specifically mentions the alliance's work. I was also pleased that the Scottish Government made £5 million available to the alliance to help it to take forward its plans. It intends to provide next-generation broadband to 100 per cent of the population of the south of Scotland by 2020, which is really quite a significant ambition.

I am a little bit concerned about the Government's proposal on procurement for the 2015 programme, which divides the programme into a Highlands and Islands Enterprise area and a Scottish Enterprise area. Some of the technology needed in the south of Scotland will have more in common with what is needed in the Highlands and Islands than in the central belt because of our remote areas. The differences in procurement may be to do with when the projects can get off the ground, but I would welcome the minister's clarification of that particular issue.

I would like a bit more information about the single programme board within the Scottish Government that will oversee the entire programme's delivery, and about how some of the local partnerships in the Highlands and Islands and the south of Scotland—and Aberdeen city and shire economic future, which Richard Baker mentioned—will interact with that.

We thought about the Tory amendment but, as somebody who believes in the continuation of the

United Kingdom, I strongly believe that the UK should give Scotland a fair share of funding, so we will not support it. We will support the Government motion, which asks the UK Government to give us enough money.

One or two things in the action plan were slightly amusing, such as the correct statement that the Government's ambition would require

"innovative delivery and commercial models such as joint venture arrangements ... e.g. Institutional Public Private Partnership."

After all that the cabinet secretary has said over the years about public-private partnerships, I am surprised that he let that terminology slip by when he was proofreading the action plan.

I am pleased to support our amendment and the Scottish Government's motion on a topic and a development that is extremely important to Scotland and its future.

16:50

Alex Neil: This has been an interesting debate with some good contributions from all parts of the chamber. David Stewart's speech was particularly thoughtful, as were Dave Thompson's and several others by SNP members. Of course, I am always fair in complimenting the Conservatives as well.

The first thing that comes out of the debate is that we are all in this together. There is consensus that this is a very important agenda for the future of Scotland in the 21st century. It is important economically, culturally, technologically, socially, democratically—as Christine Grahame said—as well as from the point of view of creating a fairer and more prosperous society. We are also all signed up to the fact that we need to be ambitious. We recognise that in some areas we are not as far ahead as we would like to be, but we have to catch up and overtake our competitors. Our geography means that if we are to achieve our other ambitions it is particularly important that digital connectivity is given the priority that we are giving it.

As well as supporting my motion, SNP members will vote for the Labour amendment. Unfortunately, we are unable to support the Tory amendment. I accept that the Tories have broadly welcomed the action plan and are in agreement with the strategy, but the wording of their amendment, for many of the reasons outlined by Elaine Murray, is unacceptable to the Government.

I will say a few words about funding. The investment required to get to the 2015 targets will involve many hundreds of millions of pounds. We will know the exact figure only once we see the results of the procurement exercise. Between 2015 and 2020, getting to a world-class level will also require a substantial investment. Picking up the point made by Alex Johnstone, our strategy is to fund the areas where the market will not go; it is not to duplicate, pre-empt or undermine the role of the market. I anticipate that, broadly speaking, about two thirds of Scotland will be covered by the market—by investment by the private sector—and that the role of the public sector, not just the Scottish Government, will be to go to the areas where the market will not go. We will need to fill the gaps left by that market failure and to do so in a way whereby, as Mary Scanlon said, we get good value and a good bang for our buck for the investment of taxpayers' money.

That is why we have deliberately built into the procurement strategy outlined in the plan two important principles to which we will adhere. First, there is the principle of clawback. The pathway programme was well-intentioned—I am not making a party-political point—but one of the failures of the pathway contracts was that once the private sector started to make reasonable profits on the back of the scheme, there was no payback for the public sector. We therefore want to ensure that once a set level of activity is reached in the areas where we need to put in public money, there should be a degree of

payback to the taxpayer that can be used for reinvestment and additional capacity building throughout the network.

The second important principle is that of community benefit. John Park and members across the chamber are keen to ensure that we maximise community benefit in all the contracts. We have deliberately built the principle of community benefit into the contract or contracts, as the case may be.

Elaine Murray made a good point about the procurement strategy and where HIE is and where we are in relation to a national contract. We have said in the plan that we are consulting HIE to ensure, first, that we do not hold up in any way the timescale that HIE has set for its own procurement exercise and, secondly, before that goes any further, that it will be compatible with our national approach so that we get an holistic approach across Scotland. If we had a national contract—and there would be many value-for-money benefits in having a national contract—it would have to be flexible enough to allow the locally developed strategies in HIE, in the south of Scotland and in Grampian to be applied. The fact that we are using a national contract for the benefits that it brings does not, either by design or by accident, undermine the need for a customised approach in different parts of Scotland.

Rhoda Grant: The Government knows where the existing fibre is in Scotland. The cabinet secretary talks about HIE going ahead with its contract now. Will he make available to HIE information on where the fibre is so that HIE can build that into its contract and maybe save us some money?

Alex Neil: We have already agreed with HIE that we will absolutely make available to it any information, intelligence or data to which we have access, subject to any confidentiality agreements that we have had to sign. I see no problem in that, as the people who have supplied us with confidential information are keen to ensure that it is shared among the relevant public bodies in Scotland.

I take Mark Griffin's points about the service in Cumbernauld. He should not interpret this as an attack on North Lanarkshire Council, as it is not intended to be that. I have nothing but the highest respect for the employees of North Lanarkshire Council. Nevertheless, I have deliberately mentioned three areas—the HIE area, Grampian and the south of Scotland—to which I would add Fife, where local authorities have come together and are now far advanced in their plans. Unfortunately, that is not the case in many other parts of Scotland. I encourage Mark Griffin, who is still a councillor in North Lanarkshire, to get the council—along with South Lanarkshire Council—to get a strategy together so that it is ready to roll out whenever we begin the procurement exercise. We have said that a key criterion in deciding where the strategy will be rolled out first is which areas are ready to roll it out. We cannot expect Grampian, for example, or the south of Scotland to wait for everybody else to get their act together. Those areas that are not at the stage that Grampian and the south of Scotland are at should get to that stage as quickly as possible because we want to move on this as quickly as we can.

On the general funding, we are working with the UK Government but, frankly, we have not had our share of the BBC licence money. Wales got £58 million, although its population is half the size of Scotland's, and we got only about £10 million more than that. Therefore, I say to my colleagues representing the coalition Government that, as we are all in this together, they should stand up for Scotland and get us our share of the money.

+ **Parliamentary Bureau Motion**

+ **Decision Time**

+ **Assistance Dogs**