



**Cynulliad Cenedlaethol Cymru
(Y Cofnod Swyddogol)**

**The National Assembly for Wales
(The Official Record)**

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Yn y golofn chwith, cofnodwyd y trafodion yn yr iaith y llefarwyd hwy ynddi yn y Siambr.
Yn y golofn dde, cynhwyswyd cyfieithiad o'r areithiau hynny.

In the left-hand column, the proceedings are recorded in the language in which they were spoken in the Chamber. In the right-hand column, a translation of those speeches has been included.

Cyfarfu'r Cynulliad am 2 p.m. gyda'r Llywydd yn y Gadair
The Assembly met at 2 p.m. with the Presiding Officer in the Chair

Cwestiynau i'r Prif Ysgrifennydd **Questions to the First Secretary**

Cyllid Cyfatebol Amcan 1 (Prosiectau'r Flwyddyn Gyntaf) **Objective 1 Match Funding (First Year Projects)**

Q1 Nick Bourne: Will the First Secretary disclose how much match funding for Objective 1, over and above the Barnett formula, he has sought from the Treasury for the first year of Objective 1 projects? (OAQ3379)

The First Secretary: I have achieved the finances necessary for the first year of Objective 1. I have said frequently that we have sufficient resources to meet the expected levels of expenditure on Objective 1 projects in 2000-01, the first year. There are sufficient resources to meet match funding requirements during that period.

Nick Bourne: Would the First Secretary agree that the problem with that answer is that it is driven by the budget rather than by the projects, and the great danger is that Wales will lose out? Will he not, even at this late hour, fulfil his duty and stand up to Tony Blair's Labour Government in Westminster to ensure that we get full match funding, the full amount available, so that we are able to unlock the Welsh funds that are available in Brussels and Strasbourg so that west Wales and the Valleys benefit to the full extent from Objective 1 funding?

The First Secretary: You are entirely wrong. It is not being driven by the budget, but by the best estimate of the finances required for projects that go ahead. There is no danger of projects failing or being refused because of lack of finance. I underline that strongly, as I have time after time. No projects are in danger. Much hard work is

C1 Nick Bourne: A fydd y Prif Ysgrifennydd gystal â datgelu faint o gyllid cyfatebol, uwchlaw fformwla Barnett, a geisiodd oddi wrth y Trysorlys yn San Steffan ar gyfer blwyddyn gyntaf prosiectau Amcan 1? (OAQ3379)

Y Prif Ysgrifennydd: Sicrheais yr arian sydd yn angenrheidiol ar gyfer blwyddyn gyntaf Amcan 1. Dywedais yn aml fod gennym ddigon o adnoddau i gyrraedd y lefelau gwariant disgwylidig ar brosiectau Amcan 1 yn 2000-01, y flwyddyn gyntaf. Mae digon o adnoddau i gyrraedd y gofynion am gyllid cyfatebol yn ystod y cyfnod hwnnw.

Nick Bourne: A yw'r Prif Ysgrifennydd yn cytuno mai'r drafferth sydd ynglŷn â'r ateb hwnnw yw ei fod wedi ei gymell gan y gyllideb yn hytrach na chan y prosiectau, ac mai'r perygl mawr yw y bydd Cymru ar ei cholled? A yw'n fodlon, hyd yn oed yn hwyr yn y dydd, i gyflawni ei ddyletswydd a herio Llywodraeth Lafur Tony Blair yn San Steffan i sicrhau y cawn gyllid cyfatebol llawn, y swm cyfan sydd ar gael, fel y gallwn ryddhau'r arian i Gymru sydd ar gael ym Mrwsel a Strasbourg fel y gall gorllewin Cymru a'r Cymoedd elwa'n llawn ar gyllid Amcan 1?

Y Prif Ysgrifennydd: Yr ydych yn gwbl anghywir. Nid yw'n cael ei gymell gan y gyllideb, ond gan yr amcangyfrif gorau o'r arian sydd yn angenrheidiol ar gyfer prosiectau sydd yn mynd ymlaen. Nid oes perygl y bydd prosiectau'n methu neu'n cael eu gwrthod oherwydd diffyg cyllid. Pwysleisiaf hynny'n gryf, fel y gwneuthum

needed to get the necessary projects coming forward to transform the economy of Wales. That is my priority. I wish it was the priority of other parties in the Assembly.

dro ar ôl tro. Nid oes yr un prosiect mewn perygl. Mae angen llawer o waith caled er mwyn cael y prosiectau angenrheidiol i ddod ymlaen i drawsffurfio economi Cymru. Dyna fy mlaenoriaeth. Byddai'n dda gennyf pe bai'n flaenoriaeth gan bleidiau eraill yn y Cynulliad.

With regard to standing up to Westminster or Whitehall and negotiating, the proof of the pudding is in the eating. I have achieved the necessary additional finance for the coming financial year. We are in the process of the comprehensive spending review, the means through which we have delivered the finances for future financial years. You should have confidence in me, Nick.

O ran herio San Steffan neu Whitehall a negodi, wrth ei flas y mae profi pwddin. Sierheais y cyllid ychwanegol angenrheidiol ar gyfer y flwyddyn ariannol sydd i ddod. Yr ydym ar ganol proses yr arolwg cynhwysfawr o wariant, sef y cyfrwng y bu inni gyflenwi'r arian ar gyfer blynnyddoedd ariannol y dyfodol drwyddo. Dylech ymddiried ynof, Nick.

Dafydd Wigley: Onid yw Alun yn derbyn nad oes unrhyw gynnydd yn arian y bloc Cymreig dros y ffigur a gyhoeddwyd gan y Swyddfa Gymreig dros flwyddyn yn ôl ar gyfer y flwyddyn ariannol nesaf, 2000-01? Y mae unrhyw arian y mae ef yn dweud sydd ganddo ar gyfer arian cyfatebol neu arian sydd yn dod o Ewrop yn gorfod dod o fewn y bloc hwnnw ac felly ar draul gwariant ar addysg, iechyd neu lywodraeth leol. Onid dyna'r gwir? Nid oes yr un geiniog goch ychwanegol i Gymru o ganlyniad i'w drafodaethau.

Dafydd Wigley: Does Alun not accept that there has been no increase at all in the funding in the Welsh block over the figure published by the Welsh Office over a year ago for the next financial year, 2000-01? Any funding he states that he has for match funding purposes or for money coming from Europe will have to come from within that block and therefore at the expense of expenditure on education, health or local government? Is not that the truth. There is not a brass farthing extra for Wales as a result of his discussions.

Y Prif Ysgrifennydd: Nid yw hynny'n wir, Dafydd. Yr wyf wedi ateb y cwestiwn hwn fwy nag unwaith. Dros flwyddyn yn ôl llwyddais i gael £35 miliwn yn ychwanegol i'r arian sydd ar gael eisoes i'w defnyddio, ac mae hynny wedi dod ymlaen i'r flwyddyn ariannol a fydd yn dechrau ym mis Ebrill. Ym mis Ebrill byddwn yn llwyddo i ennill cefnogaeth y Comisiwn Ewropeaidd i fynd ymlaen ag Amcan 1 yn y ffordd a gynlluniwyd gennym eisoes. Dyna'r ffordd ymlaen. Mae'r arian yma ar gyfer y flwyddyn gyntaf.

The First Secretary: That is not true, Dafydd. I have answered that question more than once. Over a year ago I succeeded in obtaining £35 million in addition to the money that is already there to be used, and that has been carried forward to the financial year that will start in April. In April we will succeed in obtaining the support of the European Commission to push ahead with Objective 1 in the way that we have already planned. That is the way forward. The money is here for the first year.

Gwn fod yn rhaid i Dafydd ddweud dro ar ôl tro nad yw'r arian ar gael. Dywedaf wrtho unwaith eto fod yr arian yno.

I know that Dafydd must say time and time again that the money is not available. I tell him once again that the money is there.

Michael German: Regarding today's disclosure that we have to find £210 million to £250 million of match funding from Assembly sponsored budgets to meet the needs of the old European programmes in

Michael German: Mewn perthynas â'r datgeliad heddiw bod rhaid inni ddarganfod rhwng £210 miliwn a £250 miliwn o gyllid cyfatebol yn y cyllidebau a noddur gan y Cynulliad i ateb anghenion yr hen raglenni

addition to the need for new European match funding for Objective 1, and given that the total is more than the £76 million that is in the budget, what are we going to do about that black hole to ensure that money is available to us? Are we going to raid the larder and are we going to cut back on health, education, schools and teachers? What plans do you have to find the money to fill this hole?

The First Secretary: I understand the question, Mike, and I give you a cast iron assurance that we have no intention whatsoever of taking money from education, health or other programmes to provide finances to meet the overhang from existing programmes. The best estimate of what is needed across all programmes is around £250 million. That includes £62 million that will be met by the Department for Education and Employment. That leaves £188 million, of which moneys will go out over the next three years. It is not—as many who have dealt with structural funds will appreciate—during only one year of an overhang that finances go out, but for up to three years. For instance, we are still making payments for projects that ended in 1996. The best estimate, which comes not only from our own officials but from the Welsh European Programme Executive, is that the cash requirement for the coming year will be in the order of £50 million. That is why we have made an allowance of £50 million in the budget. I am quite content that the money is there for the coming financial year. If there were additional calls on cash, I assure Mike that we would meet them and adjust the figures accordingly to ensure that there was no failure to pay out on the programmes. I assure him of all that.

Rod Richards: As the independently-minded Conservative in this Assembly, I ask the First Secretary whether he has ever heard or seen or listened to or read any words by William Hague that suggest for one moment that he supports any additional funds to those already specified by the Government for Objective 1 match funding? Or does the First Secretary believe that William Hague is relying on his mealy-mouthed mouthpiece on the Conservative front bench in the Assembly?

Ewropeaidd yn ychwanegol at yr angen am gyllid cyfatebol Ewropeaidd newydd ar gyfer Amcan 1, ac o dderbyn bod y cyfanswm yn fwy na'r £76 miliwn sydd yn y gyllideb, beth a wnawn ynghylch y twll du i sicrhau bod arian ar gael i ni? A fyddwn yn dwyn bwyd o'r pantri ac a fyddwn yn cwtogi ar iechyd, addysg, ysgolion ac athrawon? Pa gynlluniau sydd gennych er mwyn canfod yr arian i lenwi'r twll hwn?

Y Prif Ysgrifennydd: Deallaf y cwestiwn, Mike, a rhoddaf ymrwymiad cadarn i chi nad oes gennym fwriad o gwbl i fynd ag arian oddi wrth addysg, iechyd neu raglenni eraill i ddarparu cyllid i dalu am y bargodiad o'r rhaglenni presennol. Yr amcangyfrif gorau sydd ar gael am yr hyn sydd yn angenrheidiol ar draws yr holl raglenni yw tua £250 miliwn. Mae hynny'n cynnwys £62 miliwn a delir gan yr Adran Addysg a Chyflogaeth. Mae hynny'n gadael £188 miliwn, yr â arian ohono dros y tair blynedd nesaf. Nid yn ystod un flwyddyn yn unig o fargodiad y bydd arian yn mynd allan—fel y deall llawer a ymdriniodd â chronfeydd strwythurol—ond hyd at dair blynedd. Er enghraifft, yr ydym yn dal i dalu am brosiectau a ddaeth i ben yn 1996. Yr amcangyfrif gorau, a ddaw nid yn unig oddi wrth ein swyddogion ein hunain ond oddi wrth Weithrediaeth Rhaglenni Ewropeaidd Cymru, yw mai tua £50 miliwn fydd yr angen ariannol am y flwyddyn sydd i ddod. Dyna pam y gwnaethom lwfans o £50 miliwn yn y gyllideb. Yr wyf yn gwbl ffyddiog bod yr arian yno ar gyfer y flwyddyn ariannol sydd i ddod. Pe bai galwadau ychwanegol am arian, rhoddaf sicrwydd i Mike y byddem yn eu hateb ac yn cymhwyso'r ffigurau'n unol â hynny i sicrhau na methid â thalu allan ar y rhaglenni. Rhoddaf sicrwydd iddo ar hynny i gyd.

Rod Richards: Fel y Ceidwadwr annibynnol ei farn yn y Cynulliad hwn, gofynnaf i'r Prif Ysgrifennydd a yw erioed wedi clywed neu weld neu wrando ar neu ddarllen unrhyw eiriau gan William Hague sydd yn awgrymu am eiliad ei fod o blaid unrhyw gyllid yn ychwanegol at yr hyn a nodwyd eisoes gan y Llywodraeth ar gyfer cyllid cyfatebol Amcan 1? Ynteu a yw'r Prif Ysgrifennydd o'r farn bod William Hague yn dibynnu ar ei lefarydd gwenieithus ar fainc flaen y Ceidwadwyr yn y Cynulliad?

The Presiding Officer: Order. This is not about the internal affairs of the Conservative Party.

The First Secretary: It would, indeed, be wrong for me to say anything about the Conservative Party or even the independently-minded Conservative Member. I would say that William Hague has the advantage—having been Secretary of State for Wales—of understanding how structural funds work. The question is accurate in suggesting that William Hague will be unlikely to suggest that additional money is necessary and would have been forthcoming under a Conservative Chancellor, because he would have understood that everything that I have told this Chamber is right, accurate and true. We have the money for the coming year and we will have the money for future years as well—without taking a penny from education and health.

Dafydd Wigley *rose—*

Y Llywydd: Trefn.

Y Llywydd: Trefn. Nid oes a wnelo hyn â materion mewnol y Blaid Geidwadol.

Y Prif Ysgrifennydd: Byddai'n anghywir, yn wir, imi ddweud dim am y Blaid Geidwadol neu hyd yn oed am yr Aelod Ceidwadol annibynnol ei farn. Dywedwn fod mantais gan William Hague—ac yntau wedi bod yn Ysgrifennydd Gwladol Cymru—o ddeall sut y mae cronfeydd strwythurol yn gweithio. Mae'r cwestiwn yn gywir wrth awgrymu y bydd William Hague yn annhebygol o awgrymu bod angen arian ychwanegol ac y byddai wedi dod o dan Ganghellor Ceidwadol, oherwydd byddai wedi deall bod popeth a ddywedais wrth y Siambr hon yn iawn, yn gywir ac yn wir. Mae'r arian gennym ar gyfer y flwyddyn sydd i ddod a bydd yr arian gennym ar gyfer blynnyddoedd y dyfodol hefyd—heb fynd â cheiniog oddi wrth addysg a iechyd.

Dafydd Wigley *a gododd—*

The Presiding Officer: Order.

Dileu Hiliaeth o fewn yr Heddlu yng Nghymru Eliminating Racism from Police Forces in Wales

C2 Ieuan Wyn Jones: Pa drafodaethau y mae'r Prif Ysgrifennydd wedi'u cael â'r Ysgrifennydd Cartref ynghylch dileu hiliaeth o fewn yr heddlu yng Nghymru? (OAQ3385)

Q2 Ieuan Wyn Jones: What discussions has the First Secretary had with the Home Secretary about eliminating racism within police forces in Wales? (OAQ3385)

2:09 p.m.

Y Prif Ysgrifennydd: Fel y gwyddoch, gweithiais fel dirprwy i'r Ysgrifennydd Cartref am ychydig o amser ar ôl etholiad 1997. Rhan o'm gwaith oedd ceisio lleihau problemau hiliol, yn arbennig o fewn yr heddlu, cefnogi cymunedau, a sicrhau cyfartaledd i bob cymuned o fewn yr heddlu ac yn y ffordd yr oedd yr heddlu'n ymdrin â materion cymunedol. Nid wyf wedi siarad â'r Ysgrifennydd Cartref yn ddiweddar, ond bydd ef yn ymwybodol o'r pwysigrwydd a roddaf i'r mater hwn, sydd y tu allan i'm cyfrifoldebau fel Aelod o'r Cynulliad.

The First Secretary: As you know, I worked with the Home Secretary as his deputy for a short time after the 1997 election. Part of my job was to try to reduce racial problems, particularly within police forces, to support communities, and ensure equality for all communities within the police force and in the way in which the police force dealt with community matters. I have not spoken to the Home Secretary recently, but he will be aware of the importance I attach to this matter, which falls outside my responsibilities as an Assembly Member.

Ieuan Wyn Jones: A wnaiff Alun ymuno â mi i longyfarch Heddlu De Cymru ar y

Ieuan Wyn Jones: Will Alun join me in congratulating South Wales Police on the

camau y mae wedi'u cymryd drwy benodi uwch-gynghorydd polisi ar faterion hiliol? A yw'n cytuno hefyd fod yn rhaid inni ymgodymu â hiliaeth ym mhob corff a sefydliad yng Nghymru? A fyddai ef yn cytuno felly fod angen inni edrych ar gynnwys y ddogfen drafft 'Gwell Cymru' i'w gwneud yn glir fod gan y Cynulliad rôl amlwg wrth ddileu hiliaeth o'n cymdeithas?

Y Prif Ysgrifennydd: Cytunaf yn gyfan gwbl. Mae Heddlu De Cymru wedi cymryd cam sylfaenol ymlaen. Rai misoedd yn ôl, euthum gyda hwy i gefnogi datblygiad y sefydliad newydd—the Black Police Association—yng Nghaerdydd. Mae'n rhaid inni, fel Cynulliad, a phob sefydliad cyhoeddus yng Nghymru, ystyried yr hyn a ddaeth i sylw o adroddiad Macpherson a dysgu'r gwersi a danlinellwyd ynddo. Er mwyn cryfhau'r hyn yr ydym yn ei ddweud ac yn ei wneud fel Cynulliad, yr wyf yn siŵr y gwnaiff Jane Hutt, fel Cadeirydd y Pwyllgor Cyfle Cyfartal, ein cefnogi ac fe fyddwn i'n cefnogi'r sylwadau'n gryf.

Christine Chapman: In Rhondda Cynon Taf, the ethnic minority population is only 1 per cent of the total, yet racial incidents are proportionately high. Have you issued specific guidance to local organisations in such areas to ensure that a greater element of partnership working is undertaken to tackle the problems of race-related incidents and race crimes?

The First Secretary: I have not issued any specific material on the matter. However, I have said publicly on many occasions, as First Secretary and when I was a Home Office Minister, that working in partnership to look at the interests of racial minorities is important, and sometimes needs more attention, in those areas that do not have a significant ethnic minority population. Therefore, I support your point that particular attention is needed wherever racial violence or prejudice emerges.

John Griffiths: Are you aware of the positive situation in Newport East, which has a substantial ethnic minority population? The South East Wales Racial Equality Council

steps it has taken in appointing a senior policy advisor on racial issues? Does he also agree that we must tackle racism in every body and organisation in Wales? Therefore, would he agree that we must look at the content of the draft document 'Better Wales' to make it clear that the Assembly has a prominent role to play in eliminating racism in our society?

The First Secretary: I agree entirely. South Wales Police have taken a fundamental step forward. A few months ago, I went with them to support the development of the new organisation—the Black Police Association—in Cardiff. We, as an Assembly, and all public organisations in Wales, must consider what came out of the Macpherson report and learn the lessons that were highlighted in it. In order to strengthen what we say and do as an Assembly, I am sure that Jane Hutt, as the Chair of the Committee on Equality of Opportunity, will support us and I would strongly support the comments.

Christine Chapman: Yn Rhondda Cynon Taf, nid yw'r boblogaeth leiafrifol ethnig ond 1 y cant o'r cyfanswm, ond mae nifer y digwyddiadau hiliol yn uchel ar gyfartaledd. A ydych wedi rhoi arweiniad penodol i fudiadau lleol mewn ardaloedd o'r fath i sicrhau yr ymgymherir â mwy o waith partneriaeth er mwyn ymdrin â'r broblem o ddigwyddiadau sydd yn gysylltiedig â hil a throseddau hiliol?

Y Prif Ysgrifennydd: Nid wyf wedi rhyddhau unrhyw ddeunydd penodol ar y mater. Fodd bynnag, dywedais ar goedd ar lawer achlysur, fel Prif Ysgrifennydd a phan oeddwn yn Weinidog yn y Swyddfa Gartref, fod gweithio mewn partneriaeth er mwyn ystyried buddiannau lleiafrifoedd hiliol yn bwysig, a bod angen mwy o sylw i hynny weithiau, yn yr ardaloedd hynny sydd heb boblogaeth leiafrifol ethnig sylweddol. Felly, ategaf y pwynt sydd gennych bod angen rhoi sylw arbennig ym mha le bynnag y daw trais neu ragfarn hiliol i'r golwg.

John Griffiths: A ydych yn ymwybodol o'r sefyllfa gadarnhaol yn Nwyrain Casnewydd, sydd â phoblogaeth leiafrifol ethnig sylweddol? Mae Cyngor Cydraddoldeb Hiliol

and local resource centres with interests in this area are fully involved in a multi-agency forum, which involves voluntary organisations with the local police. There is also a racial harassment forum in that area. The police force has a special officer who has responsibility for racial harassment incidents, which has led to a substantial increase in the reporting of these incidents and to greater confidence, within the ethnic minority populations, that these matters are dealt with properly. It is a positive picture and is encouraging to note that local interested bodies are supportive of the way that the local police are taking this agenda forward.

The First Secretary: The Macpherson report underlines—more than anything else—that it is important for us to consider the negative points and tackle them. I accept that we must also paint positive pictures, of which there are many. I am grateful to John Griffiths for highlighting one example. I am sure that other colleagues could highlight positive pictures in their communities as well. It is also important—while saying that we want equality of opportunity for all, promoting it and saying that things are not good enough—that we promote positive role models and convey messages of success. We can do that in relation to sport and entertainment. It is also possible to highlight significant successes in business, where people from ethnic minority groups have been successful and contribute positively to the Welsh economy and to society in general. It is also possible to highlight success in the police, where there are some outstanding officers at senior level. We should value them and celebrate their success.

De Ddwyrain Cymru a chanolfannau adnoddau lleol sydd â buddiannau yn yr ardal hon yn cymryd rhan gyflawn mewn fforwm amlasiantaethol, sydd yn cysylltu mudiadau gwirfoddol â'r heddlu lleol. Mae fforwm aflonyddwch hiliol yn yr ardal honno hefyd. Mae gan yr heddlu swyddog arbennig sydd yn gyfrifol am ddigwyddiadau o aflonyddwch hiliol, a arweiniodd at gynydd sylweddol yn yr adroddiadau am y digwyddiadau hyn ac at fwy o hyder, ymysg y poblogaethau lleiafrifol ethnig, fod y materion hyn yn cael eu trin yn briodol. Mae'n ddarlun cadarnhaol a chalondid yw sylwi bod cyrff lleol sydd yn gysylltiedig yn cefnogi'r modd y mae'r heddlu lleol yn bwrw ymlaen â'r agenda hon.

Y Prif Ysgrifennydd: Mae adroddiad Macpherson yn tanlinellu—yn fwy na dim arall—ei bod yn bwysig inni ystyried y pwyntiau negyddol ac ymdrin â hwy. Derbyniaf fod rhaid inni hefyd beintio darluniau cadarnhaol, y ceir llawer ohonynt. Yr wyf yn ddiolchgar i John Griffiths am dynnu sylw at un enghraifft. Yr wyf yn sicr y gallai cyd-Aelodau eraill dynnu sylw at ddarluniau cadarnhaol yn eu cymunedau hwythau. Mae hefyd yn bwysig—wrth ddweud ein bod am gael cyfle cyfartal i bawb, a'i hyrwyddo a dweud nad yw pethau'n ddigon da—ein bod yn hyrwyddo patrymau ymddygiad cadarnhaol ac yn cyfleu negeseuon am lwyddiant. Gallwn wneud hynny mewn perthynas â chwaraeon ac adloniant. Gellir hefyd dynnu sylw at lwyddiannau o bwys mewn busnes, lle y mae pobl o grwpiau lleiafrifol ethnig wedi llwyddo ac wedi cyfrannu'n gadarnhaol i economi Cymru ac i gymdeithas yn gyffredinol. Gellir hefyd dynnu sylw at lwyddiant yn yr heddlu, lle y mae rhai swyddogion rhagorol ar lefel uwch. Dylem eu gwerthfawrogi a dathlu eu llwyddiant.

Cynghorwyr Arbenigol yn y Cynulliad Special Advisers in the Assembly

Q3 Jenny Randerson: How many special advisers are currently employed by the Assembly and within which departments are they working? (OAQ3393)

C3 Jenny Randerson: Sawl cynghorydd arbenigol a gyflogir ar hyn o bryd gan y Cynulliad ac ym mha adrannau y maent yn gweithio? (OAQ3393)

The First Secretary: There are four special advisers who provide advice to Cabinet

Y Prif Ysgrifennydd: Mae pedwar cynghorydd arbenigol sydd yn rhoi cyngor i

Members. They do not work in any individual department of the National Assembly for Wales.

Jenny Randerson: How much do these advisers cost, in terms of salaries and other costs? Do you believe that this cost can be justified to the taxpayer? Would it not be better if this money were spent on schools rather than on putting a Labour spin on the Executive's decisions? Do you agree with the warning issued by Lord Neil's committee in January that legislation to cap the number of special advisers, and a code of conduct to govern their relationships with the civil service and journalists, is needed?

The First Secretary: First, it is not the job of special advisers to put a Labour spin on issues. Their job is to assist the Cabinet in implementing policy and working with civil servants to put policies into practice. Secondly, there is no need for legislation to cap the number of special advisers in the National Assembly for Wales, because the number permitted is four. Therefore, our position is clear. Thirdly, there is a code of conduct. The special advisers are employed in accordance with civil service procedures, in common with the long-standing practice of other administrations of differing political persuasions, not just that of the current administration here or the current Government. Finally, we try to make the best use of special advisers to ensure that policies are developed and brought forward to the Assembly as a whole in the most carefully thought through way. I assure you that I am confident that we observe best practice. We might be a good example for others who are looking at how to manage this sort of process; namely the interface between those who are elected and those who work as civil servants.

Glyn Davies: Will the First Secretary confirm that the cost to the Assembly of the four advisers is over £160,000 per annum?

The First Secretary: That inquiry has been answered in a recent written question, which I do not have to hand. I believe the sum was of that order.

aelodau'r Cabinet. Nid ydynt yn gweithio mewn unrhyw adran unigol yng Nghynulliad Cenedlaethol Cymru.

Jenny Randerson: Beth yw cost y cynghorwyr hyn, o ran cyflogau a chostau eraill? A ydych o'r farn y gellir cyfiawnhau'r gost hon i'r trethdalwr? Oni fyddai'n well pe câi'r arian hwn ei wario ar ysgolion yn hytrach nag ar roi gwedd Lafur ar benderfyniadau'r Weithrediaeth? A ydych yn cytuno â'r rhybudd a roddwyd gan bwyllgor yr Arglwydd Neil yn Ionawr fod angen deddfwriaeth i gapio nifer y cynghorwyr arbennig, a chod ymddygiad i reoli eu perthynas â'r gwasanaeth sifil a newyddiadurwyr?

Y Prif Ysgrifennydd: Yn gyntaf, nid gwaith cynghorwyr arbennig yw rhoi gwedd Lafur ar faterion. Eu gwaith yw cynorthwyo'r Cabinet wrth roi polisi ar waith a gweithio gyda gweision sifil i weithredu polisiau. Yn ail, nid oes angen deddfwriaeth i gapio nifer y cynghorwyr arbennig yng Nghynulliad Cenedlaethol Cymru, oherwydd y nifer a ganiateir yw pedwar. Felly, mae ein sefyllfa'n glir. Yn drydydd, mae cod ymddygiad. Cyflogir y cynghorwyr arbennig yn unol â gweithdrefnau'r gwasanaeth sifil, yn yr un modd â'r arferiad hir-sefydlog mewn gweinyddiaethau eraill o wahanol dueddiadau gwleidyddol, nid yn unig yr hyn a geir yn y weinyddiaeth bresennol yma neu'r Llywodraeth bresennol. Yn olaf, ceisiwn wneud y defnydd gorau o gynghorwyr arbennig er mwyn sicrhau y caiff polisiau eu datblygu a'u dwyn gerbron y Cynulliad cyfan ar ôl eu hystyried yn y modd mwyaf gofalus. Yr wyf yn eich sicrhau fy mod yn ffyddiog ein bod yn dilyn yr arfer gorau. Gallem fod yn esiampl dda i eraill sydd yn ystyried sut i reoli proses o'r math hwn; sef y rhyngwyneb rhwng y rhai a etholir a'r rhai sydd yn gweithio fel gweision sifil.

Glyn Davies: A yw'r Prif Ysgrifennydd yn fodlon cadarnhau bod cost y pedwar cynghorydd i'r Cynulliad yn fwy na £160,000 y flwyddyn?

Y Prif Ysgrifennydd: Atebwyd yr ymholiad hwnnw mewn cwestiwn ysgrifenedig diweddar, nad yw gennyf wrth law. Credaf fod y swm yn agos i hynny.

Grŵp Astudio Trafnidiaeth Bae Caerdydd
Cardiff Bay Transport Study Group

Q4 Janet Ryder: Following the First Secretary's announcement regarding the setting up of Cardiff Bay transport study group, can he state what terms of reference it has been given? (OAQ3397)

The First Secretary: Yes, indeed. I will quote the terms of reference directly.

'To consider a short to long-term transport strategy for Cardiff Bay in the context of the whole of Cardiff and south-east Wales; and the steps necessary to secure, as soon as possible, the removal of the railway embankment along Bute Avenue in line with the Memorandum of Understanding between the Secretary of State and the county council.'

Janet Ryder: Public transport in the bay continues to be a cause of great concern. What role does the National Assembly for Wales's regional development division play in the transport study group in promoting the Assembly's views? What are the channels of communication? For example, how will the group report back to us? Will it be through the Environment and Local Government Committee or through the Economic Development Committee?

The First Secretary: As it was established prior to the Assembly, I am not sure that that has been thought through, but a report should be made to the Environment and Local Government Committee at the appropriate time. I would be happy to consider what information should be made available to Members, if they would like information about the study's progress. I will write to Janet to give a progress report on our current situation. Our problem is—and I share concern about the transport problems of the south Cardiff area having lived with them for many years—that we have heavy rail infrastructure which forms this massive wall down the middle of a community. We have aspired for nearly 10 years to see it removed and to have a more flexible rail link to Cardiff Bay, preferably moving on to a rail onto road system to ensure flexible transport around the area. The changes in the former

C4 Janet Ryder: Ar ôl cyhoeddiad y Prif Ysgrifennydd am sefydlu grŵp astudio trafniadaeth Bae Caerdydd, a oes modd iddo ddatgan beth yw'r cylch gwaith a roddwyd iddo? (OAQ3397)

Y Prif Ysgrifennydd: Oes, yn wir. Dyfynnaf eiriau'r cylch gwaith yn uniongyrchol.

'Ystyried strategaeth drafniadaeth dymor byr i hir i Fae Caerdydd yng nghyd-destun Caerdydd a de-ddwyrain Cymru gyfan; a'r camau angenrheidiol i sicrhau, cyn gynted ag y bo modd, y symudir yr arglawdd rheilffordd ar hyd Rhodfa Bute yn unol â'r Memorandwm Dealltwriaeth rhwng yr Ysgrifennydd Gwladol a'r cyngor sir.'

Janet Ryder: Mae trafniadaeth gyhoeddus yn y Bae yn peri pryder mawr o hyd. Pa rôl sydd gan adran datblygu rhanbarthol Cynulliad Cenedlaethol Cymru yn y grŵp astudio trafniadaeth wrth hybu barn y Cynulliad? Beth yw'r sianeli cyfathrebu? Er enghraifft, sut y bydd y grŵp yn adrodd yn ôl i ni? A wneir hynny drwy Bwyllgor yr Amgylchedd a Llywodraeth Leol ynteu drwy'r Pwyllgor Datblygu Economaidd?

Y Prif Ysgrifennydd: Gan ei fod wedi ei sefydlu cyn y Cynulliad, nid wyf yn sicr a yw hynny wedi ei ystyried yn fanwl, ond dylai adroddiad gael ei gyflwyno i Bwyllgor yr Amgylchedd a Llywodraeth Leol ar yr adeg briodol. Byddwn yn falch o ystyried pa wybodaeth a ddylai fod ar gael i'r Aelodau, os hoffent gael gwybodaeth am y cynnydd ar yr astudiaeth. Byddaf yn ysgrifennu at Janet i roi adroddiad gwaith ar ein sefyllfa bresennol. Y broblem sydd gennym—a rhannaf y pryder am y problemau trafniadaeth yn ardal de Caerdydd gan fy mod yn byw gyda hwy ers blyneddau lawer—yw bod gennym isadeiledd rheilffyrdd trwm sydd yn ffurfio'r wal anferth hon drwy ganol cymuned. Yr ydym yn dyheu am ei symud ers bron 10 mlynedd ac am gael cyswllt rheilffordd mwy hyblyg i Fae Caerdydd, gan symud ymlaen, os oes modd, at system rheilffordd i ffordd er mwyn sicrhau

British Rail infrastructure made it difficult to reach an agreement during the life of the Cardiff Bay Development Corporation. However, that aspiration is built into the agreement with the county council on the building of Bute Avenue. These matters are very much in mind, but perhaps I could write and give more details to Janet and anybody else who is interested.

trafnidiaeth hyblyg o amgylch yr ardal. Yr oedd y newidiadau yn isadeiledd Rheilffyrdd Prydain gynt wedi ei gwneud yn anodd inni gyrraedd cytundeb yn ystod oes Corfforaeth Datblygu Bae Caerdydd. Fodd bynnag, mae'r dyhead hwnnw'n rhan hanfodol o'r cytundeb â'r cyngor sir ynghylch adeiladu Rhodfa Bute. Yr wyf yn ymwybodol iawn o'r materion hyn, ond efallai y gallwn ysgrifennu a rhoi mwy o fanylion i Janet ac unrhyw un arall sydd â diddordeb.

2:19 p.m.

Peter Black: I am also interested. Given the importance of the Assembly being more accessible and open to the public, which is one reason for the new Assembly building, do you accept that the study group has a role to consider access to the National Assembly for Wales using public transport? That would prevent people from having to use their cars every time they want to come to watch our proceedings.

Peter Black: Mae gennyf finnau ddiddordeb. O dderbyn pa mor bwysig ydyw i'r Cynulliad fod yn fwy hygyrch ac agored i'r cyhoedd, sef un rheswm am adeilad newydd y Cynulliad, a ydych yn derbyn bod rôl i'r grŵp astudio o ran ystyried mynediad i Gynulliad Cenedlaethol Cymru drwy ddefnyddio trafniadaeth gyhoeddus? Byddai hynny'n atal pobl rhag gorfod defnyddio eu ceir bob tro y maent am ddod i wyllo ein trafodion.

The First Secretary: That is a fair point and the county council is taking steps in terms of bus stops and so on to help to promote the use of public transport. It is early days, but I agree generally with Peter that the situation is not ideal. Concern about how things were developing and how Cardiff Bay's success had caused a build up of traffic, parking problems and so on, triggered the agreement to go ahead with this study. The county has taken over responsibility from the Cardiff Bay Development Corporation—a body sponsored by the Assembly, previously the Welsh Office, and inherited by us last July. It is within the study group's role to consider general access. I suspect that the study will not solve all the problems and that there will be issues that it would be appropriate for the county, primarily, having local transport responsibility, but also the Assembly, to keep under review.

Y Prif Ysgrifennydd: Mae hynny'n bwynt teg ac mae'r cyngor sir yn cymryd camau o ran arosfannau bws ac yn y blaen i helpu i hyrwyddo'r defnydd o drafnidiaeth gyhoeddus. Mae'n gynnar eto, ond cytunaf ar y cyfan â Peter nad yw'r sefyllfa'n un ddelfrydol. Pryder ynghylch y modd yr oedd pethau'n datblygu a sut yr oedd llwyddiant Bae Caerdydd wedi achosi cynnydd mewn traffig, problemau parcio ac yn y blaen a sbardunodd y cytundeb i fynd ymlaen â'r astudiaeth hon. Mae'r sir wedi cymryd y cyfrifoldeb oddi wrth Gorfforaeth Datblygu Bae Caerdydd—corff a noddwyd gan y Cynulliad, a chan y Swyddfa Gymreig cyn hynny, ac a etifeddwyd gennym fis Gorffennaf diwethaf. Mae'n rhan o rôl y grŵp astudio i ystyried mynediad cyffredinol. Tybiaf na fydd yr astudiaeth yn datrys yr holl broblemau ac y bydd materion y byddai'n briodol i'r sir, yn bennaf, gan fod iddi gyfrifoldeb dros drafnidiaeth leol, ond i'r Cynulliad hefyd, gadw golwg arnynt.

Owen John Thomas: In recognition of one of the Assembly's basic principles, that is, inclusivity, will you arrange for each party in the Assembly to be represented on the study group?

Owen John Thomas: Mewn cydnabyddiaeth o un o egwyddorion sylfaenol y Cynulliad, sef cynwysoldeb, a wnewch drefnu i bob plaid yn y Cynulliad gael ei chynrychioli ar y grŵp astudio?

The First Secretary: The study group consists of officials and experts on transport. In the interests of inclusivity, I will extend to representatives of all three party groups the information that I offered to Janet. If interests arise from that, they can be picked up in response or discussed in the Environment and Local Government Committee.

Y Prif Ysgrifennydd: Mae'r grŵp astudio yn cynnwys swyddogion ac arbenigwyr ar drafnidiaeth. Er mwyn cynwysoldeb, rhoddaf yr wybodaeth a gynigiais i Janet i gynrychiolwyr pob un o'r tri grŵp plaid. Os yw materion o ddiddordeb yn deillio o hynny, gellir eu codi mewn ymateb neu eu trafod ym Mhwyllgor yr Amgylchedd a Llywodraeth Leol.

Cyfarfodydd rhwng Cabinet y Cynulliad a TUC Cymru Meetings between the Assembly Cabinet and Wales TUC

Q5 Alison Halford: What meetings have been held between the Assembly Cabinet and representatives of the Wales Trades Union Congress? (OAQ3365)

C5 Alison Halford: Pa gyfarfodydd a gynhaliwyd rhwng Cabinet y Cynulliad a chynrychiolwyr o Gyngres Undebau Llafur Cymru? (OAQ3365)

The First Secretary: Several Cabinet members attended a briefing session with the Wales TUC on 16 June last year and I spoke at its conference, which several others also attended. I met TUC representatives formally on 24 September and another meeting will take place shortly. The Wales TUC is also represented on the business partnership council. We meet trade unions during workplace visits and at a local level. I have met trade unions at Ford Motor Company, for example, and at other plants. Rhodri Morgan does the same, as the Secretary for Economic Development. He met the Trades Council in Bangor on 16 December and other Cabinet members also take the opportunity to meet trade unions during their visits.

Y Prif Ysgrifennydd: Aeth sawl aelod o'r Cabinet i sesiwn briffio gyda Chyngres Undebau Llafur Cymru ar 16 Mehefin y llynedd a siaredais yn ei chynhadledd, y bu nifer o rai eraill yn bresennol ynddi. Cyfarfûm yn ffurfiol â chynrychiolwyr Cyngres yr Undebau Llafur ar 24 Medi a bydd cyfarfod arall cyn hir. Cynrychiolir Cyngres Undebau Llafur Cymru hefyd ar y cyngor partneriaeth busnes. Yr ydym yn cyfarfod ag undebau llafur yn ystod ymweliadau â gweithleoedd ac ar lefel leol. Cyfarfûm ag undebau llafur yn Ford Motor Company, er enghraifft, ac mewn gweithfeydd eraill. Mae Rhodri Morgan yn gwneud yr un fath, fel yr Ysgrifennydd Datblygu Economaidd. Cyfarfu â'r Cyngor Llafur ym Mangor ar 16 Rhagfyr ac mae aelodau eraill o'r Cabinet yn dal ar y cyfle i gyfarfod ag undebau llafur yn ystod eu hymweliadau.

Alison Halford: Do you agree that contact with key interest groups, such as the Wales TUC and the Confederation of British Industry Wales, demonstrates the existence of a policy process in Wales that is distinct and separate from that in Whitehall? What plans do you have to continue the development of this important process?

Alison Halford: A gytunwch fod cysylltiad â grwpiau buddiant allweddol, fel Cyngres Undebau Llafur Cymru a Chyddfederasiwn Diwydiant Prydain Cymru, yn dangos bod proses bolisi yng Nghymru sydd yn wahanol ac ar wahân i'r hyn a geir yn Whitehall? Pa gynlluniau sydd gennych i barhau i ddatblygu'r broses bwysig hon?

The First Secretary: I agree that it is important. As I have indicated, we have a variety of contacts at a variety of levels, not only formally through the business partnership council but informally and from

Y Prif Ysgrifennydd: Cytunaf ei bod yn bwysig. Fel y nodais, mae gennym amryw o gysylltiadau ar amryw o lefelau, nid yn unig yn ffurfiol drwy'r cyngor partneriaeth busnes ond yn anffurfiol ac yn achlysurol. Yn

time to time. I have met not only Wales TUC representatives but CBI representatives on several occasions as well as representatives from the Institute of Directors, chambers of commerce, the Federation of Small Businesses and a host of other bodies. The contacts, links and relationships, not only between Cabinet members and myself and that wide range of organisations but between Assembly Members and those organisations at an all-Wales as well as regional and local level, are crucial to the Assembly's success.

Alun Cairns: It is commendable to liaise with Cabinet members and organisations such as the TUC, CBI, Institute of Directors and others. When will you start reacting to their concerns about the lack of match funds for the European Objective 1 Programme?

The First Secretary: That is an interesting point because you assume that there is a problem. It is a 'when did you stop beating your wife again' type of question—not a very good one. I discussed the delivery of Objective 1 with the South West Wales Economic Development Forum a few weeks ago. It was represented by the organisation's Chair, Ian Spratling, along with other representatives. We had a vigorous and vibrant discussion about how to ensure that we use Objective 1 effectively and that we have schemes coming forward. The forum looked at many positive ideas. It not only considered issues affecting the region, but also links with Ireland, opportunities offered by INTERREG and a range of other things. I find those contexts exciting and positive. I hope the Assembly will move into an exciting and positive mode and get off the negative treadmill that it has got onto in recent weeks.

Brian Gibbons: Is the First Secretary aware that among the reasons behind success in the Irish Republic are integration with Europe and a strong partnership between the Government and the trade unions as well as other economic interests? Those issues are even more important than Objective 1

ogystal â chynrychiolwyr Cyngres Undebau Llafur Cymru, cyfarfûm hefyd â chynrychiolwyr Cydffederasiwn Diwydiant Prydain ar sawl achlysur a chynrychiolwyr hefyd o Sefydliad y Cyfarwyddwyr, siambrau masnach, Ffederasiwn y Busnesau Bach a llu o gyrff eraill. Mae'r cysylltiadau, y dolennau cyswllt a'r cydberthnasau, nid yn unig rhwng aelodau'r Cabinet a minnau a'r amrediad eang hwnnw o fudiadau ond rhwng Aelodau'r Cynulliad a'r mudiadau hynny ar lefel Cymru gyfan yn ogystal â'r lefel ranbarthol a lleol, yn hanfodol i lwyddiant y Cynulliad.

Alun Cairns: Mae'r cysylltiad rhwng aelodau'r Cabinet a mudiadau fel Cyngres yr Undebau Llafur, Cydffederasiwn Diwydiant Prydain, Sefydliad y Cyfarwyddwyr ac eraill i'w ganmol. Pryd y byddwch yn dechrau ymateb i'w pryderon ynghylch diffyg cyllid cyfatebol ar gyfer y rhaglen Amcan 1 Ewropeaidd?

Y Prif Ysgrifennydd: Mae hynny'n bwynt pwysig oherwydd yr ydych yn rhagdybio bod problem. Mae'n gwestiwn fel 'pryd y rhoesoch y gorau i guro'ch gwraig eto'. Nid yw'n un da iawn. Trafodais y modd y cyflenwir Amcan 1 gyda Fforwm Datblygu Economaidd De Orllewin Cymru ychydig wythnosau'n ôl. Fe'i cynrychiolwyd gan Gadeirydd y mudiad, Ian Spratling, ynghyd â chynrychiolwyr eraill. Cawsom drafodaeth egniol a bywiog am y modd i sicrhau ein bod yn defnyddio Amcan 1 yn effeithiol a bod gennym gynlluniau sydd yn dod ymlaen. Ystyriodd y fforwm lawer o syniadau cadarnhaol. Yn ogystal â materion sydd yn effeithio ar y rhanbarth, ystyriodd y cysylltiadau ag Iwerddon, y cyfleoedd a gynigir gan INTERREG ac amryw o bethau eraill. Caf y cyd-destunau hynny'n gyffrous a chadarnhaol. Gobeithiaf y bydd y Cynulliad yn symud at ffordd gyffrous a chadarnhaol o feddwl ac yn gadael y felin draed negyddol y bu arni yr wythnosau diwethaf hyn.

Brian Gibbons: A yw'r Prif Ysgrifennydd yn ymwybodol mai rhai o'r rhesymau dros lwyddiant yng Ngweriniaeth Iwerddon yw integreiddio ag Ewrop a phartneriaeth gryf rhwng y Llywodraeth a'r undebau llafur yn ogystal â buddiannau economaidd eraill? Mae'r materion hynny'n bwysicach hyd yn

funding.

oed na chyllid Amcan 1.

The First Secretary: That is an important point. One of the strongest impressions with which I am left after visiting manufacturing plants around Wales, for example, Raytheon in north-east Wales, BAAE or Ford, is that of the union and management coming forward with a single agenda on the plant's success and regeneration and ensuring that it remains successful and that it has viable jobs for the long-term future. That partnership, between management and unions, is ideal as a partner for this Assembly in carrying forward our agenda for economic regeneration and growth.

Y Prif Ysgrifennydd: Mae hynny'n bwynt pwysig. Un o'r argraffiadau cryfaf a gaf ar ôl ymweld â gweithfeydd cynhyrchu o amgylch Cymru, er enghraifft, Raytheon yng ngogledd-ddwyrain Cymru, BAAE neu Ford, yw bod yr undeb a'r rheolwyr yn cyflwyno un agenda ar lwyddiant ac adfywiad y gwaith a sicrhau ei fod yn parhau i lwyddo a bod ganddo swyddi hyfyw ar gyfer y dyfodol tymor hir. Mae'r bartneriaeth honno, rhwng y rheolwyr a'r undebau, yn ddelfrydol fel partner i'r Cynulliad hwn wrth fwrw ymlaen â'n hagenda ar gyfer adfywiad a thwf economaidd.

Salwch Meddwl ymysg Gweithwyr Amaethyddol **Mental Illness among Agricultural Workers**

Q6 Mick Bates: What co-ordinated action is the First Secretary planning to deal with the social exclusion caused by mental illness among agricultural workers? (OAQ3395) [R]

C6 Mick Bates: Pa fath o weithredu cydlynol y mae'r Prif Ysgrifennydd yn bwriadu ei gyflwyno er mwyn ymdrin â'r allgáu cymdeithasol a achosir o ganlyniad i salwch meddwl ymysg gweithwyr amaethyddol? (OAQ3395) [R]

The First Secretary: We are working closely with the Institute for Rural Health and the Farming and Rural Conservation Agency to address rural stress, which is a major factor in mental illness. We recently approved funding for a study into the need for an improved support system in Wales to help combat rural stress. The results should be available in late Spring. Separate work is going on to update mental health strategies in Wales generally—I know this is a high priority for Jane Hutt—and we are providing pump-priming finance to help expand the CALL mental health helpline to the whole of Wales.

Y Prif Ysgrifennydd: Yr ydym yn gweithio'n agos â'r Sefydliad Iechyd Gwledig a'r Asiantaeth Ffermio a Chadwraeth Wledig er mwyn rhoi sylw i straen yng nghefn gwlad, sydd yn ffactor o bwys mewn salwch meddwl. Yn ddiweddar, cymeradwyasom gyllid ar gyfer astudiaeth ar yr angen am well system gefnogaeth yng Nghymru i helpu i ymladd straen yng nghefn gwlad. Dylai'r canlyniadau fod ar gael yn hwyr yn y gwanwyn. Mae gwaith yn mynd rhagddo ar wahân i hynny i ddiweddarau strategaethau iechyd meddwl yng Nghymru yn gyffredinol—gwn fod hyn yn flaenoriaeth uchel gan Jane Hutt—ac yr ydym yn darparu cyllid cychwynnol i helpu i ehangu llinell gymorth iechyd meddwl CALL i gynnwys Cymru gyfan.

Mick Bates: Given that you represent a largely rural constituency, are you prepared to disassociate yourself from Paul Flynn's remarks about farming suicides last week?

Mick Bates: Gan eich bod yn cynrychioli etholaeth sydd yn un wledig gan fwyaf, a ydych yn barod i ddatgysylltu'ch hun oddi wrth sylwadau Paul Flynn am hunanladdiad ymysg ffermwyr yr wythnos diwethaf?

The First Secretary: I did not hear the remarks live and in context, but it is unfortunate to contribute to the pain of

Y Prif Ysgrifennydd: Ni chlywais y sylwadau'n fyw ac yn eu cyd-destun, ond mae'n drueni ychwanegu at ofid teuluoedd

families by suggesting that there is a simplistic reason behind the level of suicides. Farmers are distressed and they and others in rural communities are under pressure. We should take that seriously, deal with it in terms of those pressures and mental health and seek to help farming communities to develop long-term success. We should work on those two strategies.

Rhodri Glyn Thomas: A yw Alun yn derbyn fod problemau allgáu cymdeithasol mewn ardaloedd gwledig yn codi'n rhannol o'r ffaith fod gwasanaethau sylfaenol yng nghefn gwlad yn diflannu'n feunyddiol? Yn ogystal, mae pwysau economaidd mawr ar bobl sydd yn ceisio ennill bywoliaeth yng nghefn gwlad. A fydd y Prif Ysgrifennydd, fel arweinydd y Llywodraeth yng Nghaerdydd, yn derbyn cyfrifoldeb yn rhannol am hyn? Mae polisïau'r Llywodraeth Lafur yn Llundain ac yng Nghaerdydd, sydd yn canolbwyntio ar drethiant isel ac ar bunt gryf yn tanseilio'r economi wledig ac yn ychwanegu at y pwysau sydd yn wynebu pobl yng nghefn gwlad.

2:29 p.m.

Y Prif Ysgrifennydd: Mae'r newidiadau yn yr ardaloedd gwledig, yn enwedig yn yr economi, yn rhoi pwysau mawr ar unigolion a'u teuluoedd a'u cymunedau. Felly, mae'n bwysig ein bod fel Cynulliad yn ystyried y newidiadau hyn. Yr ydym wedi gweithio'n galed i roi mwy o arian i gefnogi ffermwyr yn y tymor byr a'r tymor hir drwy'r cynlluniau sydd wedi mynd i Ewrop ynglŷn ag ardaloedd gwledig a thrwy Amcan 1. Byddwn yn gwneud ein gorau i gefnogi economi a chymunedau yr ardaloedd gwledig.

Nick Bourne: Quite apart from the recent electoral evidence that the First Secretary will be aware of, would he agree that the problems of mental health, rural suicide, farming bankruptcies, threats to rural post offices and rural services lead to the inevitable conclusion that there is a rural crisis despite what Tony Blair says in London? In addition, would he support actions along the lines of labelling produce to indicate its origin, getting tough with Europe and getting agri-monetary compensation from

drwy awgrymu bod rheswm or-symbl am lefel yr hunanladdiadau. Mae ffermwyr mewn trallod ac maent hwy ac eraill mewn cymunedau gwledig o dan bwysau. Dylem fod o ddifrif ynghylch hynny, ymdrin ag ef yn nhermau'r pwysau hynny a iechyd meddwl a cheisio helpu cymunedau ffermio i ddatblygu llwyddiant tymor hir. Dylem weithio ar y ddwy strategaeth hynny.

Rhodri Glyn Thomas: Does Alun accept that problems of social exclusion in rural areas arise partly from the fact that basic services in rural areas are disappearing on a daily basis? In addition, there are huge economic pressures on people who are trying to earn a living in rural areas. Will the First Secretary, as the leader of the Government in Cardiff, partly accept responsibility for this? The policies of the Labour Government in London and Cardiff, which concentrate on low taxation and a strong pound, undermine the rural economy and add to the pressures facing people in rural areas.

The First Secretary: The changes in rural areas, especially in the economy, put great pressure on individuals and their families and communities. Therefore, it is important that we as an Assembly consider these changes. We have worked hard to give more money to support farmers in the short term and in the long term through the schemes that have gone to Europe regarding rural areas and through Objective 1. We will do our best to support the economy and communities in the rural areas.

Nick Bourne: Yn gwbl ar wahân i'r dystiolaeth etholiadol ddiweddar y bydd y Prif Ysgrifennydd yn ymwybodol ohoni, a fyddai'n cytuno bod problemau iechyd meddwl, hunanladdiad yng nghefn gwlad, methdaliadau ymysg ffermwyr, bygythiadau i swyddfeydd post lleol gwledig a gwasanaethau gwledig yn arwain at y casgliad anorfod bod argyfwng yng nghefn gwlad er gwaethaf yr hyn a ddywed Tony Blair yn Llundain? At hynny, a fyddai'n cefnogi camau fel labelu cynnyrch i ddangos

Brussels to ensure that the lot of people in rural Wales is at least improved in this time of crisis?

ei darddiad, troi'r tu min at Ewrop a chael iawndal amaeth-ariannol o Frwsel i sicrhau bod gwelliant o leiaf ym myd pobl yng nghefn gwlad Cymru yn y cyfnod argyfyngus hwn?

The First Secretary: I agree that there are major problems and pressures on rural areas. That is why, as I indicated in my response to Rhodri Glyn Thomas, there are a whole string of issues to which we as an Assembly, the Cabinet and, in particular, the Agriculture and Rural Development Committee, are rightly giving priority. We have given strong support to actions such as labelling and the identification and marketing of Welsh produce. Promoting the image of Wales, marketing Welsh products and trying to get the maximum added value back into the areas where the basic products come from, particularly in north, west and mid Wales, is crucial. Using the opportunities available to us through the rural development plan, Objective 1, the three foods strategies and the other schemes that we have in place is something positive that we are offering as a major element of co-operation with farmers and producers.

Y Prif Ysgrifennydd: Cytunaf fod problemau mawr a phwysau ar ardaloedd gwledig. Dyna pam, fel y nodais yn fy ymateb i Rhodri Glyn Thomas, y mae cyfres hir o faterion yr ydym ni fel Cynulliad, y Cabinet ac, yn enwedig, y Pwyllgor Amaethyddiaeth a Datblygu Gwledig, yn rhoi blaenoriaeth briodol iddynt. Rhoesom gefnogaeth gryf i gamau fel labelu a dynodi a marchnata cynnyrch o Gymru. Mae hybu delwedd Cymru, marchnata cynnyrch o Gymru a cheisio cael y gwerth ychwanegol mwyaf posibl yn ôl i'r ardaloedd y daw'r cynhyrchion sylfaenol ohonynt, yn enwedig yng ngogledd, gorllewin a chanolbarth Cymru, yn holl bwysig. Mae defnyddio'r cyfleoedd sydd ar gael inni drwy'r cynllun datblygu gwledig, Amcan 1, y tair strategaeth fwydydd a'r cynlluniau eraill a roesom ar waith yn rhywbeth cadarnhaol yr ydym yn ei gynnig fel elfen o bwys yn y cydweithredu â ffermwyr a chynhyrchwyr.

Gweithredu Protocolau Rhwng y Cynulliad a San Steffan Implementing Protocols between Westminster and the Assembly

Q7 Christine Humphreys: Can the First Secretary say which protocols between Westminster and the Assembly are still waiting to be implemented? (OAQ3405)

C7 Christine Humphreys: A all y Prif Ysgrifennydd ddweud pa brotocolau rhwng San Steffan a'r Cynulliad sydd yn dal i aros i gael eu gweithredu? (OAQ3405)

The First Secretary: The situation at the moment is that we have agreed concordats with six UK Government departments. Six further concordats are in their final stages and I hope that they will be agreed before the end of this month, to complete the process.

Y Prif Ysgrifennydd: Y sefyllfa ar hyn o bryd yw bod gennym goncordatiau a gytunwyd â chwech o adrannau Llywodraeth y DU. Mae chwe choncordat pellach yn eu cyfnodau olaf a gobeithiaf y cytunir arnynt cyn diwedd y mis hwn, er mwyn cwblhau'r broses.

Christine Humphreys: Could you indicate which ones have been agreed?

Christine Humphreys: A allech nodi pa rai a gytunwyd?

The First Secretary: I am sorry. We will agree concordats with the Department of Trade and Industry, the Department of the Environment, Transport and the Regions, the Department for Culture, Media and Sport, the

Y Prif Ysgrifennydd: Mae'n ddrwg gennyf. Byddwn yn cytuno ar goncordatiau â'r Adran Masnach a Diwydiant, Adran yr Amgylchedd, Trafnidiaeth a'r Rhanbarthau, yr Adran Diwylliant, y Cyfryngau a

Ministry of Agriculture, Fisheries and Food, the Department for Education and Employment and the Home Office in the near future. I hope that that will be by the end of this month. We have already agreed and published concordats with the Treasury, the Cabinet Office, the Lord Chancellor's Department, the Ministry of Defence, the Department of Health and the Department of Social Security. The question asked for the protocols to be named so perhaps I was unfair in not giving that as the original answer.

Chwaraeon, y Weinyddiaeth Amaethyddiaeth, Pysgodfeydd a Bwyd, yr Adran Addysg a Chyflogaeth a'r Swyddfa Gartref yn y dyfodol agos. Gobeithiaf y bydd hynny erbyn diwedd y mis. Yr ydym eisoes wedi cytuno ar ac wedi cyhoeddi concordatiau â'r Trysorlys, Swyddfa'r Cabinet, Adran yr Arglwydd Ganghellor, y Weinyddiaeth Amddiffyn, yr Adran Iechyd a'r Adran Nawdd Cymdeithasol. Gofynnodd y cwestiwn am enwi'r protocolau felly efallai fy mod yn annheg wrth beidio â rhoi hynny fel yr ateb gwreiddiol.

The Presiding Officer: In that case, I will allow a further supplementary question.

Y Llywydd: Os felly, caniatâf gwestiwn atodol pellach.

Christine Humphreys: Has the protocol with the Treasury been used to its maximum to ensure that the views of the majority of the Assembly, not just those of the administration have been conveyed: that our present budget is insufficient to cope with the £250 million match funding overhang from previous European programmes and the more than double that requirement that we have for the new programme?

Christine Humphreys: A ddefnyddiwyd y protocol â'r Trysorlys i'r eithaf er mwyn sicrhau y cyfleir barn mwyafrif y Cynulliad, nid barn y weinyddiaeth yn unig: bod ein cyllideb bresennol yn annigonol i ddygyddod â'r bargodiad o £250 miliwn o gyllid cyfatebol o'r rhaglenni Ewropeaidd blaenorol a'r angen sydd ddwywaith cymaint â hynny ar gyfer y rhaglen newydd?

The First Secretary: It is the administration's responsibility to make known the views of the Assembly as a whole and we do so. As I pointed out in earlier answers, the figures are not quite as you indicate. The Assembly is not required to provide £250 million, because responsibility for providing part of that money lies with the Department for Education and Employment. There is an allocation, which is based on the best estimates of our officials and the European executive, for the amount of money that will be required during the coming year. It has all been allowed for.

Y Prif Ysgrifennydd: Cyfrifoldeb y weinyddiaeth yw rhoi gwybod am farn y Cynulliad cyfan a gwnawn hynny. Fel y nodais yn fy atebion cynharach, nid yw'r ffigurau yn union fel y nodwyd gennych. Nid yw'n ofynnol i'r Cynulliad ddarparu £250 miliwn, oherwydd mae'r cyfrifoldeb dros ddarparu rhan o'r arian hwnnw yn perthyn i'r Adran Addysg a Chyflogaeth. Mae dyraniad, sydd yn seiliedig ar amcangyfrifon gorau ein swyddogion a'r weithrediaeth Ewropeaidd, ar gyfer y swm o arian a fydd yn angenrheidiol yn ystod y flwyddyn sydd i ddod. Caniatawyd ar gyfer hynny i gyd.

Pwyntiau o Drefn Points of Order

Peter Black: Point of order. This relates to the Partnership Council meeting, which took place yesterday afternoon. Meetings of this body are open to the public, who, in attending, would normally be entitled to look at the agenda and see what was being discussed. This applies particularly to the press. However, as someone who is not a

Peter Black: Pwynt o drefn. Mae hyn yn ymwneud â chyfarfod y Cyngor Partneriaeth a fu brynhawn ddoe. Mae cyfarfodydd y corff hwn yn agored i'r cyhoedd y byddai hawl ganddynt, fel arfer, wrth fod yn bresennol, i edrych ar yr agenda a gweld beth oedd yn cael ei drafod. Mae hyn yn arbennig o berthnasol i'r wasg. Fodd bynnag, fel un nad

member of the Partnership Council, I could not find the agenda on the Assembly intranet, even at lunchtime yesterday. There was no evidence of it being posted on the Assembly internet either. This is disturbing, and I would be grateful if action could be taken to ensure that agendas for these meetings are available to the public and press in good time in future.

The First Secretary: This is the first I have heard of any problem, but I concur with Peter's comments on the need for agendas to be available in meetings, on the intranet and internet. I am surprised to hear of this, but I will look into it, respond to Peter directly and if appropriate, provide information to the Presiding Officer and to the Assembly.

The Presiding Officer: I am grateful to the First Secretary and to Peter for raising this. The Partnership Council is not an Assembly Committee and it is not run by the Office of the Presiding Officer. However, we should at all times adhere to at least the same standard of openness that we expect of our local government partners, which is a matter that we have discussed previously, and this includes informing Assembly Members of our activities.

The First Secretary: Further to that point of order, you referred to the servicing arrangements. For the benefit of Members who are not members of the Partnership Council, the secretariat for the council is provided jointly by the Assembly and the Welsh Local Government Association, which represents the local government partners. Nevertheless, it should be our purpose to ensure that the agenda is available to all Assembly Members and members of the public who attend those meetings.

Jocelyn Davies: Point of order. This relates to the Plenary debate last Wednesday on the response to the Westminster Government's future legislative programme. You will recall that there was considerable dispute as to whether the response was an Assembly or a Cabinet one. Even in this corporate body, they are different entities. I checked various documents, including Business Committee papers, the forward look and last week's

yw'n aelod o'r Cyngor Partneriaeth, ni allwn ddarganfod yr agenda ar fewnwyd y Cynulliad, hyd yn oed adeg cinio ddoe. Nid oedd golwg ei bod wedi ei gosod ar ryngwyd y Cynulliad ychwaith. Mae hyn yn peri pryder, a byddwn yn ddiolchgar pe gellid cymryd camau i sicrhau bod agendâu ar gyfer y cyfarfodydd hyn ar gael i'r cyhoedd a'r wasg mewn da bryd o hyn ymlaen.

Y Prif Ysgrifennydd: Dyma'r cyntaf imi glywed am unrhyw broblem, ond cydwelaf â sylwadau Peter am yr angen i agendâu fod ar gael mewn cyfarfodydd, ar y fewnwyd ac ar y rhyngwyd. Synnaf o glywed am hyn, ond byddaf yn ymchwilio iddo, yn ymateb i Peter yn uniongyrchol ac, os yw'n briodol, yn darparu gwybodaeth i'r Llywydd ac i'r Cynulliad.

Y Llywydd: Yr wyf yn ddiolchgar i'r Prif Ysgrifennydd ac i Peter am godi hyn. Nid Pwyllgor Cynulliad yw'r Cyngor Partneriaeth ac ni chaiff ei redeg gan Swyddfa'r Llywydd. Fodd bynnag, dylem bob amser gadw at o leiaf yr un safon o weithredu agored a ddisgwyliwn oddi wrth ein partneriaid llywodraeth leol, sydd yn fater a drafodwyd gennym o'r blaen, ac mae hyn yn cynnwys hysbysu Aelodau'r Cynulliad am ein gweithgareddau.

Y Prif Ysgrifennydd: Yn ychwanegol at y pwynt o drefn hwnnw, cyfeiriasoch at y trefniadau gwasanaethu. Er mwyn yr Aelodau nad ydynt yn aelodau o'r Cyngor Partneriaeth, darperir yr ysgrifenyddiaeth ar gyfer y cyngor ar y cyd gan y Cynulliad a Chymdeithas Llywodraeth Leol Cymru, sydd yn cynrychioli'r partneriaid llywodraeth leol. Er hynny, dylem geisio sicrhau bod yr agenda ar gael i holl Aelodau'r Cynulliad ac aelodau o'r cyhoedd a ddaw i'r cyfarfodydd hynny.

Jocelyn Davies: Pwynt o drefn. Mae hyn yn ymwneud â'r ddadl yn y Cyfarfod Llawn ddydd Mercher diwethaf ar yr ymateb i flaenraglen ddeddfwriaethol Llywodraeth San Steffan. Byddwch yn cofio bod cryn anghytuno ynghylch a oedd yr ymateb yn un gan y Cynulliad neu gan y Cabinet. Hyd yn oed yn y corff corfforaethol hwn, maent yn endidau gwahanol. Gwiriais wahanol ddogfennau, gan gynnwys papurau'r

agenda. The forward look and the agenda communicate our intentions to the citizens of Wales and are therefore important documents. I have raised this matter of good governance before.

Last week's documents clearly show that the debate was to be the administration's response to the legislative programme. However, at some time last Wednesday morning, the agenda was tampered with, and the word 'Assembly' was substituted for the word 'administration'. Therefore, someone in the Government does not know their 'assembly' from their 'administration'. Who made and authorised the change, and is it valid to do so without breaching our human rights obligations? I have checked the votes and proceedings for last Wednesday, and I request that they be amended to reinstate the word 'administration' instead of 'assembly'.

The Business Secretary (Andrew Davies): Jocelyn raised this point in this morning's Business Committee meeting, and I said then that there was no intention to mislead on this matter. As I said at the end of last week's debate, this is the first time that we have dealt with this issue. We obviously have lessons to learn. I will investigate and report back to the Business Committee next week.

2:39 p.m.

The Presiding Officer: I am grateful. Jocelyn would not expect me to rule on our human rights obligations from this Chair immediately. However, it is a matter of deep concern to me. We are in the vanguard of fulfilling our human rights obligations as an Assembly, in contrast to other bodies. It is a matter to which we should continually address ourselves. I will take full advice on that.

The distinctions between the administration, the Executive and the Assembly are matters that have exercised my mind both academically and practically over recent weeks. I assure you that they will continue to do so.

Pwyllgor Busnes, y rhagolwg ac agenda'r wythnos diwethaf. Mae'r rhagolwg a'r agenda yn cyfleu ein bwriadau i ddinasyddion Cymru ac maent felly'n ddogfennau pwysig. Codais y mater hwn o drefn llywodraeth dda o'r blaen.

Mae dogfennau'r wythnos diwethaf yn dangos yn eglur bod y ddadl i fod yn ymateb gan y weinyddiaeth i'r rhaglen ddeddfwriaethol. Fodd bynnag, rywdro fore Mercher diwethaf, ymyrrwyd â'r agenda, a rhoddwyd y gair 'Cynulliad' yn lle'r gair 'gweinyddiaeth'. Felly, mae rhywun yn y Llywodraeth na wŷr ba un yw ei 'gynulliad' a pha un yw ei 'weinyddiaeth'. Pwy a wnaeth ac a awdurdododd y newid, ac a yw'n ddilys gwneud hynny heb dorri ein rhwymedigaethau hawliau dynol? Gwiriais y pleidleisiau a'r trafodion ar gyfer dydd Mercher diwethaf, a gofynnaf am eu newid er mwyn adfer y gair 'gweinyddiaeth' yn lle 'cynulliad'.

Y Trefnydd (Andrew Davies): Cododd Jocelyn y pwynt hwn yng nghyfarfod y Pwyllgor Busnes y bore yma, a dywedais bryd hynny nad oedd bwriad i gamarwain ar y mater hwn. Fel y dywedais ar ddiwedd y ddadl yr wythnos diwethaf, hwn yw'r tro cyntaf inni ymdrin â'r mater hwn. Mae'n amlwg bod gennym wersi i'w dysgu. Byddaf yn ymchwilio ac yn adrodd yn ôl i'r Pwyllgor Busnes yr wythnos nesaf.

Y Llywydd: Yr wyf yn ddiolchgar. Ni fyddai Jocelyn yn disgwyl imi ddyfarnu ar ein rhwymedigaethau hawliau dynol o'r Gadair hon ar unwaith. Fodd bynnag, mae'n destun pryder dwfn imi. Yr ydym ar flaen y gad wrth gyflawni ein rhwymedigaethau hawliau dynol fel Cynulliad, mewn cyferbyniad â chyrff eraill. Mae'n fater y dylem roi sylw iddo'n barhaus. Cymeraf gyngor llawn ar hynny.

Mae'r gwahaniaethau rhwng y weinyddiaeth, y Weithrediaeth a'r Cynulliad yn faterion a fu'n dreth ar fy meddwl yn academiaidd ac yn ymarferol dros yr wythnosau diwethaf. Yr wyf yn eich sicrhau y byddant yn dal i fod felly.

Jocelyn Davies: On a second point of order, will you insist that Mr Richards does not make insulting remarks to other Assembly Members in the Chamber, however amusing it might be. I object to him referring to Nick Bourne in the manner that he did.

Jocelyn Davies: Ar ail bwynt o drefn, a fyddwch yn mynnu nad yw Mr Richards yn gwneud sylwadau difriol am Aelodau Cynulliad eraill yn y Siambr, pa mor ddoniol bynnag y bo hynny. Yr wyf yn gwrthwynebu iddo gyfeirio at Nick Bourne yn y modd a wnaeth.

The Presiding Officer: Rod Richards is not in his seat. However, I draw his and other Assembly Members' attention to the Protocol on Conduct in the Chamber, and to point 7, which refers to the content of speeches. If Members check that Protocol on the Chamberweb, they will see that it is for me to decide what form of language is disorderly or could cause offence to Members. I have not generally taken it upon myself to decide on individual words in this context. However, I take the view that the adjective 'mealy-mouthed' was inappropriate. I ask Rod Richards, when he is next here, to reflect on that. It is important that we maintain courtesies, especially in these times.

Y Llywydd: Nid yw Rod Richards yn ei sedd. Fodd bynnag, tynnaf ei sylw ef ac Aelodau Cynulliad eraill at y Protocol ar Ymddygiad yn y Siambr, ac at bwynt 7, sydd yn cyfeirio at gynnwys areithiau. Os yw'r Aelodau'n gwirio'r Protocol hwnnw ar we'r Siambr, gwelant mai myfi biau penderfynu pa ffurf ar iaith sydd yn afreolus neu a allai beri tramgwydd i Aelodau. Ar y cyfan nid wyf wedi ymgymryd â phenderfynu ar eiriau unigol yn y cyd-destun hwn. Fodd bynnag, yr wyf o'r farn fod yr ansoddair 'mealy-mouthed' yn anaddas. Gofynnaf i Rod Richards, pan fydd yma nesaf, fyfyrion ynghylch hynny. Mae'n bwysig inni gadw cwrteisi, yn enwedig yn yr amseroedd hyn.

Helen Mary Jones: Point of order. Will you make a ruling under our Standing Orders on equality about the figurative or light-hearted use of references to domestic violence in this Chamber? I personally found this distressing and I know that I was not the only woman Member present who did.

Helen Mary Jones: Pwynt o drefn. A fydddech gystal â dyfarnu o dan ein Rheolau Sefydlog ar gydraddoldeb ar y defnydd trosiadol neu ysgyfala o gyfeiriadau at drais domestig yn y Siambr hon? Yr oedd hyn yn peri gofid imi'n bersonol a gwn nad myfi oedd yr unig Aelod o fenyw a deimlai felly.

The Presiding Officer: My previous comments in relation to the use of language apply here also.

Y Llywydd: Mae fy sylwadau blaenorol ynghylch y defnydd o iaith yn berthnasol i hyn hefyd.

The First Secretary: If that refers to my reference to a philosophical expression, I did not intend it light-heartedly. I accept entirely Helen Mary's comments. I was referring to what is used as an inappropriate question during philosophical debate. I used the expression to make that point.

Y Prif Ysgrifennydd: Os yw hynny'n cyfeirio at fy nghyfeiriad at ddywediad athronyddol, ni fwriadwn iddo fod yn ysgyfala. Derbyniaf sylwadau Helen Mary yn llwyr. Yr oeddwn yn cyfeirio at yr hyn a ddefnyddir fel cwestiwn amhriodol yn ystod dadl athronyddol. Defnyddiais y dywediad i wneud y pwynt hwnnw.

The Presiding Officer: I take that as a withdrawal of the words under Standing Order No. 7.2. I advise Members at all times, especially these days, to be careful of their metaphors and throwaway remarks.

Y Llywydd: Derbyniaf drwy hynny fod y geiriau wedi eu tynnu'n ôl o dan Reol Sefydlog Rhif 7.2. Cyngoraf yr Aelodau i fod yn ofalus bob amser, yn enwedig y dyddiau hyn, yn eu defnydd o drosiadau a sylwadau wrth fynd heibio.

Datganiad Busnes Business Statement

The Business Secretary (Andrew Davies): Business for the next two weeks is as I reported last week. I hope to be in a position to let you know next week of the subject or subjects for debate on St David's Day. I have been discussing this and asking the Business Committee for suggestions on business for that day.

Y Trefnydd (Andrew Davies): Mae'r busnes ar gyfer y ddwy wythnos nesaf fel yr adroddais yr wythnos diwethaf. Gobeithiaf y byddaf mewn sefyllfa yr wythnos nesaf i ddweud wrthyhych beth fydd y pwnc neu'r pynciau i'r ddadl Ddydd Gŵyl Dewi. Bûm yn trafod hyn ac yn gofyn i'r Pwyllgor Busnes am awgrymiadau ar fusnes i'r diwrnod hwnnw.

I anticipate that business on 7 March will include a statement or a debate on the Waterhouse inquiry. I am considering with the Business Committee how we can best mark the international women's day on Wednesday, 8 March.

Disgwyliaf y bydd y busnes ar 7 Mawrth yn cynnwys datganiad neu ddadl ar ymchwiliad Waterhouse. Yr wyf yn ystyried gyda'r Pwyllgor Busnes sut y gallwn nodi orau ddiwrnod rhyngwladol y benywod ddydd Mercher 8 Mawrth.

Following the Business Committee meeting this morning, the Deputy Presiding Officer has determined, in accordance with Standing Order No. 22.5, that the following draft Orders need not be considered by a Subject Committee: the Rates and Precepts (Final Adjustments) (Amendment) (Wales) Order 2000 and the Council Tax (Reduction Scheme) and (Demand Notices Transitional Provisions) (Wales) Regulations 2000.

Ar ôl cyfarfod y Pwyllgor Busnes y bore yma, penderfynodd y Dirprwy Lywydd, yn unol â Rheol Sefydlog Rhif 22.5, nad oes angen i'r Gorchmynion drafft canlynol gael eu hystyried gan Bwyllgor Pwnc: Gorchymyn Trethi Lleol a Phraeseptau (Newidiadau Terfynol) (Diwygiad) (Cymru) 2000 a Rheoliadau Treth y Cyngor (Cynllun Lleihau) a (Darpariaethau Trosiannol Rhybuddion Archeb) (Cymru) 2000.

Arrangements will be made after Plenary today to post this statement to the intranet and the internet.

Gwneir trefniadau ar ôl y Cyfarfod Llawn heddiw i osod y datganiad hwn ar y fewnwyd a'r rhyngwyd.

Business Statement adopted.

Derbyniwyd y Datganiad Busnes.

Cadarnhau Cyllideb y Cynulliad yn unol â Rheol Sefydlog Rhif 19.5 Ratification of the Assembly's Budget in accordance with Standing Order No. 19.5

The Finance Secretary (Edwina Hart): I propose that

Yr Ysgrifennydd Cyllid (Edwina Hart): Cynigiaf fod

the Assembly, in accordance with Standing Order No. 19.5, ratifies the budget for the financial year 2000-01 laid in the Table Office on Tuesday 1 February by the Finance Secretary, Edwina Hart.

y Cynulliad, yn unol â Rheol Sefydlog Rhif 19.5, yn cadarnhau cyllideb blwyddyn ariannol 2000-01 a osodwyd yn y Swyddfa Gyflwyno ddydd Mawrth 1 Chwefror gan yr Ysgrifennydd Cyllid, Edwina Hart.

I have also tabled the provisional financial allocations for 2001-02 and 2002-03. To make the process as transparent as possible, the tables attached to the motions are in two

Yr wyf hefyd wedi cyflwyno'r dyraniadau ariannol dros dro ar gyfer 2001-02 a 2002-03. Er mwyn gwneud y broses mor dryloyw ag y bo modd, mae'r tablau a atodwyd i'r cynigiad

parts. Table 1 is the December budget, or the budget agreed by the Assembly on 1 December, to sub-expenditure group level. Since then, Assembly Secretaries, in accordance with Standing Order No. 19.4, have consulted their Committees on the detailed budget to budget expenditure level, or BEL.

In some instances, I concur with comments received from the Committees during the budget round that they found the budget a little too detailed and some of the descriptions unhelpful. We have had the opportunity to review the BELs. This is an evolutionary process, but I hope these new lines will make things clearer for everyone. If any finance spokespeople from other parties have any comments about how this works and how we might improve it further, I will be delighted to discuss these issues with them. It is important that budgets are transparent and understood.

Table 2—the final budget, including transfers—shows the effect of routine transfers on the budget. There are two types of transfers. First, there are internal transfers across Assembly budgets, such as the responsibility for the funding of Techniquet, which is transferred from the Cardiff Bay Development Corporation to the Assembly. Secondly, there are transfers from Government Departments. For example, the Home Energy Efficiency Scheme has been transferred from the Department for the Environment, Transport and the Regions to the Assembly.

I have written to Assembly Members separately about the details of the transfers. The net effect of the transfers is to increase the Assembly's budget by £15.1 million for next year and £18.3 million for the following year. This is the final stage of the budget process for this financial year. I thank my colleagues and the other parties' spokespeople on finance for their co-operation, help and discussions. I will deal with any questions in my right to reply. I hope that Members found the facility of being able to ask me detailed questions through the process and getting the necessary answers assisted them in their deliberations

mewn dwy ran. Tabl 1 yw cyllideb Rhagfyr, neu'r gyllideb y cytunodd y Cynulliad arni ar 1 Rhagfyr, hyd at lefel yr is-grwpiau gwariant. Ers hynny, mae'r Ysgrifenyddion Cynulliad, yn unol â Rheol Sefydlog Rhif 19.4, wedi ymgynghori â'u Pwyllgorau ar y lefel gwariant o gyllideb i gyllideb.

Cytunaf, mewn rhai achosion, â'r sylwadau a dderbyniwyd oddi wrth y Pwyllgorau yn ystod cylch y gyllideb i'r perwyl eu bod yn cael bod y gyllideb braidd yn rhy fanwl a bod rhai o'r disgrifiadau heb fod o gymorth. Cawsom gyfle i adolygu'r lefelau gwariant cyllideb. Mae hyn yn broses ddatblygol, ond gobeithiaf y bydd y llinellau newydd hyn yn gwneud pethau'n gliriach i bawb. Os oes gan unrhyw un o lefaryddion cyllid y pleidiau eraill unrhyw sylwadau am y modd y mae hyn yn gweithio a sut y gallem ei wella ymhellach, byddaf yn falch iawn o drafod y materion hyn â hwy. Mae'n bwysig bod cyllidebau'n dryloyw ac wedi eu deall.

Mae Tabl 2—y gyllideb derfynol, gan gynnwys trosglwyddiadau—yn dangos effaith trosglwyddiadau rheolaidd ar y gyllideb. Mae dau fath o drosglwyddiadau. Yn gyntaf, ceir trosglwyddiadau mewnol ar draws cyllidebau'r Cynulliad, fel y cyfrifoldeb am ariannu Techniquet, a drosglwyddir o Gorfforaeth Datblygu Bae Caerdydd i'r Cynulliad. Yn ail, ceir trosglwyddiadau o Adrannau'r Llywodraeth. Er enghraifft, trosglwyddwyd y Cynllun Effeithlonrwydd Ynni Cartref o Adran yr Amgylchedd, Trafnidiaeth a'r Rhanbarthau i'r Cynulliad.

Ysgrifennais at Aelodau'r Cynulliad ar wahân am fanylion y trosglwyddiadau. Effaith net y trosglwyddiadau yw cynnydd o £15.1 miliwn yng nghyllideb y Cynulliad am y flwyddyn nesaf a £18.3 miliwn am y flwyddyn wedyn. Dyma gam terfynol proses y gyllideb am y flwyddyn ariannol hon. Diolchaf i'm cydweithwyr ac i lefaryddion cyllid y pleidiau eraill am eu cydweithrediad, eu cymorth a'u trafodaethau. Ymdriniaf ag unrhyw gwestiynau yn fy hawl i ateb. Gobeithiaf fod yr Aelodau wedi cael y gyfleuster o gael gofyn cwestiynau manwl i mi drwy'r broses a chael yr atebion angenrheidiol, yn gymorth iddynt yn eu

before this final discussion.

Phil Williams: A photograph was taken in the 'Yes' campaign party on referendum night as the result from Carmarthen was announced. In the front, a young man with his arms raised expressed his absolute joy. However, under his left armpit the cameras caught one person looking glum. I am afraid that it was me. The photograph has recently been amended so that a bubble appears from my mouth asking, 'But what about the Barnett block?'.

The biggest challenge to the Assembly is to use a fixed budget to tackle many urgent problems: a shortage of doctors, dilapidated schools, old housing stock and long-term unemployment. With a fixed budget, we have to accept that any increase under one heading means a cut somewhere else. I am, perhaps, one of the few people here who has spoken to Aneurin Bevan. He said that politics is about priorities.

This is the third time we have debated the budget. I appreciate the work that Edwina has done in facing the challenge and I pay tribute to her willingness to listen. In Plaid Cymru, we are happy to see included in the budget some items that we proposed, such as free eye tests and the promise to establish a development bank. I want to stress that true co-operation does flourish but that it is not enough. To raise standards in health, education and housing, we need to invest in the Welsh economy. This can only be done with access to extra income. That is why, as far back as 1997, it was clear that European funding would be the essential catalyst. I will concentrate on two key points: European funding and the budget for local government.

It has often been repeated that we have enough money in the budget for the first year, so I would like the Assembly to consider the following four questions. How much money do we need for Objective 1? How much money has been allocated? Where has the money come from? What other budgets are affected? The application to Brussels partly answers these questions. To make full use of

trafodion cyn y drafodaeth olaf hon.

Phil Williams: Tynnwyd llun ym mharti'r ymgyrch 'Ie' ar noson y refferendwm wrth i'r canlyniad o Gaerfyrddin gael ei gyhoeddi. Yn y tu blaen, yr oedd dyn ifanc â'i freichiau wedi eu codi yn mynegi gorfoledd llwyr. Fodd bynnag, o dan ei gesail chwith daliwyd un gan y camerâu â golwg ddigalon arno. Mae arnaf ofn mai fi oedd hwnnw. Newidiwyd y llun yn ddiweddar fel bod swigen yn dod o'm ceg sydd yn gofyn, 'Ond beth am floc Barnett?'.

Yr her fwyaf i'r Cynulliad yw defnyddio cyllideb sefydlog i ymdrin â llawer o broblemau brys: prinder meddygon, ysgolion adfeiliedig, hen stoc dai a diweithdra tymor hir. Gyda chyllideb sefydlog, rhaid inni dderbyn bod unrhyw gynnydd o dan un bennawd yn golygu toriad yn rhywle arall. Mae'n bosibl mai fi yw un o'r ychydig rai yma a siaradodd ag Aneurin Bevan. Dywedodd ef fod gwleidyddiaeth yn ymwneud â blaenoriaethau.

Dyma'r trydydd tro inni drafod y gyllideb. Gwerthfawrogaf y gwaith a wnaeth Edwina wrth wynebu'r her a thalaf deyrnged i'w pharodrwydd i wrando. Ym Mhlaid Cymru, yr ydym yn falch o weld cynnwys rhai eitemau yn y gyllideb a gynigiwyd gennym ni, fel profion llygaidd am ddim a'r addewid i sefydlu banc datblygu. Yr wyf am bwysleisio bod gwir gydweithrediad yn ffynnu ond nad yw hynny'n ddigon. Er mwyn codi safonau mewn ieuchyd, addysg a thai, mae angen inni fuddsoddi yn economi Cymru. Ni ellir gwneud hynny ond drwy gael mynediad at incwm ychwanegol. Dyna pam, cyn belled yn ôl â 1997, ei bod yn amlwg mai arian Ewropeaidd fyddai'r catalydd hanfodol. Yr wyf am ganolbwyntio ar ddau bwynt allweddol: arian Ewropeaidd a'r gyllideb i lywodraeth leol.

Dywedwyd yn aml bod gennym ddigon o arian yn y gyllideb ar gyfer y flwyddyn gyntaf, felly hoffwn i'r Cynulliad ystyried y pedwar cwestiwn canlynol. Faint o arian y mae arnom ei angen ar gyfer Amcan 1? Faint o arian a ddyrannwyd? O ble y daeth yr arian? Pa gyllidebau eraill yr effeithir arnynt? Mae'r cais i Frwsel yn ateb y cwestiynau hyn yn rhannol. Er mwyn defnyddio'r cwbl o'r

the money available as soon as possible, we must approve projects worth about £390 million in 2000, and a further £370 million in 2001. I assume that, once we get the go-ahead in April, we will commit money at a steady rate. Therefore, in the budget year under consideration, we need to approve projects worth a total of £480 million, of which £420 million will come from public finance. We could not spend all of this money in the budget year. However, according to the rules from Europe, we have to complete spending on a project within two years after the year of commitment. I have assumed that once a project is approved, the profile of spend is level, with regular payments at each reporting period until the final date. There are organisations with capital reserves that can wait for late payment. However, there are far more in the voluntary sector and among small and medium-sized enterprises that will require advance payments.

2:49 p.m.

The assumption of steady spending over the permitted period is realistic. On this basis—a programme of steady commitment and steady spend—the total spend in 2000-01 will be approximately £100 million, with £85 million from public finance. If responsibility for the social fund is transferred to the Assembly, and given the total integration of social spending in Objective 1, which is the only sensible course, the £85 million will directly or indirectly come from our budget in year one. As Rhodri has acknowledged, this will increase to £210 million in year two and £300 million in year three. The sum of £85 million is the total spend of public finance in 2000-01 if we are to make full use of the money available as soon as possible.

How much is actually available? The item specifically dedicated to European funding in the budget is the £25 million under the European regional development fund. This covers the European element and must attract match funding, so the total from the public sector will be about £42 million. However, it is not clear from where the £17 million public sector match funding will come. The £10

arian sydd ar gael gynted ag y bo modd, rhaid inni gymeradwyo prosiectau gwerth tua £390 miliwn yn 2000, a £370 miliwn pellach yn 2001. Cymeraf y byddwn, ar ôl cael y sêl bendith yn Ebrill, yn ymrwymo arian ar raddfa gyson. Felly, yn y flwyddyn gyllideb dan sylw, mae angen inni gymeradwyo prosiectau gwerth cyfanswm o £480 miliwn, y daw £420 miliwn ohono o gyllid cyhoeddus. Ni allem wario'r cwbl o'r arian hwn yn y flwyddyn gyllideb. Fodd bynnag, yn ôl y rheolau o Ewrop, rhaid inni gwblhau'r gwariant ar brosiect o fewn dwy flynedd ar ôl blwyddyn yr ymrwymiad. Cymerais fod proffil y gwariant yn wastad, ar ôl cymeradwyo prosiect, gyda thaliadau rheolaidd ar bob adeg adrodd tan y dyddiad terfynol. Ceir mudiadau sydd â chyfalaf wrth gefn sydd yn gallu aros am daliad hwyr. Fodd bynnag, mae llawer mwy yn y sector gwirfoddol ac ymysg busnesau bach a chanolig eu maint y bydd arnynt angen taliadau ymlaen llaw.

Mae'r rhagdybiaeth o wariant sefydlog dros y cyfnod a ganiateir yn un realistig. Ar y sail hon—rhaglen o ymrwymo cyson a gwario cyson—cyfanswm y gwariant yn 2000-01 fydd tua £100 miliwn, gyda £85 miliwn o gyllid cyhoeddus. Os trosglwyddir cyfrifoldeb am y gronfa gymdeithasol i'r Cynulliad, ac yng ngolwg yr integreiddio llwyr ar wariant cymdeithasol yn Amcan 1, sef yr unig ddewis synhwyrol, daw'r £85 miliwn yn uniongyrchol neu'n anuniongyrchol o'n cyllideb ym mlwyddyn un. Fel y cydnabu Rhodri, bydd hyn yn codi i £210 miliwn ym mlwyddyn dau ac i £300 miliwn ym mlwyddyn tri. Y swm o £85 miliwn yw cyfanswm y gwariant o gyllid cyhoeddus yn 2000-01 os ydym i ddefnyddio'r cwbl o'r arian sydd ar gael gynted ag y bo modd.

Faint sydd ar gael mewn gwirionedd? Yr eitem a neilltuir yn benodol ar gyfer arian Ewropeaidd yn y gyllideb yw'r £25 miliwn o dan y gronfa ddatblygu rhanbarthol Ewropeaidd. Mae hyn yn cynnwys yr elfen Ewropeaidd a rhaid iddi ddenu arian cyfatebol, fel y bydd y cyfanswm o'r sector cyhoeddus tua £42 miliwn. Fodd bynnag, nid yw'n eglur o ble y daw'r £17 miliwn o arian

million in the Pathway to Prosperity fund was originally intended as match funding. This is still vague and is a cheque that has been spent several times over. Four million pounds has been allocated to roads. The most available for economic development is £6 million and, at different times, this has been promised for a development bank, to help credit unions and to set up an overseas trade unit as well as for match funding. I therefore assume that the bulk of public sector match funding will come from a reduced WDA budget or from the local government budget, which I will discuss later.

It may help if I try to explain why the £25 million plus public match funding is different from the £85 million that we calculate is necessary—or £71 million if the European component of the social fund still comes from the Department for Education and Employment. If I understand correctly, after discussions with Rhodri Morgan and officials, the Government calculations assume that the first commitments to funding will be made in the last quarter of 2000. That is unacceptable. You could say that there is consistency in the Government's policy: the application for Objective 1 was submitted three months late, the machinery for implementation is not yet fully in place and publicity and guidance for the public is just beginning. Would it be cynical if I suggested that if the start of the programme is delayed long enough, £25 million will be enough? However, people who travel through or live in west Wales and the Valleys and who see the crisis and deprivation at close hand and anyone aware of the dozens of good projects that are waiting to start, would agree that any delay is unacceptable.

Rhodri Morgan: Would Phil accept my word that there is no intention that project sponsors will be delayed in making claims against the departmental budget? As far as we are concerned, the faster we can get money out through the door, including money over and above the allocated £25 million, the better. If it can be done faster, we will find the money faster. This is only the

cyfatebol y sector cyhoeddus. Yr oedd y £10 miliwn yng nghronfa'r Ffordd i Ffyniant wedi ei fwriadu'n wreiddiol yn arian cyfatebol. Mae hyn yn annelwig o hyd ac yn siec a wariwyd sawl gwaith drosodd. Dyrannwyd £4 miliwn ar gyfer ffyrdd. Y mwyaf sydd ar gael ar gyfer datblygu economaidd yw £6 miliwn ac, ar wahanol adegau, addawyd hyn ar gyfer banc datblygu, i helpu undebau credyd ac i sefydlu uned masnach dramor yn ogystal ac ar gyfer arian cyfatebol. Cymeraf felly y bydd y rhan helaethaf o arian cyfatebol y sector cyhoeddus yn dod o gyllideb lai i Awdurdod Datblygu Cymru neu o'r gyllideb llywodraeth leol, y byddaf yn ei thrafod yn ddiweddarach.

Gallai fod o gymorth pe ceisiwn egluro pam y mae'r £25 miliwn a mwy o gyllid cyfatebol cyhoeddus yn wahanol i'r £85 miliwn y cyfrifwn ei fod yn angenrheidiol—neu £71 miliwn os daw'r elfen Ewropeaidd o'r gronfa gymdeithasol o'r Adran Addysg a Chyflogaeth o hyd. Os deallaf yn iawn, ar ôl trafodaethau â Rhodri Morgan a swyddogion, mae cyfrifiadau'r Llywodraeth yn rhagdybio y bydd yr ymrwymadau ariannu cyntaf yn cael eu gwneud yn chwarter olaf 2000. Mae hynny'n annerbyniol. Gallech ddweud bod cysondeb ym mholisi'r Llywodraeth: cyflwynwyd y cais am Amcan 1 dri mis yn hwyr, nid yw'r peirianwaith ar gyfer ei gweithredu ar waith yn llwyr eto a newydd ddechrau y mae'r cyhoeddusrwydd a'r arweiniad i'r cyhoedd. A fyddai'n sinigaidd pe bawn yn awgrymu, os gohirir dechrau'r rhaglen yn ddigon hir, y bydd £25 miliwn yn ddigon? Fodd bynnag, byddai'r rhai sydd yn teithio drwy orllewin Cymru a'r Cymoedd neu'n byw yno, ac yn gweld yr argyfwng a'r amddifadedd gerllaw a rhywun a wŷr am y dwsinau o brosiectau da sydd yn aros i ddechrau, yn cytuno bod unrhyw oedi'n annerbyniol.

Rhodri Morgan: A yw Phil yn barod i dderbyn fy ngair nad oes bwriad i lesteirio noddwyr prosiectau rhag cyflwyno hawliadau mewn perthynas â chyllideb yr adran? O'n rhan ni, gorau po gyntaf y gallwn yrru'r arian drwy'r drws, gan gynnwys arian uwchlaw'r £25 miliwn a ddyrannwyd. Os gellir ei gwneud yn gynt, byddwn yn darganfod yr arian yn gynt. Dim ond gofal y swyddogion

caution of officials, whose best estimate for the amount needed for the claims likely to be made against this budget is £25 million. That is the only limit on the expenditure this year. I give that assurance to Phil and the whole Assembly.

Phil Williams: I welcome that assurance. It is the first time that I have had categorical assurance—

The First Secretary: It has been said time and time again.

Phil Williams: Not that there would be contingency money available. I have asked you, Alun, many times for that assurance.

One of the most important questions is not whether the £25 million is adequate, but where it comes from.

Alun Cairns: I would like to ask the ex-Secretary for Economic Development, if there is no intention to delay the whole process and the employment of the Chief Executive of the Wales European Programme Partnership, why has it taken us so long to get this far? Why is it that only two weeks ago any form of communication and guidelines was distributed to the private sector, to the public sector, and to the voluntary sector for them to apply for Objective 1 grant?

Phil Williams: I come to the crux question. Whether or not £25 million is adequate, where does it come from? This is a complex matter, but at its heart is a simple fact. That fact is the basis of my concern and the concern of everyone who understands the process. The Barnett block, which determines our total budget, has not been adjusted to take into account European funding. In 2000-01 we will not receive an extra penny to cover the anticipated Objective 1 funding. The total budget is effectively the same as was planned before the Berlin summit and the allocation of Objective 1 status to Wales. There has been some movement of funds from previous under-spend—£21 million of European regional development fund money and £35 million of an extra allocation which was originally allocated to the NHS, education,

yw hynny, a roddodd £25 miliwn fel yr amcangyfrif gorau o'r swm sydd yn angenrheidiol ar gyfer y ceisiadau sydd yn debygol o gael eu gwneud mewn perthynas â'r gyllideb hon. Dyna'r unig derfyn ar y gwariant eleni. Rhoddaf hynny fel sicrwydd i Phil ac i'r Cynulliad cyfan.

Phil Williams: Croesawaf y sicrwydd hwnnw. Dyma'r tro cyntaf imi gael sicrwydd pendant—

Y Prif Ysgrifennydd: Dywedwyd hynny dro ar ôl tro.

Phil Williams: Nid y byddai arian wrth gefn ar gael. Gofynnais ichi am y sicrwydd hwnnw lawer tro, Alun.

Un o'r cwestiynau pwysicaf yw nid a yw'r £25 miliwn yn ddigon, ond o ble y daw.

Alun Cairns: Hoffwn ofyn i'r cyn-Ysgrifennydd Datblygu Economaidd, os nad oes bwriad i ohirio'r broses gyfan a chyflogi Prif Weithredwr Partneriaeth Rhaglen Ewropeaidd Cymru, pam y buom mor hir yn cyrraedd cyn belled â hyn? Pam mai ond pythefnos yn ôl y dosbarthwyd unrhyw fath o neges a chanllawiau i'r sector preifat, i'r sector cyhoeddus, ac i'r sector gwirfoddol fel y gallent ymgeisio am grant Amcan 1?

Phil Williams: Dof at y cwestiwn tyngedfennol. Pa un a yw £25 miliwn yn ddigonol ai peidio, o ble y daw? Mae hyn yn fater cymhleth, ond mae ffaith syml wrth ei graidd. Y ffaith honno yw sail y pryder sydd gennyf a phryder pawb sydd yn deall y broses. Nid yw bloc Barnett, sydd yn pennu ein cyllideb gyfan, wedi ei newid i gymryd cyllid Ewropeaidd i ystyriaeth. Yn 2000-01 ni fyddwn yn derbyn yr un geiniog yn ychwanegol i dalu am y cyllid Amcan 1 a ddisgwyllir. Yr un yw'r gyllideb gyfan i bob pwrpas â'r hyn a drefnwyd cyn uwchgynhadledd Berlin a rhoi statws Amcan 1 i Gymru. Bu rhywfaint o symud arian o danwariant blaenorol—£21 miliwn o arian y gronfa ddatblygu rhanbarthol Ewropeaidd a £35 miliwn o ddyraniad ychwanegol a ddyrannwyd yn wreiddiol i'r NHS, addysg,

roads and regional selective assistance—to cover existing commitments to previous European schemes. The fact remains that, at present, there is no mechanism for passing on the European element of Objective 1 to Wales as an addition to our normal budget.

We are told that we must wait for the comprehensive spending review, but the last one took place before we had Objective 1. It could not have been foreseen. This means that for the first 15 months of the Objective 1 programme we will not receive extra public expenditure survey cover to pay for either the European element or the extra match funding. To rub salt into the wound, as soon as the Objective 1 programme is approved, the Treasury is eligible to receive 7 per cent of the European contribution as payment on account, which is designed, among other things, to provide cash advances to 'final beneficiaries'. Is it a coincidence that the total advance payment is about £85 million? This is the estimate by the European Commission of the sort of payment necessary at the beginning of a structural programme. The irony is that this money will be used to provide the £25 million and the £40 million next year. Europe will be told truthfully that the account has been used to provide initial funding. Without a change in our total budget, the identical amount is subtracted from the Treasury contribution to the Barnett block. We will not be a penny better off, but the Treasury will be.

I come to the final question. Our contention is that the budget for Objective 1 next year has been taken from our normal budget, which was originally allocated for such things as health, education and housing. In serious politics, we must be honest. There is always a temptation to equate this £25 million to more money for all of our budget headings and spending it five times over like Pathway to Prosperity. On behalf of Plaid Cymru, I can state that on looking at the whole budget we believe it is most appropriate that this money should be used to provide the damping grant to local government which in the present proposal is being top-sliced from the local government budget. As you know, I am totally committed to establishing a new and fair formula to fund local government. The present formula is

ffyrdd a chymorth rhanbarthol dethol—i dalu am ymrwymïadau presennol i gynlluniau Ewropeaidd blaenorol. Erys y ffaith nad oes mecanwaith, ar hyn o bryd, i drosglwyddo'r elfen Ewropeaidd o Amcan 1 i Gymru fel ychwanegiad at ein cyllideb arferol.

Dywedir wrthym bod rhaid inni aros am yr arolwg cynhwysfawr o wariant, ond digwyddodd yr un diwethaf cyn inni gael Amcan 1. Ni fuasai modd ei ragweld. Golyga hynny na fyddwn, ar gyfer y 15 mis cyntaf o'r rhaglen Amcan 1, yn derbyn arian ychwanegol o'r arolwg o wariant cyhoeddus i dalu am un ai'r elfen Ewropeaidd neu'r cyllid cyfatebol ychwanegol. Ac i roi halen ar y briw, gynted ag y cymeradwyir y rhaglen Amcan 1, mae gan y Trysorlys hawl i dderbyn 7 y cant o'r cyfraniad Ewropeaidd fel taliad ar gyfrif, a fwriedir, ymysg pethau eraill, i ddarparu blaensymiau i'r 'buddiolwyr terfynol'. Ai cyd-ddigwyddiad ydyw bod cyfanswm y blaendaliad tua £85 miliwn? Dyma'r amcangyfrif gan y Comisiwn Ewropeaidd o'r math o daliad sydd yn angenrheidiol ar ddechrau rhaglen strwythurol. Yr eironi yw y bydd yr arian hwn yn cael ei ddefnyddio i ddarparu'r £25 miliwn a'r £40 miliwn y flwyddyn nesaf. Dywedir yn ddiffuant wrth Ewrop bod y cyfrif wedi ei ddefnyddio i ddarparu cyllid cychwynnol. Heb newid yng nghyfanswm ein cyllideb, tynnir yr un swm o gyfraniad y Trysorlys i floc Barnett. Ni fyddwn ni yr un geiniog ar ein hennill, ond bydd y Trysorlys.

Dof at y cwestiwn olaf. Ein dadl yw bod y gyllideb ar gyfer Amcan 1 y flwyddyn nesaf wedi ei thynnu o'n cyllideb arferol, a ddyrannwyd yn wreiddiol ar gyfer pethau fel iechyd, addysg a thai. Mewn gwleidyddiaeth ddifrifol, rhaid inni fod yn onest. Mae temtasiwn bob amser i weld y £25 miliwn hwn yn gyfystyr â mwy o arian i bob un o benawdau'r gyllideb a'i wario bum gwaith drosodd fel y Ffordd i Ffyniant. Ar ran Plaid Cymru, gallaf ddweud, wrth edrych ar y gyllideb gyfan, ein bod o'r farn mai priodol iawn fyddai defnyddio'r arian hwn i ddarparu'r grant dampio i lywodraeth leol sydd yn y cynnig presennol yn cael ei frigdorri o gyllideb llywodraeth leol. Fel y gwyddoch, yr wyf wedi ymrwymo'n llwyr i sefydlu fformwla newydd a theg i ariannu llywodraeth leol. Ni ellir cyfiawnhau'r

indefensible. It penalises the most impoverished parts of Wales. You only have to look at how the education standard spending assessment is defined to see the injustice of the present formula.

I am disappointed that the Government has postponed the introduction of the new formula until next year. In the meantime, we must all support the principle of a damping grant—a one-off payment—to ensure that the present injustice does not become even worse. How should this damping grant be funded? At present, the Government is tackling the problems of the very poor by penalising the poor. It is another coincidence that the £25 million for ERDF, which comes from a European fund but has been subtracted from the rest of our budget, is very close to the original sum required for the full damping grant.

2:59 p.m.

David Davies: Thank you for your enlightened comments about the unfairness of taxing those who are already very poor as a result of the council tax damping grant to help out those who are also poor, though possibly through the fault of their own local authorities. Since we share this sentiment, will Plaid Cymru vote against the local government budget to demonstrate how unfair it thinks it is?

Phil Williams: There is no point in further penalising the poorest areas in Wales. A fair formula will not be based on the competence of councils but on need. The damping grant is now reallocated according to need. The needs of the most impoverished areas must be addressed. I agree that it is wrong that those needs should be addressed by changing the plans and anticipated spending of other areas that are also poor. It is our belief that this money—this £25 million that should have been available for our normal expenditure—should be used to provide the damping grant.

In conclusion, this budget has posed us an acute dilemma. We recognise Edwina's work in balancing different demands. We are grateful for the way she has listened and made concessions to requests from Plaid Cymru and others. We are also conscious that a budget must be in place at the start of the

fformwla bresennol. Mae'n cosbi'r rhannau tlotaf o Gymru. Nid oes ond rhaid ichi edrych ar y diffiniad o'r asesiad gwario safonol i addysg i weld anghyfiawnder y fformwla bresennol.

Yr wyf yn siomedig bod y Llywodraeth wedi gohirio cyflwyno'r fformwla newydd tan y flwyddyn nesaf. Yn y cyfamser, rhaid inni oll gefnogi'r egwyddor o grant dampio—taliad unwaith ac am byth—i sicrhau na fydd yr anghyfiawnder presennol yn mynd yn waeth byth. Sut y dylid ariannu'r grant dampio hwn? Ar hyn o bryd, mae'r Llywodraeth yn ymdrin â phroblemau'r tlawd iawn drwy gosbi'r tlawd. Cyd-ddigwyddiad arall yw bod y £25 miliwn ar gyfer y gronfa ddatblygu rhanbarthol Ewropeaidd, a ddaw o gronfa Ewropeaidd ond a dynnwyd o weddill ein cyllideb, yn agos iawn i'r swm gwreiddiol yr oedd ei angen ar gyfer y grant dampio llawn.

David Davies: Diolch i chi am eich sylwadau goleuedig am annhegwch trethu'r rhai sydd eisoes yn dlawd iawn o ganlyniad i grant dampio treth y cyngor i helpu'r rhai sydd hefyd yn dlawd, er bod hynny efallai yn fai eu hawdurdodau lleol eu hunain. Gan ein bod o'r un farn ar hyn, a yw Plaid Cymru'n fodlon pleidleisio yn erbyn y gyllideb llywodraeth leol er mwyn dangos pa mor annheg ydyw yn ei barn hi?

Phil Williams: Nid oes diben cosbi'r ardaloedd tlotaf yng Nghymru ymhellach. Ni fydd fformwla deg yn seiliedig ar allu cynghorau ond ar angen. Mae'r grant dampio wedi ei ailddyrannu bellach yn ôl angen. Rhaid rhoi sylw i anghenion yr ardaloedd tlotaf. Cytunaf mai anghywir yw ymdrin â'r anghenion hynny drwy newid cynlluniau a gwariant disgwylidig ardaloedd eraill sydd hefyd yn dlawd. Ein barn ni yw y dylid defnyddio'r arian hwn—y £25 miliwn a ddylasai fod ar gael ar gyfer ein gwariant arferol—i ddarparu'r grant dampio.

I derfynu, mae'r gyllideb hon wedi ein rhoi mewn cyfyng-gyngor difrifol. Cydnabyddwn waith Edwina wrth gydbwysu gwahanol ofnion. Yr ydym yn ddiolchgar am y modd y gwrandawodd ac ildiodd i geisiadau gan Blaid Cymru ac eraill. Yr ydym hefyd yn ymwybodol bod rhaid i gyllideb fod yn ei lle

new financial year. If we vote against this budget, teachers, nurses and local government staff will be the first to suffer. We will not vote against this budget but the total budget, which is controlled by the Labour Government and the Treasury in London, is blatantly unjust. We have, therefore, decided as a group that we cannot support this budget. We will abstain from voting on it today and express our deep discontent through a motion of no confidence tomorrow.

Glyn Davies: I have already outlined my group's position on the budget in general terms in the preliminary draft budget debate and in the draft budget debate. Today, I take a wider, perhaps rather less party political perspective, drawing on the personal experiences that influenced all of us in our youth. During the late 1970s and 1980s, I was involved in the activities of the Montgomeryshire District Council. During that period, I held chairmanship of the council's finance committee. In that role, my most significant responsibility was to lead the preparation and presentation of the council's annual budget. It was an independent council and, like this Assembly, there was no overall control by any political party. My job involved assessing each committee's priorities and indulging in a bit of behind the scenes negotiating, so that I could then present a budget to the council that would be approved.

As opposition finance spokesman and with the benefit of my council experiences, I have been able to empathise and occasionally even sympathise with the Finance's Secretary's position. She has approached the task of constructing a budget that could win the support of a majority of Assembly Members while not enjoying the comfort of a group majority in the Assembly.

My speech today is more of a personal than party observation and, therefore, I set aside my usual commitment to robust, uncompromising opposition and concede that in the narrow context of allocating the block grant, the Finance Secretary could have done

ar ddechrau'r flwyddyn ariannol newydd. Os pleidleisiwn yn erbyn y gyllideb hon, athrawon, nyrsys a staff llywodraeth leol fydd y rhai cyntaf i ddioddef. Ni fyddwn yn pleidleisio yn erbyn y gyllideb hon ond mae'r gyllideb gyfan, a reolir gan y Llywodraeth Lafur a'r Trysorlys yn Llundain, yn drawiadol o anghyfiawn. Felly, penderfynasom fel grŵp na allwn gefnogi'r gyllideb hon. Byddwn yn ymatal rhag pleidleisio arni heddiw ac yn mynegi ein hanfodlonrwydd sylfaenol drwy gynnig o ddiffyg hyder yfory.

Glyn Davies: Yr wyf eisoes wedi amlinellu safbwynt fy ngrŵp ar y gyllideb yn gyffredinol yn y ddadl ar y gyllideb ddrafft ragarweiniol ac yn y ddadl ar y gyllideb ddrafft. Heddiw, yr wyf yn bwrw golwg ehangach, ychydig llai gwleidyddol bleidiol efallai, gan gyfeirio at y profiadau personol a ddylanwadodd ar bob un ohonom yn ein hieuenctid. Yn ystod y 1970au hwyr a'r 1980au, yr oeddwn yn gysylltiedig â gweithgareddau Cyngor Dosbarth Sir Drefaldwyn. Yn ystod y cyfnod hwnnw, yr oeddwn yn gadeirydd ar bwyllgor cyllid y cyngor. Yn y rôl honno, y cyfrifoldeb pwysicaf oedd gennyf oedd arwain y gwaith o baratoi a chyflwyno cyllideb flynyddol y cyngor. Yr oedd yn gyngor annibynnol ac, fel y Cynulliad hwn, nid oedd rheolaeth gyffredinol gan unrhyw blaid wleidyddol. Yr oedd fy ngwaith yn golygu asesu blaenoriaethau pob pwyllgor ac ymroi i ychydig o drafod y tu ôl i'r llenni, fel y gallwn wedyn gyflwyno cyllideb i'r cyngor a gâi ei chymeradwyo.

Fel llefarydd cyllid yr wrthblaid a chan fanteisio ar fy mhrofiadau yn y cyngor, yr wyf wedi gallu uniaethu a chydymdeimlo weithiau hyd yn oed â sefyllfa'r Ysgrifennydd Cyllid. Aeth at y gwaith o lunio cyllideb a allai ennill cefnogaeth mwyafrif o Aelodau'r Cynulliad heb y cysur o gael mwyafrif fel grŵp yn y Cynulliad.

Mae fy araith heddiw yn fwy o sylw personol nag o un pleidiol ac, felly, rhoddaf heibio fy ymrwymiad arferol i wrthwynebiad cadarn, digyfaddawd a chyfaddef, yng nghyd-destun cyfyng dyrannu'r grant bloc, y gallai'r Ysgrifennydd Cyllid fod wedi gwneud yn

a worse job. I go so far as to congratulate her, as did Phil Williams, on the helpful and open way in which she has been prepared to hold discussions with opposition spokespeople on the budget process.

There are ways in which the Welsh Conservative Group would have allocated resources differently and that I am sure would also apply to the other parties and even to Members of the Government party, if we all had a free hand. The Welsh Conservative Group would have allocated more to the health budget and more to the rural affairs budget. Before any Labour sycophant is tempted to intervene, I will readily concede that it is much easier to say where a budget should be increased and not so easy to say where the resources should be found. For opposition parties, which do not have the background papers that inform Cabinet decisions, presenting an alternative budget is not possible, except in general terms. It is not wise either. A lesson we all remember was the late John Smith's experience in 1992 when he presented an alternative budget.

I will not dwell on the detail of the budget figures. It would largely be a repetition of what I have said in previous debates, and it is not what this debate is about. There is one budget-related issue that I will mention, the same issue that Phil Williams touched on and that my colleague David Davies will go into in greater detail later. That is, the local government revenue support settlement and the way the Labour administration has used the settlement to impose a new Welsh stealth tax. When the Welsh people voted in favour of the National Assembly for Wales, they did not vote in favour of giving the Assembly tax-raising powers. Let us set aside whether this policy is right or wrong—that is a debate for another day. It would be wrong for the Labour Government in the Assembly to circumvent the referendum decision by finding a back door way to increase tax in Wales. That is what has happened.

The Secretary for Health and Social Services has announced spending plans for social services. The Secretary for Education and Children has announced spending plans for

waeth. Af mor bell â'i llongyfarch, fel y gwnaeth Phil Williams, ar fod yn gymwynasgar ac yn agored yn y modd y bu'n barod i gynnal trafodaethau â llefaryddion y gwrthbleidiau ar broses y gyllideb.

Byddai Grŵp Ceidwadol Cymru wedi dyrannu adnoddau'n wahanol mewn rhai ffyrdd ac yr wyf yn sicr bod hynny yr un mor wir am y pleidiau eraill a hyd yn oed Aelodau o blaid y Llywodraeth, pe bai gan bawb ohonom ryddid i wneud hynny. Byddai Grŵp Ceidwadol Cymru wedi dyrannu mwy i'r gyllideb iechyd a mwy i'r gyllideb materion gwledig. Cyn i'r un cynffonnrwr Llafur ymyrryd, yr wyf yn barod i gyfaddef ei bod yn llawer haws dweud ym mhle y dylid cynyddu cyllideb ac nad yw mor hawdd dweud ym mhle y dylid dod o hyd i'r adnoddau. Yn achos pleidiau'r wrthblaid, sydd heb y papurau cefndir sydd yn goleuo penderfyniadau'r Cabinet, nid oes modd cyflwyno cyllideb amgen, heblaw un fras. Nid yw'n ddoeth ychwaith. Gwers a gofiwn oll oedd profiad y diweddar John Smith yn 1992 pan gyflwynodd gyllideb amgen.

Nid wyf am ymdroi gyda manylion ffigurau'r gyllideb. Byddai hynny'n ailddatganiad o'r hyn a ddywedais mewn dadleuon blaenorol i raddau helaeth, ac nid hynny sydd dan sylw yn y ddadl hon. Mae un mater sydd yn gysylltiedg â'r gyllideb yr wyf am ei grybwyll, yr un mater ag y cyfeiriodd Phil Williams ato ac y bydd fy nghyd-Aelod David Davies yn ei drafod yn fanylach yn ddiweddarach. Hynny yw, y setliad cynnal refeniw i lywodraeth leol a'r modd y defnyddiodd y weinyddiaeth Lafur y setliad i orfodi treth lechwraidd Gymreig newydd. Pan bleidleisiodd pobl Cymru o blaid Cynulliad Cenedlaethol Cymru, ni phleidleisiasant o blaid rhoi pwerau codi trethi i'r Cynulliad. Gadewch inni roi o'r neilltu pa un a yw'r polisi hwn yn iawn neu beidio—dadl i ddiwrnod arall yw hynny. Ni fyddai'n iawn i'r Llywodraeth Lafur yn y Cynulliad osgoi penderfyniad y refferendwm drwy ddod o hyd i ffordd i gynyddu trethi yng Nghymru drwy'r drws cefn. Dyna a ddigwyddodd.

Mae'r Ysgrifennydd Iechyd a Gwasanaethau Cymdeithasol wedi cyhoeddi cynlluniau gwario ar gyfer gwasanaethau cymdeithasol. Mae'r Ysgrifennydd Addysg a Phlant wedi

education, for which the Secretary for the Environment and Local Government has nowhere near fully allowed in the local government revenue support settlement. This shortfall leaves no alternatives for councils but massive council tax increases. This is a massive tax increase, forced on the people of Wales by the First Secretary's Labour Government. There is no moral authority for this tax increase.

I turn to the principal reason why we will vote against adopting this budget and why we do not believe that this Labour administration deserves to stay in office. This forum is not a council finance committee. It is the National Assembly for Wales. We in the Welsh Conservative Group regard our annual budget as presenting a broad, overall financial statement of how the Assembly intends to deliver its programmes in 2000-01. In our view, the budget cannot be isolated from the issue of the match funding needed, over and above the block grant as calculated by the Barnett formula, which would enable Wales to fully benefit from the granting of Objective 1 status to west Wales and the Valleys.

I explain to the Assembly why I feel strongly about this issue. In the early 1990s I was involved in trying to win Objective 1 status for mid Wales. I participated in the writing of the document that we took to Brussels presenting our case. I was involved in several meetings over several days in Brussels. I believed that we were going to be successful. It was disappointing when our case was rejected, only alleviated by the creation of a new designation, Objective 5b, which has given some benefit to mid Wales over the last six years. It was in the post-mortem that I first became involved in discussions about *La Nomenclature des Unites Territoriales Statistiques* level 2 boundaries, realising that if these had been different in 1990, part of Wales, including mid Wales with which I was closely involved, would probably have qualified for Objective 1 then. Soon after, I ceased to have direct involvement in public affairs in Wales but I maintained an interest in this issue, with occasional contacts with the Wales European Centre in Brussels. The issue rumbled on until 1996 when a formal

cyhoeddi cynlluniau gwario ar gyfer addysg, nad yw Ysgrifennydd yr Amgylchedd a Llywodraeth Leol wedi caniatáu ar eu cyfer o bell ffordd yn y setliad cynnal refeniw i lywodraeth leol. Nid yw'r diffyg hwn yn gadael yr un dewis i gynghorau ond codiadau enfawr yn nhreth y cyngor. Mae hyn yn godiad treth enfawr, a orfodir ar bobl Cymru gan Lywodraeth Lafur y Prif Ysgrifennydd. Nid oes hawl moesol ar gyfer y codiad treth hwn.

Trof at y prif reswm pam y byddwn yn pleidleisio yn erbyn derbyn y gyllideb hon a pham na chredwn fod y weinyddiaeth Lafur hon yn haeddu aros mewn grym. Nid pwyllgor cyllid cyngor mo'r fforwm hwn. Cynulliad Cenedlaethol Cymru ydyw. Yr ydym ni yng Ngrŵp Ceidwadol Cymru yn edrych ar ein cyllideb flynyddol fel rhywbeth sydd yn cynnig datganiad ariannol cyffredinol, bras o'r modd y mae'r Cynulliad yn bwriadu cyflawni ei raglenni yn 2000-01. Yn ein barn ni, ni ellir gwahanu'r gyllideb oddi wrth fater y cyllid cyfatebol sydd yn angenrheidiol, ar ben y bloc grant fel y'i cyfrifwyd drwy fformwla Barnett, i alluogi Cymru i elwa'n llawn o roi statws Amcan 1 i orllewin Cymru a'r Cymoedd.

Egluraf i'r Cynulliad pam yr wyf yn teimlo'n gryf ynghylch y mater hwn. Yn y 1990au cynnar yr oeddwn yn ymwneud â cheisio ennill statws Amcan 1 i ganolbarth Cymru. Bûm â rhan yn ysgrifennu'r ddogfen yr aethom â hi i Frwsel oedd yn cyflwyno ein hachos. Bûm mewn sawl cyfarfod dros sawl diwrnod ym Mrwsel. Credais y byddem yn llwyddo. Yr oedd yn siom pan wrthodwyd ein hachos, ac ni leddfwyd hynny ond drwy greu dynodiad newydd, Amcan 5b, a fu o ryw les i ganolbarth Cymru dros y chwe blynedd diwethaf. Yn ystod y *post-mortem* y deuthum yn gysylltiedig gyntaf â thrafodaethau am ffiniau lefel 2 *La Nomenclature des Unites Territoriales Statistiques*, a sylweddoli, pe buasai'r rhain yn wahanol yn 1990, y byddai rhan o Gymru, gan gynnwys canolbarth Cymru, yr oedd gennyf gysylltiad agos ag ef, wedi bod yn gymwys yn ôl pob tebyg i dderbyn Amcan 1 bryd hynny. Ychydig wedyn, rhoddais y gorau i'm cysylltiad uniongyrchol â materion cyhoeddus yng Nghymru ond parheais i ymddiddori yn y mater hwn, gyda chysylltiadau o bryd i'w

arrangement was put in place to look at the NUTS level 2 boundaries, in preparation for the round 2000-06 programmes. I pay tribute to Ron Davies, who was the Secretary of State for Wales in 1998. At the crucial time he gave his full commitment to the efforts to change the NUTS level 2 boundaries. It was successful. After that, winning of Objective 1 status was more straightforward.

gilydd â Chanolfan Ewropeaidd Cymru ym Mrwsel. Llusgodd y mater ymlaen tan 1996 pan sefydlwyd trefniant ffurfiol i edrych ar ffiniau lefel 2 NUTS, wrth baratoi ar gyfer rownd rhaglenni 2000-06. Talaf deyrnged i Ron Davies, oedd yn Ysgrifennydd Gwladol Cymru yn 1998. Ar yr adeg dyngedfennol ymrwymodd yn llwyr i'r ymdrechion i newid ffiniau lefel 2 NUTS. Yr oedd yn llwyddiannus. Wedi hynny, yr oedd ennill statws Amcan 1 yn symlach.

3:09 p.m.

Janet Davies: Would you agree, Glyn, that the Government's refusal, up until 1997, to even consider applying for Objective 1 status for any part of Wales was reprehensible and something that you now regret?

Janet Davies: A ydych yn cytuno, Glyn, fod gwrthodiad y Llywodraeth, hyd at 1997, i hyd yn oed ystyried ymgeisio am statws Amcan 1 i unrhyw ran o Gymru yn resynus ac yn rhywbeth yr ydych bellach yn edifar amdano?

Glyn Davies: You have not listened to what I said. You have missed the point. Without changing the boundaries of NUTS 2 areas, we would not have qualified now. The Government considered changing the boundaries and gave the political input required in 1998, two years before the current round started. I pay tribute to the Secretary of State of that time, who made it happen.

Glyn Davies: Ni wrandawasoch ar yr hyn a ddywedais. Yr ydych wedi methu'r pwynt. Heb newid ffiniau ardaloedd NUTS 2, ni fuasem yn gymwys yn awr. Rhoddodd y Llywodraeth ystyriaeth i newid y ffiniau a rhoi'r mewnbwn gwleidyddol angenrheidiol yn 1998, ddwy flynedd cyn dechrau'r rownd bresennol. Talaf deyrnged i'r Ysgrifennydd Gwladol ar y pryd, a barodd i hynny ddigwydd.

After that, winning Objective 1 status was more straightforward. In 1998, I remember explaining to friends that the reason my wife and I were out celebrating one evening, was the change of the nomenclature of territorial units for statistics boundaries. Not surprisingly, I was dismissed as a sad case. However, I knew that it was an important change for the rural Wales for which I have worked for a significant part of my life. Since then, the wheels have become bogged down. The administrative preparations have been inadequate. The single programming document has been rubbished by EU officials. I accept that the EU officials took an opening position, but the language was shockingly dismissive, more dismissive than I have ever heard before.

Wedi hynny, yr oedd ennill statws Amcan 1 yn symlach. Yn 1998, cofiaf egluro i ffrindiau mai'r rheswm yr oedd fy ngwraig a minnau'n dathlu un noson, oedd y newid yn ffiniau'r gyfundrefn enwau ar unedau tiriogaethol ar gyfer ystadegau. Nid yw'n syndod iddynt wfftio ataf fel achos digalon. Fodd bynnag, gwyddwn ei fod yn newid pwysig i'r Gymru wledig y gweithiais drosti am ran helaeth o'm hoes. Ers hynny, aeth yr olwynion i'r gors. Bu'r paratoadau gweinyddol yn annigonol. Dilornwyd y ddogfen rhaglennu sengl gan swyddogion yr UE. Derbyniaf fod swyddogion yr UE wedi cymryd safiad dechreuol, ond yr oedd yr iaith yn syfrdanol o ddibrisiol, yn fwy dibrisiol na dim a glywais o'r blaen.

There has been no extra money in the Assembly budget. Over the last year—although I accept the point that the Secretary for Economic Development made earlier—

Ni fu unrhyw arian ychwanegol yng nghyllideb y Cynulliad. Dros y flwyddyn ddiwethaf—er fy mod yn derbyn y pwynt a wnaeth yr Ysgrifennydd Datblygu

Wales has watched a Labour Cabinet in Cardiff Bay doing everything required to produce an Objective 1 financial requirement in 2000 that took account of there being no extra money. Far from not letting Wales down, the Prime Minister has hung the First Secretary out to dry. The First Secretary has put up with that and continued to justify the Prime Minister's position. Such loyalty deserves reward in heaven and in Millbank, even if not in Cardiff.

I know the First Secretary, the Finance Secretary, the Secretary for Economic Development, the Chancellor and the Prime Minister claim that the opposition parties are being unfair, citing the comprehensive spending review as a mechanism through which match funding will be delivered. That is the biggest financial con of all. I have no doubt that next July the comprehensive spending review will deliver more money for Wales. Next July, there will be more money for every region of Britain. Next July, the Chancellor of the Exchequer intends to open his war chest and attempt to bribe the British electorate into voting his directionless, unprincipled Government into office for a second term. The match funding required in Wales will be met by utilising the bribery money; money that other regions of Britain will use to restore the under-funding of public services. That was the price of building up the war chest.

The financial foundations on which this budget is constructed are foundations that let Wales down. It is a budget for Labour in Westminster and it will not do. This budget is the low point in this Labour administration's failure and it must pay the price.

Peter Black: I join the previous two speakers in thanking the Finance Secretary for the open and transparent way in which she has dealt with this budget. It has been refreshing to be able to obtain the figures and obtain answers to our questions. I hope that this continues in future years, no matter what administration survives this week.

It is clear that this budget debate is not about

Economaidd yn gynharach—mae Cymru wedi gwylio Cabinet Llafur ym Mae Caerdydd yn gwneud popeth a oedd yn ofynnol i greu gofyniad ariannol am Amcan 1 yn 2000 oedd yn cymryd i ystyriaeth nad oedd arian ychwanegol. Yn hytrach na siomi Cymru, mae'r Prif Weinidog wedi rhoi'r Prif Ysgrifennydd ar y lein i sychu. Mae'r Prif Ysgrifennydd wedi goddef hynny ac wedi parhau i gyfiawnhau safbwynt y Prif Weinidog. Mae ffyddlondeb o'r fath yn haeddu ei wobwr yn y nefoedd ac yn Millbank, hyd yn oed os nad yw yng Nghaerdydd.

Gwn fod y Prif Ysgrifennydd, yr Ysgrifennydd Cyllid, yr Ysgrifennydd Datblygu Economaidd, y Canghellor a'r Prif Weinidog yn honni bod y gwrthbleidiau yn annheg, gan gyfeirio at yr arolwg cynhwysfawr o wariant fel mecanwaith y cyflenwir cyllid cyfatebol drwyddo. Dyna'r twyll ariannol mwyaf oll. Nid wyf yn amau na fydd yr arolwg cynhwysfawr o wariant fis Gorffennaf nesaf yn dod â mwy o arian i Gymru. Fis Gorffennaf nesaf, bydd mwy o arian i bob rhanbarth ym Mhrydain. Fis Gorffennaf nesaf, mae Canghellor y Trysorlys yn bwriadu agor ei gist ryfel a cheisio llwgrwobrwyo etholwyr Prydain i bleidleisio dros roi ail dymor mewn grym i'w Lywodraeth ddigwyfeiriad, ddiogwyddor. Telir am y cyllid cyfatebol sydd yn angenrheidiol yng Nghymru drwy ddefnyddio'r arian llwgrwobrwyo; arian a ddefnyddia rhanbarthau eraill Prydain i adfer y tanariannu i wasanaethau cyhoeddus. Dyna oedd pris cronni'r gist ryfel.

Y seiliau ariannol y codwyd y gyllideb hon arnynt yw'r seiliau a siomod Gymru. Mae'n gyllideb ar gyfer Llafur yn San Steffan ac ni wna mo'r tro. Y gyllideb hon yw'r pwynt isaf ym methiant y weinyddiaeth Lafur hon a rhaid iddi dalu'r pris.

Peter Black: Ymunaf â'r ddau siaradwr blaenorol wrth ddiolch i'r Ysgrifennydd Cyllid am y modd agored a thryloyw yr ymdriniodd â'r gyllideb hon. Amheuthun oedd gallu cael y ffigurau a chael atebion i'n cwestiynau. Gobeithiaf y pery hynny ym mlynnyddoedd y dyfodol, ni waeth pa weinyddiaeth fydd yn goroesi'r wythnos hon.

Mae'n amlwg nad yw'r ddadl gyllideb hon

the merits and demerits of the public expenditure programmes contained within it. I will not pretend otherwise. That one issue has dominated the Assembly's first budget is a matter for regret. The failure of the UK Government to provide match funding in the form of new money, in addition to the Welsh block grant, for Objective 1 European funds, is a major obstacle to the Liberal Democrats voting for this budget. Gordon Brown said yesterday that there was sufficient money in our budget for this purpose. In the words of Christine Keeler, he would say that.

Glyn Davies: I thought that it was Mandy Rice Davies who said that.

Peter Black: I am too young to remember.

In the light of information that we finally prised from the Library today after four months of trying, Gordon Brown's assurances are less likely to instil confidence. As Mike German said earlier, the budget overhang from the last European programme is not the £50 million that we have allocated in the budget, but a massive £250 million over the next two or three years. As these bills will not be paid in full until the end of 2001, the pressure on the Welsh block grant over the next budgetary year will be unsustainable.

Michael German: In an answer today, the First Secretary said that the £62 million of European social fund money is not match funding that we must provide in Wales. However, in an answer to a question that I asked in the Economic Development Committee, I was told that while the Department for Education and Employment provides public expenditure survey cover, which is where the European money comes from, the European social fund match funding requirement was to be met by the sponsors, most of whom get their budget from the Welsh block. Would you agree with that?

Peter Black: I accept that, but I will have to take your word for it as I was not in the Economic Development Committee. That makes it even more disturbing.

yn ymwneud â rhinweddau a diffygion y rhaglenni gwariant cyhoeddus a geir ynddi. Ni honnaf fel arall. Mae'r ffaith bod un mater wedi tra-arglwyddiaethu ar gyllideb gyntaf y Cynulliad yn destun gofid. Mae methiant Llywodraeth y DU i ddarparu cyllid cyfatebol ar ffurf arian newydd, yn ychwanegol at grant bloc Cymru, ar gyfer arian Ewropeaidd Amcan 1, yn rhwystr mawr i'r Democratiaid Rhyddfrydol rhag pleidleisio dros y gyllideb hon. Dywedodd Gordon Brown ddoe fod digon o arian yn ein cyllideb i'r diben hwn. Yng ngeiriau Christine Keeler, dyna'n union a ddywedai.

Glyn Davies: Yr oeddwn yn meddwl mai Mandy Rice Davies a ddywedodd hynny.

Peter Black: Yr wyf yn rhy ifanc i allu cofio.

Yng ngoleuni'r wybodaeth a wasgasom o'r Llyfrgell o'r diwedd heddiw ar ôl pedwar mis o ymdrechu, mae addewidion Gordon Brown yn llai tebygol o ennyn hyder. Fel y dywedodd Mike German yn gynharach, nid yw'r bargodiad yn y gyllideb o'r rhaglen Ewropeaidd ddiwethaf yn £50 miliwn, sef yr hyn a ddyrannwyd gennym yn y gyllideb, ond yn swm anferth o £250 miliwn dros y ddwy neu dair blynedd nesaf. Gan na thelir y biliau hyn yn llawn tan ddiwedd 2001, bydd y pwysau ar grant bloc Cymru dros y flwyddyn gyllidebol nesaf yn ormod i'w cynnal.

Michael German: Mewn ateb heddiw, dywedodd y Prif Ysgrifennydd nad yw'r £62 miliwn o arian cronfa gymdeithasol Ewrop yn gyllid cyfatebol y mae'n rhaid i ni ei ddarparu yng Nghymru. Fodd bynnag, mewn ateb i gwestiwn a ofynnais yn y Pwyllgor Datblygu Economaidd, yr hyn a ddywedwyd wrthyf oedd, er bod yr Adran Addysg a Chyflogaeth yn darparu'r arian o'r arolwg gwariant cyhoeddus, y daw'r arian Ewropeaidd ohono, bod yr angen am gyllid cyfatebol ar gyfer cronfa gymdeithasol Ewrop i'w ateb gan y noddwyr, y mae'r rhan fwyaf ohonynt yn cael eu cyllid o floc Cymru. A ydych yn cyd-weld â hynny?

Peter Black: Derbyniaf hynny, ond bydd yn rhaid imi dderbyn eich gair gan nad oeddwn yn y Pwyllgor Datblygu Economaidd. Mae hynny'n peri pryder mwy byth.

The Assembly must pay its debts from previous commitments while embarking on an Objective 1 programme that will require two and a half times as much public money. The impact of that and the failure of Gordon Brown to recognise the need for new, additional match funds next year has, in our opinion, left the European programmes in jeopardy and forced the Assembly to allocate £25 million of the block grant for match funding. That money cannot now be used for essential services.

When I spoke on the draft budget in December—

Phil Williams: Do you accept that the £25 million in the European regional development fund budget line is not match funding; it corresponds to the European element that is paid to the Treasury on behalf of the programme, but not passed on?

Peter Black: My mother told me never to argue with a professor. However, when I used to play chess, I was told that simplifying was sometimes the best way to go about it. The net effect is much the same. If the £25 million is not being put towards match funding, it could be available for other services. I listened intently when Phil said that earlier.

When I spoke on the draft budget in December, I said that everyone in this Chamber could spend that £25 million many times over. Since then, we have had yet another winter crisis in the national health service, in which operations were cancelled. Hospitals such as Morriston Hospital in Swansea refused all but emergency admissions, and waiting times have increased again.

We have the prospect of massive council tax increases around Wales, in which people will be paying more for worse services—cuts in highway maintenance, refuse collection, public transport and leisure facilities are all on the cards. The £25 million in the budget for match funding is equivalent to £25 off the council tax of every band D council tax payer

Rhaid i'r Cynulliad dalu ei ddyledion o ymrwymadau blaenorol gan ddechrau yr un pryd ar raglen Amcan 1 fydd yn gofyn dwywaith a hanner cymaint o arian cyhoeddus. Yr oedd effaith hynny a methiant Gordon Brown i gydnabod yr angen am gyllid cyfatebol ychwanegol, newydd y flwyddyn nesaf wedi gadael y rhaglenni Ewropeaidd mewn perygl, yn ein barn ni, ac wedi gorfodi'r Cynulliad i ddyrannu £25 miliwn o'r grant bloc at gyllid cyfatebol. Bellach ni ellir defnyddio hynny ar gyfer gwasanaethau hanfodol.

Pan siaredais ar bwnc y gyllideb ddrafft yn Rhagfyr—

Phil Williams: A ydych yn derbyn nad cyllid cyfatebol yw'r £25 miliwn yn llinell gyllideb y gronfa ddatblygu rhanbarthol Ewropeaidd; a'i fod yn cyfateb i'r elfen Ewropeaidd a delir i'r Trysorlys ar ran y rhaglen, ond na chaiff ei drosglwyddo?

Peter Black: Dywedodd fy mam wrthyf am beidio byth â dadlau ag athro coleg. Fodd bynnag, pan arferwn chwarae gwyddbwyll, dywedwyd wrthyf mai symleiddio oedd y ffordd orau weithiau i fynd yn ei gylch. Mae'r effaith glir yn debyg iawn. Os na roddir y £25 miliwn at gyllid cyfatebol, gallai fod ar gael ar gyfer gwasanaethau eraill. Gwrandewais yn astud pan ddywedodd Phil hynny yn gynharach.

Pan siaredais ar bwnc y gyllideb ddrafft yn Rhagfyr, dywedais y gallai pawb yn y Siambr hon wario'r £25 miliwn hwnnw lawer gwaith drosodd. Ers hynny, cawsom argyfwng gaeaf arall eto yn y gwasanaeth iechyd gwladol, lle y cafodd llawdriniaethau eu canslo. Yr oedd ysbytai fel Ysbyty Treforys yn Abertawe yn gwrthod popeth ond derbyniadau brys, ac mae amseroedd aros wedi cynyddu eto.

Yr ydym yn disgwyl codiadau anferth yn nhreth y cyngor o gwmpas Cymru, lle y bydd pobl yn talu mwy am wasanaethau gwaeth—mae'n ddigon tebyg y cwtogir ar gynnal priffyrdd, casglu sbwriel, cludiant cyhoeddus a chyfleusterau hamdden. Mae'r £25 miliwn sydd yn y gyllideb ar gyfer cyllid cyfatebol yn gyfwerth â gostyngiad o £25 yn nhreth

in Wales. This budget contains one of the worst local government settlements for many years. While acknowledging the additional money for education and social services, other key services will receive only a 2 per cent increase in revenue support grant funding next year. That is not acceptable.

There is also the £500 million maintenance and repair backlog in school buildings. There is an urgent need to make a significant start on the work that needs to be done in the next year. There must be a commitment to a rolling programme of repair of school buildings in partnership with local councils, to deal with the problem once and for all within a set timescale. That has not been done in this budget and, although we are being forced to allocate block grant for match funding, it may not be possible to do so.

3:19 p.m.

Voting for this budget today or allowing it to pass will endorse these fundamental flaws. It would send a message to Downing Street that we can make do without the match funds that are vital to Wales's economic recovery. That is a message that I, the Liberal Democrats and I suspect the majority of Members in this Chamber, do not wish to send.

Tony Blair and Gordon Brown are aware of the consequences of failing to give Wales the additional money that is needed for Objective 1 next year. While they sit on a war chest of between £7 billion and £10 billion they are depriving local government, housing, the national health service, schools and the economy in Wales of much needed cash. They have let Wales down.

The people of Wales have expected much from this Assembly. They want us to make a difference to their lives. We have the potential to do that, both by the policies that we adopt and by the way that we spend the £8 billion budget that is available to us. We cannot do it with one hand tied behind our

cyngor pob talwr treth cyngor band D yng Nghymru. Mae'r gyllideb hon yn cynnwys un o'r setliadau gwaethaf i lywodraeth leol ers blynyddoedd lawer. Er fy mod yn cydnabod yr arian ychwanegol ar gyfer addysg a gwasanaethau cymdeithasol, ni fydd gwasanaethau allweddol eraill ond yn derbyn 2 y cant o gynnydd yn arian y grant cynnal refeniw y flwyddyn nesaf. Nid yw hynny'n dderbyniol.

Ceir hefyd yr ôl-groniad cynnal a chadw ac atgyweirio o £500 miliwn mewn adeiladau ysgol. Mae angen taer i ddechrau o ddifrif ar y gwaith y mae angen ei gyflawni yn y flwyddyn nesaf. Rhaid cael ymrwymiad i raglen dreiglol o atgyweirio adeiladau ysgol mewn partneriaeth â chynghorau lleol, er mwyn gorffen â'r broblem unwaith ac am byth o fewn amserlen benodol. Ni wnaethpwyd hynny yn y gyllideb hon ac, er ein bod yn cael ein gorfodi i ddyrannu arian o'r grant bloc ar gyfer cyllid cyfatebol, mae'n bosibl na fydd modd gwneud hynny.

Bydd pleidleisio dros y gyllideb hon heddiw neu ei gadael i basio yn cadarnhau'r diffygion sylfaenol hyn. Gyrrai neges i Downing Street y gallwn ymdopi heb y cyllid cyfatebol sydd yn holl bwysig i adferiad economaidd Cymru. Mae honno'n neges nad wyf fi, y Democratiaid Rhyddfrydol, na'r rhan fwyaf o'r Aelodau yn y Siambr hon, yr wyf yn amau, yn dymuno ei hanfon.

Mae Tony Blair a Gordon Brown yn ymwybodol o'r canlyniadau o fethu â rhoi i Gymru yr arian ychwanegol angenrheidiol ar gyfer Amcan 1 y flwyddyn nesaf. Tra eisteddant ar gyst yrfel o rhwng £7 biliwn a £10 biliwn maent yn amddifadu llywodraeth leol, tai, y gwasanaeth iechyd gwladol, ysgolion ac economi Cymru o arian y mae mawr angen amdano. Maent wedi siomi Cymru.

Mae pobl Cymru wedi disgwyl llawer o'r Cynulliad hwn. Maent am inni wneud gwahaniaeth yn eu bywydau. Mae'r gallu gennym i wneud hynny, drwy'r polisïau a fabwysiadwn a drwy'r modd y gwariwn y gyllideb o £8 biliwn sydd ar gael i ni. Ni allwn wneud hynny ac un llaw wedi ei

back due to the failure of the UK Government to meet their obligations on match funding. Nor can we achieve this without an Assembly that is based on consensus and genuine power sharing.

That is why, in voting against this budget, we are sending a message to Downing Street that Wales's needs cannot be ignored. We are also sending a message to the Executive. The way that you are using the powers delegated to you, and your failure to allow this Assembly to be run by its Members in any meaningful way is slowly destroying our fledgling democracy. Our inability to amend this budget is a manifestation of that. The overriding issue is the match funding. Until that is resolved, we cannot do otherwise than vote against this motion.

Rhodri Glyn Thomas: Hoffwn ddechrau drwy dalu teyrnged i Edwina Hart am y modd y deliodd â'r holl drafodaethau ynglŷn â'r gyllideb. Bu'r modd agored y trafododd y materion hyn a'i pharodrwydd i wrando yn holl bwysig i'r trafodaethau.

Awgrymaf un newid i'r broses ar gyfer y dyfodol. Daeth i sylw'r Pwyllgor Amaethyddiaeth a Datblygu Gwledig yn ystod y trafodaethau hyn y byddai penderfyniad gwreiddiol yn cael ei wneud ac yna y byddem yn derbyn cais i ystyried y gyllideb ddrafft. Erbyn hynny, yr oedd yr arian wedi ei glustnodi i wahanol feysydd. Os oedd gennym awgrymiadau, rhaid oedd inni symud symiau o arian o un maes i faes arall. Yr oedd honno'n sefyllfa anodd i'w hwynebu. Y tro nesaf, dylem ddechrau gydag awgrymiadau'r Pwyllgorau, gan nodi eu blaenoriaethau ar gyfer gwariant cyhoeddus. Yna, dylid ystyried y gyllideb yng ngoleuni'r blaenoriaethau a osodwyd gan y Pwyllgorau. Byddai hynny yn ein galluogi i symud tuag at sefyllfa lle y gallai'r Cynulliad cyfan ddylanwadu ar y gyllideb.

Fel y dywedodd nifer o siaradwyr, yr ydym yn sôn am swm o £7.9 biliwn. Gallem oll anghytuno ynglŷn â ble yn union y mae'r arian hwnnw yn cael ei wario. Yn y pen draw, rhaid dod i benderfyniad ynglŷn â hynny. Rhaid derbyn mai gwaith y Llywodraeth yw

chlymu y tu ôl i'n cefn oherwydd methiant Llywodraeth y DU i gyflawni ei dyletswyddau ar gyllid cyfatebol. Ni allwn gyflawni hynny ychwaith heb Gynulliad sydd yn seiliedig ar gonsensws a rhannu pŵer gwirioneddol.

Dyna pam, wrth bleidleisio yn erbyn y gyllideb hon, yr ydym yn anfon neges i Downing Street na ellir anwybyddu anghenion Cymru. Yr ydym hefyd yn anfon neges i'r Weithrediaeth. Mae'r modd y defnyddiwyd y pwerau a ddirprwywyd i chi, a'ch methiant i ganiatáu i'r Cynulliad hwn gael ei redeg gan ei Aelodau mewn unrhyw ffordd ystyrlon yn araf ddinistrio ein democratiaeth ifanc. Mae ein hanallu i newid y gyllideb hon yn arwydd o hynny. Y mater pwysicaf yw'r cyllid cyfatebol. Hyd nes y datrysir hynny, ni allwn ond pleidleisio yn erbyn y cynnig hwn.

Rhodri Glyn Thomas: I would like to start by paying tribute to Edwina Hart for the way in which she dealt with all the budget discussions. The open way in which she discussed these issues and her willingness to listen have been crucial to the discussions.

I suggest one change to the process for the future. It came to the attention of the Agriculture and Rural Development Committee during these discussions that an original decision would be taken and that we would then be asked to consider the draft budget. By then, the money had been allocated to various areas. If we had suggestions to make, we had to transfer sums of money from one area to another. That was a difficult situation to face. Next time, we should start with the Committees' suggestions, noting their priorities for public expenditure. The budget should then be considered in the light of the priorities set by the Committees. That would enable us to move towards a situation where the whole Assembly could influence the budget.

As a number of speakers have stated, we are discussing a sum of £7.9 billion. We could all disagree about where exactly that money is spent. Eventually, we must reach a decision on that. We must accept that it is for the Government to take those critical decisions.

gwneud y penderfyniadau tyngedfennol hynny.

Caiff sefyllfa Cymru ei phenderfynu gan bolisiau ariannol sylfaenol y Llywodraeth. Rhaid cofio ein bod yn derbyn arian Amcan 1 o Ewrop oherwydd bod gorllewin Cymru a hen gymoedd diwydiannol de Cymru yn cael eu dynodi yn ardaloedd tlawd, lle mae'r cynnyrch mewnwladol crynswth yn llai na 75 y cant o gyfartaledd Ewrop. Cafodd y sefyllfa honno ei chreu dros gyfnod o flynyddoedd gan bolisiau'r Llywodraeth Doriaidd flaenorol a'r Llywodraeth Lafur bresennol. Oherwydd y canolbwyntio ar gadw'r bunt yn gryf a sicrhau toriadau mewn treth incwm, mae'r polisiau hynny wedi'u cyfeirio yn gyfan gwbl at dde-ddwyrain Lloegr. Nid ydynt yn berthnasol i anghenion economaidd Cymru. Maent yn tanseilio economi Cymru ac yn creu'r sefyllfa hon o wendid sylfaenol ynddi.

Yr unig gyfle sydd gennym i newid y sefyllfa yw trwy sicrhau'r arian strwythurol o Ewrop dan Amcan 1. Hwn yw'r unig gyfle i weddnewid ein heconomi, i sicrhau ein bod yn ei bywiogi ac yn creu tyfiant ynddi, nid yn unig yn y gorllewin ac yn hen gymoedd diwydiannol y de, ond trwy Gymru gyfan. Gwelwn yr hyn a gyflawnwyd yng Ngweriniaeth Iwerddon trwy wneud defnydd adeiladol a chreadigol o'r arian hwn o Ewrop.

Nid oes llinell benodol yn y gyllideb sydd yn sôn am arian cyfatebol ar gyfer 15 mis cyntaf Amcan 1. Nid oes yr un geiniog, fel y nododd Phil Williams. Rhaid gofyn pam. Mae'r Llywodraeth hon, yn gyfleus iawn, yn dweud mai'r broblem yw fod yn rhaid inni aros tan ar ôl yr arolwg cynhwysfawr o wariant. Dyna yw'r esgus. Sut felly y gallodd Nick Brown wneud datganiad, rai misoedd yn ôl, ei fod yn bwriadu neilltuo swm o arian ar gyfer y cynllun datblygu gwledig? Pan ofynnais i'r cwestiwn yn y Siambr hon, dywedodd yr Ysgrifennydd Datblygu Economaidd fod yr arian hwnnw yn ddarostyngedig i'r arolwg cynhwysfawr o wariant. Pam felly nad all Gordon Brown wneud datganiad tebyg a dweud bod arian cyfatebol ar gael ar gyfer Amcan 1 ond ei fod yn ddarostyngedig i'r arolwg cynhwysfawr o wariant? Nid oes rheswm pam na ellid gwneud y datganiad

Wales's situation is determined by the Government's fundamental fiscal policies. We must remember that we receive Objective 1 money from Europe because west Wales and the former industrial valleys of south Wales are denoted as poor areas, where the gross domestic product is less than 75 per cent of the European average. That situation was created over a period of years by the policies of the previous Conservative Government and the current Labour Government. Because of the concentration on keeping the pound strong and securing income tax cuts, those policies are directed totally towards the south-east of England. They are not relevant to the economic needs of Wales. They undermine Wales's economy and create this situation of fundamental weakness in it.

The only chance that we have to change the situation is by securing the structural funds from Europe under Objective 1. This is the only opportunity to transform our economy, to ensure that we revitalise the economy and create growth in it, not only in the west and in the former industrial valleys, but throughout Wales. We see what has been achieved in the Irish Republic by making creative and constructive use of this funding from Europe.

There is no specific budget line that refers to match funding for the first 15 months of Objective 1. There is not a single penny, as Phil Williams has stated. We must ask why. This Government states, most conveniently, that the problem is that we must wait until after the comprehensive spending review. That is the excuse. How, therefore, was Nick Brown able to make a statement, some months ago, that he intended to allocate a sum of money for the rural development plan? When I asked the question in this Chamber, the Secretary for Economic Development stated that that money was subject to the comprehensive spending review. Why, therefore, is Gordon Brown not able to make a similar statement and say that there is match funding for Objective 1 but that it is subject to the comprehensive spending review? There is no reason why that

hwnnw.

In order to understand why Gordon Brown is not prepared to make that commitment at the moment, can I draw Edwina's attention to an answer that I received to a question that I put to the Secretary for Agriculture and Rural Development on 2 February 2000. I asked her about the agri-monetary compensation money. This money is available in Europe to compensate farmers who are affected by the strength of the pound and whose livelihoods are being undermined and taken away from them because of the fiscal policies of this present Government and the previous Conservative administration. I asked her whether she supported the case for agri-monetary compensation and I had this reply:

'I believe that the industry has a legitimate case and I have sympathy with farmers' concerns. I have written to Nick Brown saying that, in my view, the Treasury should fund the full amount for which the industry is eligible. It is important, however, to recognise that the British taxpayer would be required to find, not only the 50 per cent of agri-monetary compensation payments required from the member state, but also (because of the way in which the Fontainebleau agreement operates on the UK's rebate) 71 per cent of the contribution apparently coming from the EU. The case for paying agri-monetary compensation will therefore have to be considered carefully against other competing demands for domestic resources.'

Is that not the case with Objective 1 money? Does there not have to be a political decision? Is this Government going to concentrate on keeping taxes low for the affluent people of the south-east of England? Is it going to concentrate on keeping a strong pound to strengthen the economic situation of the south-east of England or, is it going to recognise the need for the regeneration of the economy of Wales and to draw down these structural funds in order to do that? What we face today is not an inability by the Labour administration in London to offer a guarantee of match funding but a political decision by the Labour administration in London that it does not intend to support the regeneration of the Welsh economy and the inability of the Labour administration in Cardiff to argue the

statement could not be made.

Er mwyn deall pam nad yw Gordon Brown yn barod i roi'r ymrwymiad hwnnw ar hyn o bryd, a gaf dynnu sylw Edwina at ateb a dderbyniais i gwestiwn a ofynnais i'r Ysgrifennydd Amaethyddiaeth a Datblygu Gwledig ar 2 Chwefror 2000. Fe'i holais am yr arian iawndal amaeth-ariannol. Mae'r arian hwn ar gael yn Ewrop i dalu iawn i ffermwyr yr effeithir arnynt gan gryfder y bunt ac y mae eu bywiolaeth yn cael ei thanseilio a'i dwyn oddi arnynt oherwydd polisiau cyllidol y Llywodraeth bresennol a'r weinyddiaeth Geidwadol flaenorol. Gofynnais iddi a oedd yn cefnogi'r ddadl dros iawndal amaeth-ariannol a hwn yw'r ateb a gefais:

'Credaf fod gan y diwydiant achos dilys ac yr wyf yn cydymdeimlo â gofidiau ffermwyr. Yr wyf wedi ysgrifennu at Nick Brown i ddweud y dylai'r Trysorlys, yn fy marn i, dalu am y cyfan y mae'r diwydiant yn gymwys i'w dderbyn. Mae'n bwysig, fodd bynnag, cydnabod y byddai gofyn i'r trethdalwr Prydeinig nid yn unig ddod o hyd i 50 y cant o'r iawndal amaeth-arianyddol y mae gofyn i'r aelod-wledydd ei dalu ond hefyd (oherwydd effaith cytundeb Fontainebleau ar ad-daliadau'r Deyrnas Unedig), 71 y cant o'r cyfraniad y mae'r UE, ar un olwg, yn ei dalu. Felly, bydd yn rhaid ystyried yn ofalus yr achos dros dalu iawndal amaeth-arianyddol o safbwynt y galw o bob tu am adnoddau'r wlad.'

Onid hynny sydd yn wir am arian Amcan 1? Onid oes rhaid cael penderfyniad gwleidyddol? A yw'r Llywodraeth hon am ganolbwyntio ar gadw trethi'n isel i bobl gefnog de-ddwyrain Lloegr? A yw am ganolbwyntio ar gadw punt gryf er mwyn cryfhau sefyllfa economaidd de-ddwyrain Lloegr neu, a yw am dderbyn yr angen i adfywio economi Cymru ac i ymestyn am yr arian strwythurol hwn er mwyn gwneud hynny? Yr hyn a wynebwn heddiw yw nid anallu'r weinyddiaeth Lafur yn Llundain i gynnig sicrwydd o gyllid cyfatebol ond penderfyniad gwleidyddol gan y weinyddiaeth Lafur yn Llundain nad yw'n bwriadu cefnogi adfywio economi Cymru ac anallu'r weinyddiaeth Lafur yng Nghaerdydd i ddadlau achos Cymru. Nid oes dewis gan

case for Wales. Plaid Cymru has no option but to move a vote of no confidence in the First Secretary.

3:29 p.m.

However, we will not vote against this budget because we are not prepared to play games with people's livelihoods. If we were to vote against the budget, the pay of schoolteachers, nurses and people in the health sector could be endangered. We are not prepared to play silly political games just to send a message. We are making it clear that this budget, with its lack of a guarantee of match funding for Objective 1, is not only unacceptable but a condemnation of the attitude of the Labour administration in London and Cardiff. It is a condemnation of its inability to respond to Wales's economic needs.

Nick Bourne: Hearing that stirring speech from Rhodri Glyn in English and Welsh, you would almost think that Plaid Cymru Members are to vote against the budget rather than abstain. They will abstain, and this is a debate on the budget, not on tomorrow's no confidence motion. The Welsh Conservative Group opposed this budget on three or four key issues. The first was the lack of commitment to full match-fund the money available to Wales in Europe, which we regard as a serious black hole in this budget. I know that Members of the administration will shrug and say 'here we go again' as they are all doing dutifully right on cue, but this is an extremely important issue, Edwina. I would be grateful if you would refer to this in your response and perhaps give some commitment to what will happen.

We cannot ignore the events that will unfold tomorrow and the inevitable result of a successful motion of no confidence and, I would have thought, a new First Secretary. If we do not have a commitment to full match funds in your speech or later this afternoon, the motion of no confidence will go ahead. This first key issue is of overriding importance for all of west Wales and the Valleys. I reassure the Assembly that there is clear commitment from the Conservative Party. If the promise had been made we

Blaid Cymru ond cynnig pleidlais o ddiffyg hyder yn y Prif Ysgrifennydd.

Fodd bynnag, ni fyddwn yn pleidleisio yn erbyn y gyllideb hon oherwydd nid ydym yn barod i chwarae â bywoliaeth pobl. Pe baem yn pleidleisio yn erbyn y gyllideb, gallai tâl athrawon ysgol, nyrsys a phobl yn y sector iechyd fod mewn perygl. Nid ydym yn barod i chwarae gemau gwleidyddol gwirion ond i anfon neges. Yr ydym yn rhoi ar ddeall bod y gyllideb hon, â'i diffyg sicrwydd o gyllid cyfatebol ar gyfer Amcan 1, nid yn unig yn annerbyniol ond yn gollfarn ar ymagwedd y weinyddiaeth Lafur yn Llundain a Chaerdydd. Mae'n gollfarn ar ei hanallu i ymateb i anghenion economaidd Cymru.

Nick Bourne: Bron y gallech feddwl, wrth wrando ar yr araith gyffrous honno gan Rhodri Glyn yn y Saesneg a'r Gymraeg, fod Aelodau Plaid Cymru am bleidleisio yn erbyn y gyllideb yn hytrach nag ymatal. Byddant yn ymatal, a dadl ar y gyllideb yw hon, nid ar y cynnig o ddiffyg hyder yfory. Gwrthwynebodd Grŵp Ceidwadol Cymru y gyllideb hon ar dri neu bedwar o faterion allweddol. Y cyntaf oedd y diffyg ymrwymiad i roi cyllid cyfatebol llawn ar gyfer yr arian sydd ar gael i Gymru yn Ewrop, a ystyriwn yn dwll du difrifol yn y gyllideb hon. Gwn y bydd Aelodau'r weinyddiaeth yn codi gwar ac yn dweud 'dyma ni eto' fel y maent oll yn gwneud yn ufudd wrth gael y ciw, ond mae hyn yn fater eithriadol o bwysig, Edwina. Byddwn yn ddiolchar pe baech yn cyfeirio at hyn yn eich ymateb a rhoi rhyw ymrwymiad efallai ynghylch yr hyn a fydd yn digwydd.

Ni allwn anwybyddu'r digwyddiadau a fydd yn datblygu yfory a'r canlyniad anorfod i gynnig llwyddiannus o ddiffyg hyder a, gallaswn feddwl, Prif Ysgrifennydd newydd. Os na chawn ymrwymiad i gyllid cyfatebol llawn yn eich araith neu'n ddiweddarach y prynhawn yma, bydd y cynnig o ddiffyg hyder yn mynd rhagddo. Mae'r mater allweddol cyntaf hwn o'r pwys mwyaf i'r cyfan o orllewin Cymru a'r Cymoedd. Rhoddaf sicrwydd i'r Cynulliad fod ymrwymiad pendant gan y Blaid Geidwadol.

would have honoured it. Tony Blair promised that he would not let Wales down, as the First Secretary has stated so many times that I have lost count. I think that everybody has lost count.

The second key issue on which we oppose this budget is health. We recognise that much is being spent on health, but more must be spent. The NHS trusts and health authorities' latest forecast shows an overall net operation deficit of about £20 million in 1999-2000. How will this budget address that problem? It will not. The problem is destined to get worse. The waiting list position that Labour inherited must now seem to them like a dream because it has been worsened by them month after month, week after week and day after day. The position has worsened and it will continue to do so.

Brian Gibbons: During the 20 dismal years of Conservative rule, could Nick Bourne tell us how many times the Conservatives gave a 10 per cent increase to health one year and a 6 per cent increase the subsequent year?

Nick Bourne: First, I will address Brian's arithmetic. Maybe he includes the last two years of Labour Government in the 20 years of Conservatism to which he referred. Perhaps he is old Labour rather than new Labour. However, we were in office for 18 glorious years, not 20. The last two years, as he infers, have been dismal, so he obviously has not noticed improvement. As he rightly suggested, things have steadily worsened during those two years. As a GP, he knows that inpatient and outpatient waiting lists have grown month after month, week after week and day after day. If action is not taken, they are destined to get far worse because of the flu situation this winter, when people were put in surgical beds rather than medical beds. That is true in my area of mid Wales and in other areas of Wales. We need more money in health than would have been acceptable in the draft budget when Edwina Hart originally presented it. I would be grateful if she would address that deficit

Pe bai'r addewid wedi ei rhoi, byddem wedi ei chadw. Addawodd Tony Blair na fyddai'n siomi Cymru, fel y dywedodd y Prif Ysgrifennydd gynifer o weithiau fel fy mod wedi colli cyfrif. Credaf fod pawb wedi colli cyfrif.

Yr ail fater allweddol y gwrthwynebw'n y gyllideb hon arno yw iechyd. Derbyniwn fod llawer yn cael ei wario ar iechyd, ond rhaid gwario mwy. Mae rhagolwg diweddaraf ymddiriedolaethau'r NHS a'r awdurdodau iechyd yn dangos gwir ddiffyg gweithrediadol cyffredinol o tua £20 miliwn yn 1999-2000. Sut y bydd y gyllideb yn ymdrin â'r broblem honno? Ni fydd. Mae'r broblem wedi ei thyngedu i waethygu. Rhaid bod y sefyllfa rhestrau aros a etifeddodd Llafur yn ymddangos fel breuddwyd bellach oherwydd fe'i gwaethygydd ganddynt fis ar ôl mis, wythnos ar ôl wythnos a diwrnod ar ôl diwrnod. Gwaethygodd y sefyllfa a bydd yn parhau i waethygu.

Brian Gibbons: Yn ystod yr 20 mlynedd alaethus o reolaeth Geidwadol, a allai Nick Bourne ddweud wrthym sawl gwaith y rhoddodd y Ceidwadwyr godiad o 10 y cant i iechyd mewn un flwyddyn a chodiad o 6 y cant y flwyddyn wedyn?

Nick Bourne: Yn gyntaf, rhoddaf sylw i rifydddeg Brian. Efallai ei fod yn cynnwys y ddwy flynedd diwethaf o Lywodraeth Lafur yn yr 20 mlynedd o Geidwadaeth y cyfeiriodd atynt. Efallai mai hen Lafur ydyw yn hytrach na Llafur newydd. Fodd bynnag, yr oeddem mewn grym am 18 mlynedd godidog, nid 20. Bu'r ddwy flynedd diwethaf, fel yr awgrymodd, yn alaethus, felly mae'n amlwg na sylwodd ar welliant. Fel yr awgrymodd, mae pethau wedi gwaethygu'n raddol yn ystod y ddwy flynedd hynny. Fel meddyg teulu, gŵyr fod rhestrau aros cleifion mewnol ac allanol wedi cynyddu fis ar ôl mis, wythnos ar ôl wythnos a diwrnod ar ôl diwrnod. Os na weithredir, maent wedi eu tyngedu i fynd yn llawer gwaeth oherwydd sefyllfa'r fflw y gaeaf hwn, pan roddwyd pobl mewn gwelyau llawfeddygol yn hytrach na gwelyau meddygol. Mae hynny'n wir yn fy rhan i o ganolbarth Cymru ac mewn rhannau eraill o Gymru. Mae arnom angen mwy o arian

problem in her response. She has a robust style but beneath that there is no robust substance. There is nothing there for this health crisis.

mewn iechyd nag a fyddai'n dderbyniol yn y gyllideb ddrafft pan y'i cyflwynwyd gan Edwina Hart yn wreiddiol. Byddwn yn ddiolchgar pe bai'n ymdrin â'r broblem honno ynghylch y diffyg yn ei hymateb. Mae ganddi ddull cadarn ond o dan hynny nid oes sylwedd cadarn. Nid oes dim yno ar gyfer yr argyfwng iechyd hwn.

My third major objection to this budget concerns agriculture. On the crisis in agriculture, I know the Prime Minister is fond of saying 'what crisis?', but at least the First Secretary acknowledged today that there was a crisis. He was obviously watching television in the early hours of Friday morning, although he was not in Ceredigion during the election campaign. He, no doubt, noted what the electors of rural Wales were saying: we need more money in rural areas; we need money for new entrants into farming—more than this budget allows; we need provision for an early retirement scheme; we need protection for rural services, for example, more weighting for rurality in hospitals. I am afraid that those needs are not reflected in the budget.

Mae'r trydydd gwrthwynebiad mawr sydd gennyf i'r gyllideb hon yn ymwneud ag amaethyddiaeth. Wrth sôn am yr argyfwng mewn amaethyddiaeth, gwn fod y Prif Weinidog yn hoff o ddweud 'pa argyfwng?', ond o leiaf fod y Prif Ysgrifennydd wedi cydnabod heddiw bod argyfwng. Mae'n amlwg ei fod yn gwylio'r teledu yn yr oriau mân fore Gwener, er nad oedd yng Ngheredigion yn ystod ymgyrch yr etholiad. Mae'n sicr ei fod wedi nodi'r hyn yr oedd etholwyr cefn gwlad Cymru yn ei ddweud: mae arnom angen mwy o arian mewn ardaloedd gwledig; mae arnom angen arian ar gyfer dechreuwyr mewn ffermio—mwy nag a ganiateir yn y gyllideb hon; mae arnom angen darpariaeth ar gyfer cynllun ymddeol cynnar; mae arnom angen amddiffyniad i wasanaethau gwledig, er enghraifft, mwy o bwysoli ar gyfer gwledigrwydd mewn ysbytai. Mae arnaf ofn nad adlewyrchir yr anghenion hynny yn y gyllideb.

The fourth major objection is on council tax increases, which we will address in the next debate when David Davies will let off steam and let the administration have it between the eyes. All hell would have broken loose had the Conservative Government suggested those increases during its 18 glorious years, which were bleakly referred to as 'the 20 years of Conservatism' by Brian Gibbons—he obviously includes the last two years. There would have been protests, petitions and people outside the Assembly building saying that it was totally unacceptable. The increase is well above the rate of inflation and we will not tolerate it. We will fight, with every ounce of energy that we have, to ensure that those increases are limited to the rate of inflation because they bear down heavily on all people but particularly on pensioners and those on fixed incomes. I used to think that the Labour Party of old tried to protect those people, but they are being hammered by this budget. Therefore, despite Edwina's robust

Mae'r pedwerydd gwrthwynebiad pwysig yn ymwneud â chodiadau yn nhreth y cyngor, yr ymdriniwn â hwy yn y ddadl nesaf pan fydd David Davies yn gollwng stêm ac yn ei rhoi hi i'r weinyddiaeth rhwng y llygaid. Byddai helynt mawr pe buasai'r Llywodraeth Geidwadol wedi awgrymu'r codiadau hynny yn ystod ei 18 mlynedd godidog, y cyfeiriwyd atynt yn ddigalon fel 'yr 20 mlynedd o Geidwadaeth' gan Brian Gibbons—mae'n amlwg ei fod yn cynnwys y ddwy flynedd diwethaf. Buasai gwrthdystiadau, deisebau a phobl y tu allan i adeilad y Cynulliad yn dweud ei fod yn gwbl annerbyniol. Mae'r cynnydd yn uwch o lawer na chyfradd chwyddiant ac ni fyddwn yn ei oddef. Byddwn yn ymladd, â nerth deng ewin, i sicrhau cyfyngu'r codiadau hynny i gyfradd chwyddiant oherwydd maent yn gwasgu'n drwm ar bawb ond yn enwedig ar bensïynwyr a rhai ar incwm sefydlog. Arferwn feddwl fod y Blaid Lafur a fu yn ceisio amddiffyn y bobl hynny, ond maent yn

style at the podium, and, what I must say was a brief introduction of the budget before she could regain her composure and her seat very quickly, there is nothing in this budget to answer the objections that we raised earlier. I hope that Edwina will give us a longer presentation and say something about those four key areas when she responds.

cael eu bwrw'n galed gan y gyllideb hon. Felly, er gwaethaf dull cadarn Edwina ar y podiwm a'r hyn oedd, rhaid imi ddweud, yn rhagarweiniad byr i'r gyllideb cyn y gallai ymdawelu a dychwelyd yn gyflym i'w sedd, nid oes dim yn y gyllideb i ateb y gwrthwynebiadau a godasom yn gynharach. Gobeithiaf y bydd Edwina yn rhoi cyflwyniad hwy i ni ac yn dweud rhywbeth am y pedwar maes allweddol hwnnw pan yw'n ymateb.

Finally, I will say briefly, and it will not be welcome to most people here, that the cost of the Assembly building mounts day by day. Of course, that money will come out of the budget that we are discussing. It will come out of health, education and agriculture. I know that even the Presiding Officer does not like this message, but it is one that I must ensure that people take on board—

Yn olaf, dywedaf yn fyr, ac ni fydd wrth fodd y rhan fwyaf o bobl yma, fod cost adeilad y Cynulliad yn cynyddu bob dydd. Wrth gwrs, bydd yr arian hwnnw'n dod o'r gyllideb yr ydym yn ei thrafod. Bydd yn dod o iechyd, addysg ac amaethyddiaeth. Gwn nad yw'r Llywydd hyd yn oed yn hoffi'r neges hon, ond mae'n un y mae'n rhaid imi sicrhau y bydd pobl yn ei hamgyffred—

The Presiding Officer: Order.

Y Llywydd: Trefn.

Nick Bourne: You do not agree with that message in a very objective way, Mr Presiding Officer.

Nick Bourne: Nid ydych yn cytuno â'r neges honno mewn modd gwrthrychol iawn, Mr Llywydd.

The Presiding Officer: Order. I might not personally agree with many messages expressed in this Chamber, but I hope I do not show it.

Y Llywydd: Trefn. Mae'n bosibl nad wyf fi fy hun yn cytuno â llawer o negeseuon a fynegir yn y Siambr hon, ond gobeithiaf nad wyf yn dangos hynny.

Edwina Hart: I have had a suitable hour to regain my composure, although I did not realise that I needed to do so. I thank you for your contributions. The budget process is never easy. I appreciate the way in which debates are conducted in this Chamber because we have discussed several issues during our debate today. That frankness in our discussions on the budget is important.

Edwina Hart: Cefais awr briodol i ymdawelu, er nad oeddwn yn sylweddoli bod angen imi wneud hynny. Diolch i chi am eich cyfraniadau. Nid yw proses y gyllideb byth yn hawdd. Gwerthfawrogaf y modd y cynhelir dadleuon yn y Siambr hon oherwydd trafodasom sawl mater yn ystod ein dadl heddiw. Mae'r gonestrwydd hwnnw yn ein trafodaethau ar y gyllideb yn bwysig.

Phil, Glyn, Alun Cairns, Peter Black, Rhodri Glyn and Nick all made comments on structural funds. Nothing has changed since December. I know that you do not want to hear that message, but it is the one that I must deliver. The Chancellor made the position clear yesterday. I must make our position clear again today.

Gwnaeth Phil, Glyn, Alun Cairns, Peter Black, Rhodri Glyn a Nick sylwadau ar gronfeydd strwythurol. Nid oes dim wedi newid ers Rhagfyr. Gwn nad ydych am glywed y neges honno, ond honno yw'r un y mae'n rhaid imi ei rhoi. Eglurodd y Canghellor y sefyllfa ddoe. Rhaid i mi egluro'n safbwynt ni heddiw.

Ieuan Wyn Jones: Having made it clear that Wales should benefit in full from its Objective 1 status, we requested an assurance

Ieuan Wyn Jones: Ar ôl rhoi ar ddeall y dylai Cymru elwa'n llawn o'i statws Amcan 1, gofynasom am sicrwydd y bydd y cwbl o'r

that the whole of that funding be made available to Wales over the seven-year programme and that £85 million be made available for matching funds in year one. Are you telling us that the Treasury is not prepared to give us those assurances?

Edwina Hart: I have always said that the details of the structural funds programme will be dealt with in the spending review. I have not demurred in anything that I have said to this Assembly since I became Finance Secretary or throughout the budgeting process.

Dafydd Wigley: I accept entirely that you have always related the issue of structural funds to the expenditure decisions that will be taken in July. Would you confirm, however, that those decisions will only apply from the financial year 2001-02 onwards and that they will not provide additional money for the year 2000-01?

Edwina Hart: Yes, as Dafydd said, the spending review figures come into that area and they will continue from July.

First, we believe that there is sufficient public spending provision available in existing resources in the Welsh block to meet fully all the needs this year and the next. The position is clear. Second, we believe that there is sufficient matching funding available amongst all our sponsors in Wales to meet likely needs when the new programmes begin. On the third and final assurance on structural funds, evidence shows that if any of the provisions for next year are insufficient, we will address them as a matter of urgency.

3:39 p.m.

I appreciate that that is not what many in this Chamber will want me to say, but that is the position. I do not intend to address all the issues raised on this one by one. Every speaker had assertions and I have always responded to them in the correct way. The First Secretary and Rhodri today responded clearly on this. I note your concerns but that

cyllid hwnnw ar gael i Gymru dros y rhaglen saith mlynedd ac y bydd £85 miliwn ar gael ar gyfer cyllid cyfatebol ym mlwyddyn un. A ydych yn dweud wrthym nad yw'r Trysorlys yn barod i roi sicrwydd ar hynny?

Edwina Hart: Dywedais erioed y byddai manylion y rhaglen cronfeydd strwythurol yn cael eu trafod yn yr arolwg o wariant. Nid wyf wedi petruso mewn dim a ddywedais wrth y Cynulliad hwn ers dod yn Ysgrifennydd Cyllid na drwy'r broses cyllidebu.

Dafydd Wigley: Derbyniaf yn llwyr eich bod bob amser wedi cysylltu mater cronfeydd strwythurol â'r penderfyniadau gwariant a wneir ym mis Gorffennaf. A ydych yn fodlon cadarnhau, fodd bynnag, na fydd y penderfyniadau hynny ond yn ymwneud â'r flwyddyn ariannol 2001-02 ymlaen ac na fyddant yn darparu arian ychwanegol ar gyfer y flwyddyn 2000-01?

Edwina Hart: Ydwyf, fel y dywedodd Dafydd, mae ffigurau'r arolwg o wariant o fewn y maes hwnnw a byddant yn parhau o fis Gorffennaf.

Yn gyntaf, credwn fod digon o ddarpariaeth gwariant cyhoeddus ar gael oddi mewn i'r adnoddau presennol ym mloc Cymru i gyflawni holl anghenion y flwyddyn hon a'r nesaf. Mae'r sefyllfa'n glir. Yn ail, credwn fod digon o gyllid cyfatebol ar gael ymysg ein noddwyr yng Nghymru i ateb yr anghenion tebygol pan ddechreu'r rhaglenni newydd. Ynghylch y trydydd sicrwydd, a'r olaf, ar gronfeydd strwythurol, mae'r dystiolaeth yn dangos, os yw unrhyw un o'r darpariaethau ar gyfer y flwyddyn nesaf yn annigonol, y byddwn yn rhoi sylw iddynt fel mater brys.

Derbyniaf nad hynny y bydd llawer yn y Siambr hon am ei glywed gennyf, ond dyna'r sefyllfa. Ni fwriadaf ymdrin â'r holl faterion a godwyd ar hyn fesul un. Yr oedd gan bob siaradwr ei haeriadau ac ymatebais iddynt bob amser yn y modd cywir. Ymatebodd y Prif Ysgrifennydd a Rhodri yn bendant ar hyn heddiw. Nodaf eich pryderon ond dyna

is our position.

I will now deal with specifics raised by others in the debate. I was interested by Phil's 'bubble from his mouth', on the Barnett formula. Last week, he promised me that the bubble would change and that he would move on to agricultural funds to understand the mysteries of Europe. I wish him well with that. Phil, Glyn, Peter and others commented on the local government settlement. I will address those comments now. There has been much talk that it is an awful settlement and that local government is upset. That is not clear from what was said in the Partnership Council yesterday. As a matter of record, this good settlement was welcomed by council leaders in the Partnership Council.

I understand damping, which has been much maligned. We must recognise that it was introduced in 1996 as a request of the Welsh Local Government Association following local government reorganisation, which was the responsibility of the Conservative Party. That did not satisfy anyone at the end of the day. Reorganisation left severe problems for local government in Wales. Many of you recognise that damping is in place to help disadvantaged authorities. It has nothing to do with poorly run authorities; it is to do with the fact that some of these authorities are in poor areas and have difficult decisions to make about services in those areas. I am not saying that the mechanism is ideal, and I share some of your concerns. We need an old local government formula and we would have been pleased to get that formula in sooner, but the WLGA agreed with us that it was not possible on this occasion. When the formula comes in, we must work hard to ensure that it tackles the important issues such as social inclusion and poverty.

David Melding: I am grateful to the Finance Secretary for giving way. What she said, perhaps in an off-the-cuff fashion, is important. Are you saying that the only authorities in severe difficulty are the ones

yw ein safbwynt.

Yr wyf am ymdrin yn awr â materion penodol a godwyd gan eraill yn y ddadl. Yr oedd 'swigen o'i geg' Phil, ynghylch fformwla Barnett, o ddiddordeb i mi. Yr wythnos diwethaf, addawodd y byddai'r swigen yn newid ac y symudai ymlaen at gronfeydd amaethyddol er mwyn deall dirgelion Ewrop. Dymunaf yn dda iddo ar hynny. Gwnaeth Phil, Glyn, Peter ac eraill sylwadau ar y setliad llywodraeth leol. Yr wyf am ymdrin â'r sylwadau hynny yn awr. Bu llawer o sôn ei fod yn setliad ofnadwy a bod llywodraeth leol wedi ei anhrefnu. Nid yw hynny'n amlwg o'r hyn a ddywedwyd yn y Cyngor Partneriaeth ddoe. Er mwyn ei roi ar ddu a gwyn, croesawyd y setliad da hwn gan arweinyddion cyngorau yn y Cyngor Partneriaeth.

Yr wyf yn deall dampio, sydd wedi ei bardduo gan lawer. Rhaid inni sylweddoli ei fod wedi ei gyflwyno yn 1996 ar gais Cymdeithas Llywodraeth Leol Cymru ar ôl ad-drefnu llywodraeth leol, a oedd yn gyfrifoldeb i'r Blaid Geidwadol. Nid oedd hynny'n bodloni neb yn y pen draw. Yr oedd yr ad-drefnu wedi gadael problemau difrifol i lywodraeth leol yng Nghymru. Mae llawer ohonoch yn deall bod dampio ar waith er mwyn helpu awdurdodau sydd dan anfantais. Nid yw'n ymwneud o gwbl ag awdurdodau a gaiff eu rhedeg yn wael; mae'n ymwneud â'r ffaith bod rhai o'r awdurdodau hyn mewn ardaloedd tlawd a bod ganddynt benderfyniadau anodd i'w gwneud ynghylch gwasanaethau yn yr ardaloedd hynny. Nid wyf yn dweud bod y mecanwaith yn ddelfrydol, a rhannaf rai o'ch pryderon. Mae arnom angen hen fformwla llywodraeth leol a byddem wedi bod yn falch o gael cyflwyno'r fformwla honno'n gynt, ond cytunodd Cymdeithas Llywodraeth Leol Cymru nad oedd hynny'n bosibl y tro hwn. Pan gyflwynir y fformwla, rhaid inni weithio'n galed i sicrhau ei bod yn rhoi sylw i'r materion pwysig fel cynhwysiant cymdeithasol a thlodi.

David Melding: Yr wyf yn ddiolchgar i'r Ysgrifennydd Cyllid am ildio. Mae'r hyn a ddywedodd, yn fyrfyr efallai, yn bwysig. A ydych yn dweud mai'r unig awdurdodau sydd mewn trafferth mawr yw'r rhai a ddynodwyd

that were identified for damping or do other authorities face similar difficulties regarding social inclusion? Is it only the authorities that have been identified or are they the ones that have not managed their finances well?

Edwina Hart: There is poverty in the authorities where damping will occur. There are pockets of poverty across Wales that should be addressed by the social inclusion agenda, which is also important.

On the local government settlement, we must recognise the various needs, complexities and nature of funding in local government. I have had many representations on what will happen in local government in the future and what we can look at. I have been particularly concerned about comments on the housing agenda in local government. It is fair to say that during this year, I cannot say more about further allocation of resources because I do not have more information. However, I will clarify that I will look at any uncommitted resources in year with regard to issues in local government, addressing, in particular, housing issues, which the Environment and Local Government Committee has also made a priority. I am prepared to give that assurance today, if it will assist in the discussions in this Chamber. I recognise the problems and issues associated with local government.

I was damned by faint praise by Glyn Davies, but unlike Nick Bourne at least he had the good grace to recognise that there are problems. If you want to spend more money on something, from where do you take that money? Given the number of comments on structural funds, it was difficult to address Glyn's one by one, so he will have to be content with what I said earlier.

I thank Peter Black for saying that the budget process was transparent. That links into Rhodri Glyn's positive contribution about how we can deal with this process in the future. I am not adverse to change and further transparency, or to discussing the budget process differently next year. I will be happy to discuss with my finance opposite numbers

ar gyfer dampio ynteu a yw awdurdodau eraill yn wynebu anawsterau tebyg o ran cynhwysiant cymdeithasol? Ai ond yr awdurdodau a ddynodwyd ydynt ynteu ai'r rheini yw'r rhai na reolasant eu cyllid yn dda?

Edwina Hart: Mae tlodi yn yr awdurdodau lle y bydd dampio'n digwydd. Mae pocedi o dlodi ledled Cymru y dylid rhoi sylw iddynt drwy'r agenda cynhwysiant cymdeithasol, sydd hefyd yn bwysig.

Ynghylch y setliad llywodraeth leol, rhaid inni gydnabod gwahanol anghenion, cymhlethdodau a natur ariannu mewn llywodraeth leol. Yr wyf wedi debyn llawer o sylwadau ar yr hyn a fydd yn digwydd mewn llywodraeth leol yn y dyfodol a'r hyn y gallwn ei ystyried. Yr wyf wedi bod yn arbennig o bryderus am sylwadau ar yr agenda dai mewn llywodraeth leol. Teg yw dweud na allaf ddweud mwy yn ystod y flwyddyn hon am ddyrannu pellach ar adnoddau oherwydd nid oes gennyf fwy o wybodaeth. Fodd bynnag, egluraf y byddaf yn edrych ar unrhyw adnoddau nas clustnodwyd yn y flwyddyn gyda golwg ar faterion mewn llywodraeth leol, gan roi sylw, yn arbennig, i faterion tai, y mae Pwyllgor yr Amgylchedd a Llywodraeth Leol hefyd wedi eu gwneud yn flaenoriaeth. Yr wyf yn barod i roi'r sicrwydd hwnnw heddiw, os bydd o gymorth i'r trafodaethau yn y Siambr hon. Cydnabyddaf y problemau a'r materion sydd yn gysylltiedig â llywodraeth leol.

Cefais fy nglasganmol gan Glyn Davies, ond yn wahanol i Nick Bourne, o leiaf yr oedd yn ddigon graslon i gydnabod bod problemau. Os ydych am wario mwy o arian ar rywbeth, o ble y cymerwch yr arian hwnnw? Yng ngolwg nifer y sylwadau ar gronfeydd strwythurol, anodd yw rhoi sylw i rai Glyn fesul un, felly bydd yn rhaid iddo fodloni ar yr hyn a ddywedais yn gynharach.

Diolchaf i Peter Black am ddweud bod proses y gyllideb yn dryloyw. Mae hynny'n arwain at gyfraniad cadarnhaol Rhodri Glyn ynghylch sut y gallwn ymdrin â'r broses yn y dyfodol. Nid wyf yn erbyn newid a mwy o dryloywder, neu drafod proses y gyllideb yn wahanol y flwyddyn nesaf. Byddaf yn falch o drafod gyda'r rhai sydd yn cyfateb i mi ar

during the next few weeks how we can improve on that process and how we can perhaps address some of the issues that have come from Committees. At the beginning they were confronted by this letter, they were not quite sure, and then suddenly we were into this massive form and structure. We have all learnt a lot during this year and from this process, so it would be useful for us to reflect on how we can modify the process. I would be happy to do so.

I have been asked to comment by Rhodri Glyn on central Government fiscal policy. I am an Assembly Member for Gower, sitting in the National Assembly for Wales, a member of Welsh Government. I have to take a balanced view on what funds are allocated in the Welsh budget. If I, or if we all, had other choices I might want this budget to be different, but I am constrained by the funds available.

Rhodri Glyn Thomas: Are you suggesting that you do not quite agree with the central fiscal policies of the Labour Government in London, which are exactly the same as those of the previous Conservative Government?

Edwina Hart: I could not possibly comment, as I am in the middle of a spending review and am talking to the Chancellor of the Exchequer. My job is to get what is best for Wales from the spending review, so I will not be showing any sleight of hand or my negotiating tactics.

I move on to Nick's comments on health. It is interesting, Nick, that you want to put more money in, but you do not tell me from where. Do you want it to come from education, from economic development—shall I slash the Welsh Development Agency budget back to nothing? Those questions need to be answered. There is sufficient money in the health budget—we can all argue that there is not enough money in health—

David Melding: I hope that you will put these harsh questions to the Prime Minister who has promised us that we will reach the European average for health spending within five years.

gyllid yn yr wrthblaid yn ystod yr wythnosau nesaf hyn sut y gallwn wella'r broses honno a sut y gallwn ymdrin efallai â rhai o'r materion a ddaeth o Bwyllgorau. Ar y dechrau yr oedd llythyr o'u blaen, ac nid oeddent yn rhyw sicr iawn, ac yna'n sydyn yr oeddem yn nghanol y ffurf a'r strwythur anferth hwn. Yr ydym oll wedi dysgu llawer yn ystod y flwyddyn hon ac o'r broses hon, felly byddai'n fuddiol inni fyfyrto ynghylch sut y gallwn addasu'r broses. Byddwn yn falch o wneud hynny.

Gofynnodd Rhodri Glyn imi wneud sylw ar bolisi cyllidol y Llywodraeth ganolog. Yr wyf yn Aelod Cynulliad dros Wyr, yn eistedd yng Nghynulliad Cenedlaethol Cymru, yn aelod o Lywodraeth Gymreig. Rhaid imi edrych yn gytbwys ar ba bynnag arian a ddyrennir i gyllideb Cymru. Pe bai gennyf fi, neu gan bob un ohonom, ddewisiadau eraill, efallai y byddwn am i'r gyllideb hon fod yn wahanol, ond yr wyf wedi fy nghyfyngu gan yr arian sydd ar gael.

Rhodri Glyn Thomas: A ydych yn awgrymu nad ydych yn llwyr gytuno â pholisïau cyllidol canolog y Llywodraeth Lafur yn Llundain, sydd yn union yr un fath â rhai'r Llywodraeth Geidwadol flaenorol?

Edwina Hart: Nid oes modd imi wneud sylw, gan fy mod ar ganol arolwg o wariant ac yn siarad â Changhellor y Trysorlys. Fy ngwaith i yw cael yr hyn sydd orau i Gymru o'r arolwg o wariant, felly ni fyddaf yn datgelu unrhyw driciau neu fy nhacteg wrth negodi.

Af ymlaen at sylwadau Nick ar iechyd. Mae'n ddiddorol, Nick, eich bod am roi mwy o arian, ond ni ddywedwch wrthyf o ble. A ydych am iddo ddod o addysg, o ddatblygu economaidd—a ddylwn dorri cyllideb Awdurdod Datblygu Cymru'n ddim? Mae angen ateb y cwestiynau hynny. Mae digon o arian yn y gyllideb iechyd—gallwn oll ddadlau nad oes digon o arian mewn iechyd—

David Melding: Gobeithiaf y byddwch yn gofyn y cwestiynau anodd hyn i'r Prif Weinidog a addawodd inni y byddwn yn cyrraedd y cyfartaledd Ewropeaidd ar wariant iechyd o fewn pum mlynedd.

Edwina Hart: David Melding knows my view, that that is what we would want to do in an ideal world. In an ideal world we would have greater resources to allocate to health, and I am hopeful that negotiations within the spending review will allow us to have more money in the block and that we can then discuss what we make our priority in Wales. If the Assembly and the administration decide that the priority is health, so be it.

David Davies *rose—*

The Presiding Officer: Are you giving way to David Davies?

Edwina Hart: No, most definitely not. On agriculture, I appreciate that many are not pleased with the settlement. We have tried our best within the limits of the settlement to deal with the discussions on agriculture. I am concerned about what happens within the agricultural community. I live on the Gower. I know what happens in farming communities. When you go further west you also see the dire problems that exist and what happens socially. The Assembly has a huge task to make the rural economy real and to ensure that those who live in rural areas feel part and parcel of Wales as a nation. That is our task. I have tried, within limited resources, to target more money into the agricultural budget. In the main, I believe that I have been as successful as I could have been without additional funds from elsewhere.

Council taxes are always a vexed question. Are councils inefficiently run? Could they do more? This is about local democracy and how it is managed. Some local authorities have greater pressures than others, some have greater poverty and needs to address than others. I hope that the resolution to that will be in the new formula and in the way that we look at local government positively, as well as the partnership that we develop with local government. There is no point in us criticising each other—the local authority leaders would love to criticise us. It is important that they have a valuable role and

Edwina Hart: Gŵyr David Melding fy marn, mai dyma'r hyn y byddem am ei wneud mewn byd delfrydol. Mewn byd delfrydol byddai gennym fwy o adnoddau i'w dyrannu i iechyd, ac yr wyf yn obeithiol y bydd y negodiadau o fewn yr arolwg o wariant yn caniatáu inni gael mwy o arian yn y bloc ac y gallwn wedyn drafod beth y rhoddwn flaenoriaeth iddo yng Nghymru. Os yw'r Cynulliad a'r weinyddiaeth yn penderfynu mai'r flaenoriaeth yw iechyd, boed felly.

David Davies *a gododd—*

Y Llywydd: A ydych yn ildio i David Davies?

Edwina Hart: Nac ydwyf, yn sicr. Ar amaethyddiaeth, derbyniaf fod llawer nad ydynt yn fodlon â'r setliad. Gwnaethom ein gorau oddi mewn i derfynau'r setliad i roi sylw i'r trafodaethau ar amaethyddiaeth. Pryderaf ynghylch yr hyn sydd yn digwydd o fewn y gymuned amaethyddol. Yr wyf yn byw yng Ngŵyr. Gwn beth sydd yn digwydd mewn cymunedau ffermio. Pan ewch ymhellach i'r gorllewin gwelwch hefyd y problemau enbyd sydd yn bod a beth sydd yn digwydd yn gymdeithasol. Mae gan y Cynulliad dasg aruthrol er mwyn gwneud yr economi gwledig yn real a sicrhau bod y rhai sydd yn byw mewn ardaloedd gwledig yn teimlo'n rhan hanfodol o Gymru fel gwlad. Dyna'n tasg. O fewn adnoddau cyfyngedig, ceisiais dargedu mwy o arian at y gyllideb amaethyddol. Ar y cyfan, credaf imi lwyddo gystal ag y gallwn heb arian ychwanegol o rywle arall.

Mae treth y cyngor yn gwestiwn dadleuol bob amser. A yw cynghorau'n cael eu rhedeg yn aneffeithlon? A allent wneud mwy? Mae hyn yn ymwneud â democratiaeth leol a sut y'i rheolir. Mae mwy o bwysau ar rai awdurdodau lleol nag ar eraill, mae gan rai fwy o dlodi ac anghenion sydd yn gofyn sylw nag eraill. Gobeithiaf y bydd yr ateb i hynny yn y fformwla newydd ac yn y modd yr edrychwn ar lywodraeth leol yn gadarnhaol, yn ogystal â'r bartneriaeth yr ydym yn ei datblygu gyda llywodraeth leol. Nid oes diben inni feirniadu ein gilydd—byddai arweinyddion awdurdodau lleol wrth eu bodd

contribution. The only way forward is through a partnership approach.

yn ein beirniadu. Mae'n bwysig iddynt gael rôl a chyfraniad gwerthfawr. Yr unig ffordd ymlaen yw drwy weithio mewn partneriaeth.

On that basis, I thank the Assembly for the way that we dealt with the budget process. I am grateful for what has been achieved. I understand the difficulties that we as an administration have in presenting this budget, but I am pleased that there is also responsible opposition in the Assembly.

A hynny mewn golwg, diolchaf i'r Cynulliad am y modd yr ymdriniasom â phroses y gyllideb. Yr wyf yn ddiolchgar am yr hyn a gyflawnwyd. Deallaf y trafferthion sydd gennym ni fel gweinyddiaeth wrth gyflwyno'r gyllideb hon, ond yr wyf yn falch bod gwrthwynebu cyfrifol hefyd yn y Cynulliad.

Cynnig: O blaid 28, Ymatal 15, Yn erbyn 14.

Motion: For 28, Abstain 15, Against 14.

Pleidleisiodd yr Aelodau canlynol o blaid:
The following Members voted for:

Barrett, Lorraine
Butler, Rosemary
Chapman, Christine
Davidson, Jane
Davies, Andrew
Davies, Ron
Edwards, Richard
Essex, Sue
Feld, Val
Gibbons, Brian
Gregory, Janice
Griffiths, John
Gwyther, Christine
Halford, Alison
Hart, Edwina
Hutt, Jane
Jones, Ann
Jones, Carwyn
Law, Peter
Lewis, Huw
Marek, John
Michael, Alun
Middlehurst, Tom
Morgan, Rhodri
Neagle, Lynne
Pugh, Alun
Sinclair, Karen
Thomas, Gwenda

Pleidleisiodd yr Aelodau canlynol yn erbyn:
The following Members voted against:

Bates, Mick
Black, Peter
Bourne, Nick
Cairns, Alun
Davies, David
Davies, Glyn
German, Michael
Graham, William
Humphreys, Christine
Melding, David
Morgan, Jonathan
Randerson, Jenny
Rogers, Peter
Williams, Kirsty

Ymataliodd yr Aelodau canlynol:
The following Members abstained:

Dafis, Cynog
Davies, Geraint
Davies, Janet
Davies, Jocelyn
Hancock, Brian
Jarman, Pauline
Jones, Elin
Jones, Gareth
Jones, Ieuan Wyn
Lloyd, David
Ryder, Janet
Thomas, Owen John

Thomas, Rhodri Glyn
Wigley, Dafydd
Williams, Phil

Motion adopted.

Derbyniwyd y cynnig.

3:49 p.m.

Cynnig Trefniadol Procedural Motion

Y Llywydd: Cyflwynwyd yr adroddiad drafft ar gyllid llywodraeth leol yn y Swyddfa Gyflwyno ddoe, felly yr wyf wedi caniatáu i'r Trefnydd gynnig cynnig trefniadol o dan Reol Sefydlog Rhif 6.9 i geisio i'r Cynulliad ystyried yr adroddiad drafft yn awr fel mater brys o bwys cyhoeddus.

The Presiding Officer: The draft local government finance report was laid in the Table Office yesterday, therefore I have allowed the Business Secretary to propose a procedural motion under Standing Order No. 6.9 to request that the Assembly consider the draft report now as a matter of urgent public importance.

The Business Secretary (Andrew Davies): I propose that

the Assembly considers the draft local government finance report as a matter of urgent public importance under Standing Order No. 6.9.

Y Trefnydd (Andrew Davies): Cynigiau fod

y Cynulliad yn ystyried yr adroddiad cyllid llywodraeth leol drafft fel mater brys o bwys cyhoeddus o dan Reol Sefydlog Rhif 6.9.

The Presiding Officer: I call for a vote on the procedural motion.

Y Llywydd: Galwaf am bleidlais ar y cynnig trefniadol.

Nick Bourne: Point of order. We had anticipated that this would lead to a debate rather than simply a vote.

Nick Bourne: Pwynt o drefn. Yr oeddem yn disgwyl y byddai hyn yn arwain at ddadl yn hytrach nag at bleidlais yn unig.

The Presiding Officer: We are debating a procedural motion to allow us to debate the local government report. You may debate the procedural motion if you wish, but for the Assembly's convenience and in order to protect the time of the short debate and to allow sufficient time for the local government debate, I had assumed that there would be no speakers to the procedural motion. Do you wish to speak on the procedural motion?

Y Llywydd: Yr ydym yn trafod cynnig trefniadol i'n caniatáu i drafod yr adroddiad llywodraeth leol. Gallwch drafod y cynnig trefniadol os dymunwch, ond er hwylustod i'r Cynulliad ac er mwyn gwarchod amser y ddadl fer a chaniatáu digon o amser ar gyfer y ddadl llywodraeth leol, cymerais na fyddai neb yn siarad ar y cynnig trefniadol. A ddymunwch siarad ar y cynnig trefniadol?

Nick Bourne: No, thank you.

Nick Bourne: Na ddymunaf, diolch i chi.

*Cynnig: O blaid 56, Ymatal 0, Yn erbyn 0.
Motion: For 56, Abstain 0, Against 0.*

Pleidleisiodd yr Aelodau canlynol o blaid:
The following Members voted for:

Barrett, Lorraine
Bates, Mick

Black, Peter
 Bourne, Nick
 Cairns, Alun
 Chapman, Christine
 Dafis, Cynog
 Davidson, Jane
 Davies, Andrew
 Davies, David
 Davies, Geraint
 Davies, Glyn
 Davies, Janet
 Davies, Jocelyn
 Davies, Ron
 Edwards, Richard
 Essex, Sue
 Feld, Val
 German, Michael
 Gibbons, Brian
 Graham, William
 Gregory, Janice
 Griffiths, John
 Gwyther, Christine
 Halford, Alison
 Hancock, Brian
 Humphreys, Christine
 Hutt, Jane
 Jarman, Pauline
 Jones, Ann
 Jones, Carwyn
 Jones, Elin
 Jones, Gareth
 Jones, Helen Mary
 Jones, Ieuan Wyn
 Law, Peter
 Lewis, Huw
 Lloyd, David
 Marek, John
 Melding, David
 Michael, Alun
 Middlehurst, Tom
 Morgan, Jonathan
 Morgan, Rhodri
 Neagle, Lynne
 Pugh, Alun
 Randerson, Jenny
 Rogers, Peter
 Ryder, Janet
 Sinclair, Karen
 Thomas, Gwenda
 Thomas, Owen John
 Thomas, Rhodri Glyn
 Wigley, Dafydd
 Williams, Kirsty
 Williams, Phil

Procedural motion adopted.

Derbyniwyd y cynnig trefniadol.

Yr Adroddiad Cyllid Llywodraeth Leol Drafft **The Draft Local Government Finance Report**

<p>The Secretary for the Environment and Local Government (Peter Law): I propose that</p>	<p>Ysgrifennydd yr Amgylchedd a Llywodraeth Leol (Peter Law): Cynigïaf fod</p>
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the Assembly, in accordance with Standing y Cynulliad, yn unol â Rheol Sefydlog Rhif

Order No. 19.11, approves the local government finance report for the financial year 2000-01, laid in the Table Office on Monday 7 February by the Finance Secretary, Edwina Hart.

The local government finance report is the key strategic document. It sets out my decisions on the local government revenue settlement for 2000-01. I have already announced to the Assembly, on 1 February, my final proposals for standard spending assessments for county and county borough councils and police authorities for the same period. I also announced allocations of revenue support grant and non-domestic rates for each police and local authority in Wales and the allocation of general capital funding for each county and county borough council. In approving the draft local government finance report, the Assembly is also approving the final revenue settlement proposals. It is important that this report is approved today because it specifies the basis of distribution on which the Assembly will distribute grants among receiving authorities. In plain English, this means that under the Local Government Finance Act 1988, the report is the vehicle by which the Assembly sets out what it will make available to local authorities and specified bodies in the next financial year.

I regret that the report, as tabled last Tuesday for today's debate, had to be amended yesterday. I am grateful to the Presiding Officer for agreeing to our request to use Assembly procedures to retable the report and to Members this afternoon who voted for the procedural motion. The error in our statisticians calculations came to light as they prepared further analysis of the figures. There was an omission in the data that was fed into the standard spending assessment formula in respect of one authority. Changes in standard spending assessments for one authority impact on all other authorities, as the formula distributes a fixed total. In addition, changes in standard spending assessments produce changes in both revenue support grant and damping grant allocations. Under the Local Government Finance Act, central support can only be distributed among and paid to receiving authorities when the report is

19.11, yn cymeradwyo'r adroddiad cyllid llywodraeth leol ar gyfer blwyddyn ariannol 2000-01 a osodwyd yn y Swyddfa Gyflwyno ddydd Llun 7 Chwefror 2000 gan yr Ysgrifennydd Cyllid, Edwina Hart.

Yr adroddiad cyllid llywodraeth leol yw'r ddogfen strategol allweddol. Mae'n cyflwyno fy mhenderfyniadau ar y setliad refeniw llywodraeth leol am 2000-01. Yr wyf eisoes wedi cyhoeddi i'r Cynulliad, ar 1 Chwefror, fy nghynigion terfynol ar gyfer asesiadau gwariant safonol i gynghorau sir a bwrdeistref sirol ac awdurdodau'r heddlu ar gyfer yr un cyfnod. Hefyd cyhoeddais ddyraniadau o'r grant cynnal refeniw a'r trethi busnes ar gyfer pob awdurdod heddlu ac awdurdod lleol yng Nghymru a'r dyraniad o gyllid cyfalaf cyffredinol i bob cyngor sir a bwrdeistref sirol. Wrth gymeradwyo'r adroddiad cyllid llywodraeth leol drafft, mae'r Cynulliad hefyd yn cymeradwyo cynigion terfynol y setliad refeniw. Mae'n bwysig i'r adroddiad hwn gael ei gymeradwyo heddiw oherwydd mae'n dynodi'r sail dosbarthu ar gyfer dosbarthu grantiau gan y Cynulliad ymysg yr awdurdodau sydd yn eu derbyn. Mewn geiriau syml, golyga hynny mai'r adroddiad, o dan Ddeddf Cyllid Llywodraeth Leol 1988, yw'r cyfrwng a ddefnyddia'r Cynulliad i nodi'r hyn a fydd ar gael ganddo i awdurdodau lleol a chyrff dynodedig yn y flwyddyn ariannol nesaf.

Mae'n ofid imi fod yr adroddiad, fel y'i cyflwynwyd ddydd Mawrth diwethaf ar gyfer y ddadl heddiw, wedi gorfod cael ei newid ddoe. Yr wyf yn ddiolchgar i'r Llywydd am gytuno i'n cais i ddefnyddio gweithdrefnau'r Cynulliad i ailgyflwyno'r adroddiad ac i'r Aelodau y prynhawn yma a bleidleisiodd dros y cynnig trefniadol. Daeth y gwall yng nghyfrifiadau ein hystadegwyr i'r golwg wrth iddynt baratoi dadansoddiad pellach o'r ffigurau. Yr oedd bwlch yn y data a borthwyd i'r fformwla asesiad gwariant safonol mewn perthynas ag un awdurdod. Mae newidiadau mewn asesiadau gwariant safonol ar gyfer un awdurdod yn effeithio ar bob awdurdod arall, gan fod y fformwla'n dosbarthu cyfanswm sefydlog. At hynny, mae newidiadau mewn asesiadau gwariant safonol yn cynhyrchu newidiadau mewn dyraniadau o'r grant cynnal refeniw a'r grant dampio. O dan Ddeddf Cyllid Llywodraeth Leol, ni ellir

approved. The Assembly will not be able to pay any of the local authorities in Wales if the report is not approved.

I will set out details of the settlement. The revenue settlement amounts to £3.3 billion, net of specific grants. It permits a total increase in overall council spending of £171 million or 5.8 per cent. The detailed figures are as follows. Standard spending assessments for county and county borough councils: £3,120.6 million; standard spending assessments for police authorities: £184.2 million; aggregate external finance, net of specific grants: £2,687.9 million, which is made up of revenue support grant: £2,030.9 million; distributable amount of non-domestic rates: £638 million; council tax reduction grant: £17 million; and revenue support grant to specified bodies: approximately £2 million.

I will say more about the council tax reduction grant later. The specified bodies to which I referred are organisations such as Syniad, the improvement, development and employers agency for local government in Wales. They are organisations that provide specific specialist services to local authorities. The £2 million allocation to them is top-sliced from the overall revenue support grant. Part of the money is paid to the local government ombudsman.

As a result of the consultation progress, I decided to revise my assumption on spending by police authorities. They will be permitted to increase spending by 5 per cent, not the 4 per cent that I announced in December. There will be no increase in central support. This was welcomed yesterday in the Partnership Council. It acknowledges the pressures on the police throughout Wales. Police grant is the responsibility of the Home Office. Levels of police grant for England were announced by the Home Secretary on 27 January. The First Secretary and I will continue to ensure that the needs and concerns of the police in Wales are brought to the Home Secretary's attention. I am pleased that my Subject Committee, the Environment and Local Government Committee, is closely interested

dosbarthu cymorth canolog ymysg yr awdurdodau sydd yn derbyn a'i dalu iddynt hyd nes y cymeradwyir yr adroddiad. Ni fydd y Cynulliad yn gallu talu'r un o'r awdurdodau lleol yng Nghymru os na chymeradwyir yr adroddiad.

Yr wyf am nodi manylion y setliad. Mae'r setliad refeniw yn dod i £3.3 biliwn, heb gynnwys grantiau penodol. Mae'n caniatáu cynnydd cyfansymiol yng ngwariant cyffredinol y cynghorau o £171 miliwn neu 5.8 y cant. Mae'r ffigurau manwl fel a ganlyn. Yr asesiadau gwariant safonol ar gyfer cynghorau sir a bwrdeistref sirol: £3,120.6 miliwn; yr asesiadau gwariant safonol ar gyfer awdurdodau'r heddlu: £184.2 miliwn; crynswth y cyllid allanol, heb gynnwys grantiau penodol: £2,687.9 miliwn, sydd yn cynnwys grant cynnal refeniw: £2,030.9 miliwn; swm dosbarthadwy'r trethi busnes: £638 miliwn; grant lleihau treth y cyngor: £17 miliwn; a grant cynnal refeniw i gyrff dynodedig: tua £2 filiwn.

Byddaf yn dweud rhagor am grant lleihau treth y cyngor yn ddiweddarach. Mae'r gyrff dynodedig y cyfeiriais atynt yn gyrff fel Syniad, yr asiantaeth gwella, datblygu a chyflogwyr i lywodraeth leol yng Nghymru. Maent yn gyrff sydd yn darparu gwasanaethau arbenigol penodol i awdurdodau lleol. Mae'r dyraniad o £2 filiwn iddynt wedi ei frig-dorri o'r grant cynnal refeniw cyffredinol. Telir rhan o'r arian i'r ombwdsman llywodraeth leol.

O ganlyniad i hynt yr ymgynghoriad, penderfynais adolygu fy rhagdybiaeth ar wariant gan awdurdodau'r heddlu. Byddant yn cael caniatâd i gynyddu gwariant o 5 y cant, nid y 4 y cant a gyhoeddais yn Rhagfyr. Ni fydd cynnydd mewn cymorth canolog. Croesawyd hyn ddoe yn y Cyngor Partneriaeth. Mae'n cydnabod y pwysau ar yr heddlu ledled Cymru. Mae grant yr heddlu yn gyfrifoldeb i'r Swyddfa Gartref. Cyhoeddwyd lefelau grant yr heddlu ar gyfer Lloegr gan y Swyddfa Gartref ar 27 Ionawr. Bydd y Prif Ysgrifennydd a minnau'n parhau i sicrhau y deuir ag anghenion a phryderon yr heddlu yng Nghymru i sylw'r Ysgrifennydd Cartref. Yr wyf yn falch bod fy Mhwyllgor Pwnc i, Pwyllgor yr Amgylchedd a Llywodraeth Leol, yn ymddiddori'n fanwl yn

in this question. I respect the points that are regularly made in the Committee on police funding.

The settlement makes increases of £91 million possible in council spending on education. We look to each authority to increase its expenditure on education by at least its share of that amount of money. We will continue, as in previous years, to monitor spending by each council on education. I am pleased to announce that we are increasing funds for the grants for education support and training programmes by over 30 per cent in the next year. This demonstrates our firm commitment to the professional development of teachers and headteachers. It will enable authorities to take forward a wide range of measures aimed at improving school performance and promoting social inclusion.

Social services are an important matter. Local government has told me of its concerns to be able to improve social services. I recognise this in this settlement. I have agreed to an increase in social services expenditure in Wales of around £51 million. This is an increase of around 9 per cent when measured against social services budgets that have been set by local authorities in the current year. Each local authority will determine the actual increase in their spending on social services in the light of local circumstances. However, we expect all authorities to be in a position to make real improvements in the provision of social services. We wish to see at least a third of the increased spending on social services devoted to children's services in line with the Children First programme.

3:59 p.m.

Glyn Davies: Do you think that it is reasonable to announce an increase in spending of 9 per cent and, at the same time, announce that a local authority could increase it by less? The moral pressure that you are putting on local authorities by making the announcement, and in a sense taking credit for it, puts local authorities in an impossible

y cwestiwn hwn. Parchaf y pwyntiau a wneir yn rheolaidd yn y Pwyllgor ar ariannu'r heddlu.

Mae'r setliad yn gwneud codiadau o £91 miliwn yn bosibl yng ngwariant y cynghorau ar addysg. Disgwyliwn i bob awdurdod gynyddu ei wariant ar addysg o leiaf yn ôl ei gyfran ef o'r swm arian hwnnw. Byddwn yn parhau, fel y gwnaethom mewn blynyddoedd blaenorol, i fonitro gwariant gan bob cyngor ar addysg. Yr wyf yn falch o gyhoeddi ein bod yn cynyddu'r cyllid ar gyfer grantiau i raglenni cynnal addysg a hyfforddiant dros 30 y cant yn y flwyddyn nesaf. Mae hyn yn dangos ein hymrwymiad cadarn i ddatblygiad proffesiynol athrawon a phrifathrawon. Bydd yn galluogi awdurdodau i fwrw ymlaen ag amrediad eang o fesurau er mwyn gwella perfformiad ysgolion a hybu cynhwysiant cymdeithasol.

Mae gwasanaethau cymdeithasol yn fater pwysig. Mae llywodraeth leol wedi dweud wrthyf am y pwys y mae'n ei roi ar ei gallu i wella gwasanaethau cymdeithasol. Cydnabyddaf hyn yn y setliad hwn. Cytunais ar gynnydd mewn gwariant gwasanaethau cymdeithasol yng Nghymru o tua £51 miliwn. Mae hyn yn gynnydd o tua 9 y cant o'i gymharu â chyllidebau gwasanaethau cymdeithasol a bennwyd gan awdurdodau lleol yn y flwyddyn gyfredol. Bydd pob awdurdod yn pennu'r union gynnydd yn ei wariant ar wasanaethau cymdeithasol yng ngoleuni amgylchiadau lleol. Fodd bynnag, disgwyliwn y bydd yr holl awdurdodau mewn sefyllfa i wneud gwelliannau gwirioneddol yn y ddarpariaeth o wasanaethau cymdeithasol. Dymunwn weld neilltuo o leiaf un rhan o dair o'r cynnydd mewn gwariant ar wasanaethau cymdeithasol i wasanaethau plant yn unol â'r rhaglen Plant yn Gyntaf.

Glyn Davies: A gredwch ei bod yn rhesymol cyhoeddi cynnydd mewn gwariant o 9 y cant a chyhoeddi, yr un pryd, y gallai awdurdod lleol ei gynyddu'n llai? Mae'r pwysau moesol a roddwch ar awdurdodau lleol drwy wneud y cyhoeddiad, ac ar ryw ystyr gymryd y clod amdano, yn rhoi awdurdodau lleol mewn sefyllfa amhosibl. Mae bron yn sicr y

position. They almost certainly have to deliver the 9 per cent.

Peter Law: I am not putting impossible pressure on any local authority. The announcement that I have made has been made with agreement from the Welsh Local Government Association, with whom we work as partners. We have said that we will look at the way in which the social services budgets are spent in these authorities. We will work with them towards targets and outcomes in the future. That is a first-class way forward and I believe that local authorities will perform positively.

Janet Ryder: I question whether the settlement it has been developed with the full agreement of the WLGA. There is a high degree of unhappiness with the amount of money that councils are being told to spend in specific areas. That came across clearly in yesterday's partnership meeting. It is an area that we need to debate further with local government.

Peter Law: You always make a valued contribution in the Partnership Council, Janet. I explained this matter thoroughly yesterday and it was generally accepted by representatives of local government. Their comments relate particularly to our monitoring of education spending. We are not doing something new. Education spending was monitored last year. That is reasonable, because I must justify to you how this money is spent. In the new dimension of politics that we have in Wales, you will quite rightly want to ask me why these things are not being developed sometimes, or what is happening as far as a particular area is concerned. I need to know what is going on and I believe that it is reasonable to have this feedback from local authorities about how educational funds are targeted, bearing in mind the commitments that are built into this distribution.

On social services, there will be joint monitoring by the Assembly and the WLGA of future targets, outcomes and provision next year. I welcome that and, once again, I underline the partnership agreement that we

byddant yn gorfod gweithredu'r 9 y cant.

Peter Law: Nid wyf yn rhoi pwysau amhosibl ar unrhyw awdurdod lleol. Gwnaethpwyd y cyhoeddiad a wneuthum gyda chytundeb Cymdeithas Llywodraeth Leol Cymru, yr ydym yn gweithio â hwy fel partneriaid. Dywedasom y byddwn yn edrych ar y modd y gwerir y cyllidebau gwasanaethau cymdeithasol yn yr awdurdodau hyn. Byddwn yn gweithio â hwy er mwyn ceisio cyrraedd targedau a chanlyniadau yn y dyfodol. Mae hynny'n ffordd ragorol ymlaen a chredaf y bydd awdurdodau lleol yn perfformio'n gadarnhaol.

Janet Ryder: Yr wyf yn amau a ddatblygwyd y setliad gyda chytundeb llawn Cymdeithas Llywodraeth Leol Cymru. Mae cryn anfodlonrwydd ynghylch y swm o arian y dywedir wrth gynghorau am ei wario mewn meysydd penodol. Cyflewyd hynny'n glir yn y cyfarfod partneriaeth ddoe. Mae'n faes y bydd angen inni ei drafod ymhellach gyda llywodraeth leol.

Peter Law: Yr ydych bob amser yn gwneud cyfraniad gwerthfawr yn y Cyngor Partneriaeth, Janet. Eglurais y mater hwn yn drwyadl ddoe ac fe'i derbyniwyd ar y cyfan gan gynrychiolwyr llywodraeth leol. Mae eu sylwadau'n ymwneud yn benodol â'r modd yr ydym yn monitro gwariant addysg. Nid ydym yn gwneud dim sydd yn newydd. Arolygwyd gwariant addysg y llynedd. Mae hynny'n rhesymol, oherwydd rhaid imi gyfiawnhau i chi sut y gwerir yr arian hwn. Yn y dimensiwn newydd o wleidyddiaeth sydd gennym yng Nghymru, byddwch yn gwbl briodol am ofyn imi pam na ddatblygir y pethau hyn weithiau, neu beth sydd yn digwydd o ran un maes penodol. Rhaid imi wybod beth sydd yn mynd ymlaen a chredaf ei bod yn rhesymol cael yr atborth hwn o awdurdodau lleol ynghylch sut y targedir arian addysgol, o gofio'r ymrwymïadau sydd yn rhan o'r dosbarthiad hwn.

Ynghylch gwasanaethau cymdeithasol, bydd cydfonitro gan y Cynulliad a Chymdeithas Llywodraeth Leol Cymru ar dargedau, canlyniadau a darpariaeth y dyfodol y flwyddyn nesaf. Croesawaf hynny ac,

have with the WLGA.

unwaith eto, pwysleisiaf y cytundeb partneriaeth sydd gennym â Chymdeithas Llywodraeth Leol Cymru.

On council tax damping, the settlement that I have made is consistent with an overall projective headline increase in council tax of no more than 10.7 per cent. Any increase beyond 10.7 per cent would result in a financial penalty for the Assembly under the Treasury statement of funding policy. I am confident that this will not happen. In the unlikely event that the actions of some authorities did result in a penalty for the Assembly, we would be minded to visit the consequences of their actions on those authorities responsible. My settlement includes a council tax reduction or damping scheme. This will cost £17 million, which has been top-sliced from the amount of central support being made available. We are talking about a local government settlement of £3 billion. This is not new. Damping has taken place since 1996. It was brought in, as the Finance Secretary said, at the request of the WLGA to deal with the mismatch in the formula inherited at the time of local government reorganisation. We have been trying to deal with it ever since. Phil Williams mentioned the unfairness of this in his local government speech earlier.

Ynghylch dampio treth y cyngor, mae'r setliad a wneuthum yn gyson â chynnydd pennawd amcanestynnol cyffredinol yn nhreth y cyngor o ddim mwy na 10.7 y cant. Byddai unrhyw gynnydd uchlaw 10.7 y cant yn arwain at gosb ariannol i'r Cynulliad o dan ddatganiad polisi ariannu'r Trysorlys. Yr wyf yn ffyddiog na fydd hyn yn digwydd. Pe bai gweithredoedd rhai cyngorau'n arwain at gosb i'r Cynulliad, er mor annhebygol yw hynny, byddem yn dueddol o ddymuno cosbi'r awdurdodau sydd yn gyfrifol â chanlyniad eu gweithredoedd. Mae'r setliad sydd gennyf yn cynnwys cynllun lleihau neu ddampio treth y cyngor. Bydd hyn yn costio £17 miliwn, sydd wedi ei frig-dorri o swm y cymorth canolog sydd ar gael. Yr ydym yn sôn am setliad llywodraeth leol o £3 biliwn. Nid yw hyn yn newydd. Digwyddodd dampio ers 1996. Fe'i cyflwynwyd, fel y dywedodd yr Ysgrifennydd Cyllid, ar gais Cymdeithas Llywodraeth Leol Cymru er mwyn ymdrin â'r diffyg cyfatebiaeth yn y fformwla a etifeddwyd ar adeg ad-drefnu llywodraeth leol. Buom yn ceisio ymdrin â hyn byth ers hynny. Soniodd Phil Williams am annhegwch hyn yn ei araith ar lywodraeth leol yn gynharach.

David Davies: Can you clarify, when a council tax damping scheme was put in place in previous years, whether or not the money was top-sliced from revenue support grant or taken from other areas of the Welsh block or from other funds completely?

David Davies: A allwch egluro, pan gyflwynwyd cynllun dampio treth y cyngor mewn blynyddoedd blaenorol, a gafodd yr arian ei frig-dorri o'r grant cynnal refeniw ynteu a gymerwyd ef o feysydd eraill ym mloc Cymru neu o gronfeydd cwbl ar wahân?

Peter Law: It was top-sliced last year from the revenue support grant. The figure was £22.2 million last year, and that should be borne in mind today when we talk about a £17 million scheme. The damping scheme has been discussed and agreed with the WLGA. The decision to limit the cost of the scheme to £17 million reflects its views also.

Peter Law: Fe'i brig-dorrwyd y llynedd o'r grant cynnal refeniw. Yr oedd y ffigur yn £22.2 miliwn y llynedd, a dylid cofio hynny heddiw pan soniwn am gynllun £17 miliwn. Trafodwyd y cynllun dampio a'i gytuno â Chymdeithas Llywodraeth Leol Cymru. Mae'r penderfyniad i gyfyngu cost y cynllun i £17 miliwn hefyd yn adlewyrchu ei barn.

Geraint Davies: In my authority, we are making cuts of over £10 million and yet people are paying 12.7 per cent more council tax. How do you explain to people that they are paying more for less?

Geraint Davies: Yn fy awdurdod i, yr ydym yn cwtogi dros £10 miliwn ac eto mae pobl yn talu 12.7 y cant yn fwy o dreth y cyngor. Sut yr ydych yn egluro i bobl eu bod yn talu mwy am lai?

Peter Law: I appreciate what you are saying, Geraint, and I understand the difficulties that are faced. That is why I am saying that we need a £17 million damping scheme. I have felt that it should be more than that. There are others who would tell you that it should not exist at all. This is the dilemma. We must address the problems of people who are socially excluded if we are to make a difference. If the Assembly wants to deal with poverty this is an important plank of that task. That is why the settlement recognises the difficulties of the Rhondda Cynon Taff authority, and your constituents in particular. I know that it is disappointing but even with the damping grant you will still face a 10 to 12 per cent increase. I will speak about that later. I recognise that problem, and recognise the concerns of people in other areas who do not understand why we must now have this system. This is the fairest way forward, bearing in mind the flawed formula with which I must work in local government at the moment. With the agreement of the WLGA we will change that formula next year.

Dafydd Wigley: Would you accept that we all recognise the problems facing a number of local authorities because of the formula that needs to be changed? We all accept the need for damping. The problem is how it is funded. I think that we all share the opinion that funding the damping from the Assembly's general funds would be a more acceptable way forward than penalising areas where poor people will have to face these bills.

Peter Law: Nothing is easy and I never thought that this job would be so. However, I must work with the budget that I have. I have to work with comprehensive spending review figures that I inherited from the former Welsh Office in May when I came into office. Those figures, as you know, were set and they give me the local government finances for the block. I would like to ask for more money but I cannot do that. I must work with the situation as it is. I understand the disappointment in some parts of Wales, along with the hardship in rural areas. It is not a monopoly situation as far as social exclusion is concerned in those four or six areas. Some

Peter Law: Gwerthfawrogaf yr hyn a ddywedwch, Geraint, a sylweddolaf yr anawsterau a wynebir. Dyna pam y dywedaf fod arnom angen cynllun dampio £17 miliwn. Bûm yn teimlo y dylai fod yn fwy na hynny. Mae eraill a ddywedai wrthy ch na ddylai fod o gwbl. Dyna'r cyfyng-gyngor. Rhaid inni ymdrin â phroblemau pobl a allgaewyd yn gymdeithasol os ydym i wneud gwahaniaeth. Os yw'r Cynulliad am ymdrin â thlodi mae hyn yn elfen bwysig yn y dasg honno. Dyna pam y mae'r setliad yn cydnabod anawsterau awdurdod Rhondda Cynon Taf, a'ch etholwyr chi yn arbennig. Gwn fod hyn yn siomedig ond hyd yn oed ar ôl cael y grant dampio byddwch yn parhau i wynebu cynnydd o 10 i 12 y cant. Byddaf yn sôn am hynny'n ddiweddarach. Cydnabyddaf y broblem, a chydabyddaf bryderon pobl mewn ardaloedd eraill nad ydynt yn deall pam y mae'n rhaid inni gael y system hon. Dyma'r ffordd decaf ymlaen, o gofio'r fformwla ddiffygiol yr wyf yn gorfod gweithio â hi mewn llywodraeth leol ar hyn o bryd. Gyda chytundeb Cymdeithas Llywodraeth Leol Cymru byddwn yn newid y fformwla honno y flwyddyn nesaf.

Dafydd Wigley: A ydych yn barod i dderbyn bod pawb ohonom yn cydnabod y problemau sydd yn wynebu sawl awdurdod lleol am fod angen newid y fformwla? Yr ydym oll yn derbyn yr angen am ddampio. Y broblem yw sut y caiff ei ariannu. Credaf ein bod oll o'r farn y byddai ariannu dampio o gronfeydd cyffredinol y Cynulliad yn ffordd fwy derbyniol ymlaen na chosbi ardaloedd lle y bydd pobl dlawd yn gorfod wynebu'r biliau hyn.

Peter Law: Nid oes dim yn rhwydd ac ni chredais erioed y byddai'r swydd hon felly. Fodd bynnag, rhaid imi weithio gyda'r gyllideb sydd gennyf. Rhaid imi weithio gyda ffigurau'r arolwg cynhwysfawr o wariant a etifeddais o'r Swyddfa Gymreig gynt ym mis Mai pan ddechreuais yn fy swydd. Yr oedd y ffigurau hynny, fel y gwyddoch, wedi eu gosod ac yn rhoi imi'r cyllid llywodraeth leol ar gyfer y bloc. Hoffwn ofyn am fwy o arian ond ni allaf wneud hynny. Rhaid imi weithio gyda'r sefyllfa fel y mae. Deallaf y siom mewn rhai rhannau o Gymru, ynghyd â'r caledi mewn ardaloedd gwledig. Nid oes sefyllfa o fonopoli o ran allgáu cymdeithasol

of those areas have deprivation surrounding deprivation and on top of deprivation. Its intensity is so great that it is recognised in this damping grant. I would like to see the situation changed and a fairer, more equitable approach adopted. I hope we can work towards that situation next year with the help and support of the Assembly and the WLGA.

Nick Bourne: I thank Peter Law for giving way. We have heard more interventions than speech.

Peter Law: You get best value.

Nick Bourne: Yes, best value, on this occasion at least.

Dafydd Wigley and David Davies commented on the funding of the damping scheme. That is the crucial issue. When the scheme was operational under the Conservative Government it was funded largely by other sources, rather than by the local government settlement. A problem that we now face is that it is funded from the local government budget instead of from elsewhere.

Peter Law: The damping scheme is funded by the local government budget this year, as it was last year, and is top-sliced. It may have been done so partly by a previous Conservative Government. However, looking at the trail of devastation left behind in many communities, particularly by consecutive Conservative Governments, it is a poor equation.

I am delighted to hear David Melding shouting for an answer. The Vale of Glamorgan Council responded positively to my consultation by saying that it believed that the damping grant should be paid this year for the last time to help the authorities in need. I thank the council for that and ask you to pass that message on, David.

David Melding: We would also hear from the Vale of Glamorgan Council that the average increase in expenditure facing

yn y pedair neu chwe ardal hynny. Mae gan rai o'r ardaloedd hynny amddifadedd o gylch amddifadedd ar ben amddifadedd. Mae mor llethol fel y cydnabyddir ef yn y grant dampio hwn. Hoffwn weld newid yn y sefyllfa hon a mabwysiadu dull tecach, mwy cyfiawn. Gobeithiaf y gallwn weithio tuag at y sefyllfa honno y flwyddyn nesaf gyda chymorth a chefnogaeth y Cynulliad a Chymdeithas Llywodraeth Leol Cymru.

Nick Bourne: Diolchaf i Peter Law am ildio. Clywsom fwy o ymyriadau nag o araith.

Peter Law: Yr ydych yn cael y gwerth gorau.

Nick Bourne: Ydym, y gwerth gorau, y tro hwn o leiaf.

Gwnaeth Dafydd Wigley a David Davies sylw ar ariannu'r cynllun dampio. Dyna'r mater holl bwysig. Pan weithredwyd y cynllun o dan y Llywodraeth Geidwadol fe'i hariannwyd yn bennaf drwy ffynonellau eraill, yn hytrach na drwy'r setliad llywodraeth leol. Un broblem a wynebwn yn awr yw ei fod wedi ei ariannu o'r gyllideb llywodraeth leol yn hytrach nag o fannau eraill.

Peter Law: Ariannir y cynllun dampio gan y gyllideb llywodraeth leol eleni, yr un modd â'r flwyddyn ddiwethaf, a chaiff ei frig-dorri. Efallai iddo gael ei wneud yn rhannol felly gan Lywodraeth Geidwadol flaenorol. Fodd bynnag, o edrych ar y dinistr a adawyd mewn llawer o gymunedau, yn enwedig gan Lywodraethau Ceidwadol olynol, mae'n hafaliad gwael.

Yr wyf wrth fy modd yn clywed David Melding yn gweiddi am ateb. Ymatebodd Cyngor Bro Morgannwg yn gadarnhaol i'm hymgyngoriad drwy ddweud ei fod yn credu y dylid talu'r grant dampio am y tro olaf eleni er mwyn helpu'r awdurdodau sydd mewn angen. Diolchaf i'r cyngor am hynny a gofynnaf ichi drosglwyddo'r neges honno, David.

David Melding: Byddem hefyd yn clywed oddi wrth Gyngor Bro Morgannwg y bydd y codiad cyfartalog mewn gwariant sydd yn

council tax payers, including myself in Barry, will be approximately £50. What value for money will we receive for this £50? Will you rein in the councils that are over-spending?

Peter Law: Are you suggesting that I should rein in a Conservative controlled council in the Vale of Glamorgan? I am becoming slightly concerned about you, David. Local authorities throughout Wales try to give the best value for money. They contain committed professionals who are looking after communities. There are differences in all areas. Some might be better than others, but generally all authorities work hard to ensure value for money. The Vale of Glamorgan Council is part of the WLGA and, to be fair, it responded positively to the consultation and said that it understood the need for the damping grant. We hope that this will be the grant's last year when the new formula is implemented. The WLGA has endorsed the damping grant and there is an overall strong case.

4:09 p.m.

David Davies: You have talked about the WLGA's support for the scheme. However, is it not the case that the WLGA's meeting to discuss the formula was fiery and that at one point during the meeting the formula could have been ruled out completely because two Labour councillors were abstaining. I have been told that those Labour councillors were leant upon by Labour members of the WLGA to vote in favour of the formula. If they had failed to vote or had abstained, as they wanted to, it would have been a severe embarrassment for the Labour Party.

Peter Law: That is an appalling statement. I do not have any knowledge of what happens at WLGA meetings. I receive official communication, which I accept with all sincerity, and I thank the WLGA for its work. It should be remembered that democracy runs on the will of the majority in any political body, such as we have here, with only one Conservative Member elected first past the

wynebu talwyr treth y cyngor, a minnau'n un ohonynt yn y Barri, tua £50. Pa werth am arian y byddwn yn ei gael am y £50 hwn? A ydych yn barod i ffrwyno'r cyngorau sydd yn gorwario?

Peter Law: A ydych yn awgrymu y dylwn ffrwyno cyngor dan reolaeth Geidwadol ym Mro Morgannwg? Yr wyf yn dechrau poeni braidd yn eich cylch, David. Mae awdurdodau lleol ledled Cymru'n ceisio rhoi'r gwerth gorau am arian. Mae ynddynt weithwyr proffesiynol ymroddedig sydd yn gofalu am eu cymunedau. Mae gwahaniaethau ym mhob ardal. Efallai fod rhai'n well na'i gilydd, ond ar y cyfan mae'r holl awdurdodau'n gweithio'n galed i sicrhau gwerth am arian. Mae Cyngor Bro Morgannwg yn rhan o Gymdeithas Llywodraeth Leol Cymru ac, i fod yn deg, ymatebodd yn gadarnhaol i'r ymgynghoriad a dywedodd ei fod yn deall yr angen am y grant dampio. Gobeithiwn mai hwn fydd blwyddyn olaf y grant pan weithredir y fformwla newydd. Mae Cymdeithas Llywodraeth Leol Cymru wedi cadarnhau'r grant dampio ac mae dadl gref o'i blaid yn gyffredinol.

David Davies: Soniasoch am gefnogaeth Cymdeithas Llywodraeth Leol Cymru i'r cynllun. Fodd bynnag, onid yw'n wir bod cyfarfod Cymdeithas Llywodraeth Leol Cymru i drafod y fformwla yn un tanbaid a'i bod yn bosibl ar un adeg yn ystod y cyfarfod y gallai'r fformwla fod wedi ei diystyru'n llwyr am fod dau gynghorydd Llafur yn ymatal. Dywedwyd wrthyf bod y cynghorwyr Llafur hynny wedi bod o dan bwysau gan aelodau Llafur o Gymdeithas Llywodraeth Leol Cymru i bleidleisio o blaid y fformwla. Pe baent wedi methu pleidleisio neu wedi ymatal, fel y dymunent, buasai hynny wedi peri annifyrrwch mawr i'r Blaid Lafur.

Peter Law: Mae hynny'n ddatganiad gwarthus. Nid oes gennyf unrhyw wybodaeth am yr hyn sydd yn digwydd yng nghyfarfodydd Cymdeithas Llywodraeth Leol Cymru. Derbyniaf hysbysiadau swyddogol, a dderbyniaf yn gwbl ddiwyll, a diolchaf i Gymdeithas Llywodraeth Leol Cymru am ei gwaith. Dylid cofio bod democratiaeth yn gweithredu yn ôl ewyllys y

post. We also have one independent Member

Alun Cairns: Point of order. I ask the Presiding Officer to correct the Secretary for the implication in his previous comment that first past the post Assembly Members are of a different standing to regional Members.

Peter Law: That was your interpretation of my words. I did not say that.

The Presiding Officer: I listened carefully to Peter Law, as I always do, and I will check the record. I was listening and his words did not cast any aspersions on the status of a Member, but merely described the votes cast for the parties concerned.

Peter Law: I recognise the contribution made by regional Members. I also know that the six damped authorities appreciate the support that they will receive in today's vote from the regional Members that also represent their areas.

The six authorities are eligible to receive damping grant. I will bring forward council tax reduction scheme regulations that give effect to this as soon as possible after the Assembly has approved the local government finance report. Contrary to misleading reports over the past weeks by people who should know far better, damping exists to protect council tax payers from excessive council tax increases. I cannot stress enough that it has nothing to do with supporting inefficient councils or paying off debt. I have been appalled by the way that people have tried to spread misinformation and have lied publicly for political gain. Any debts that the six authorities may have will not be paid off. The authorities are not inefficient or incompetent. The people they serve are suffering from poverty of the worst degree and we must be seen to be dealing with that problem.

The amount of money involved represents a small fraction of the overall funding and will

mwyafrif mewn unrhyw gorff gwleidyddol, fel yr un sydd gennym yma, gyda dim ond un Aelod Ceidwadol wedi ei ethol drwy fod yn gyntaf i'r felin. Mae gennym un Aelod annibynnol hefyd.

Alun Cairns: Pwynt o drefn. Gofynnaf i'r Llywydd gywiro'r Ysgrifennydd am awgrymu yn ei sylw blaenorol fod yr Aelodau Cynulliad a oedd gyntaf i'r felin â statws gwahanol i Aelodau rhanbarthol.

Peter Law: Eich dehongliad chi o'm geiriau oedd hynny. Ni ddywedais hynny.

Y Llywydd: Gwrandewais yn astud ar Peter Law, fel yr wyf bob amser, a gwiriaf y cofnod. Yr oeddwn yn gwranddo ac nid oedd ei eiriau'n bwrw sen ar statws Aelod, dim ond yn disgrifio'r pleidleisiau a fwriwyd dros y pleidiau dan sylw.

Peter Law: Cydnabyddaf y cyfraniad a wneir gan Aelodau rhanbarthol. Gwn hefyd fod y chwe awdurdod a ddampwyd yn gwerthfawrogi'r gefnogaeth y byddant yn ei chael yn y bleidlais heddiw gan yr Aelodau rhanbarthol sydd hefyd yn cynrychioli eu hardaloedd.

Mae'r chwe awdurdod yn gymwys i dderbyn grant dampio. Byddaf yn cyflwyno rheoliadau cynllun lleihau treth y cyngor a fydd yn rhoi hyn ar waith gynted ag y bo modd ar ôl i'r Cynulliad gymeradwyo'r adroddiad cyllid llywodraeth leol. Yn groes i adroddiadau camarweiniol dros yr wythnosau diwethaf gan bobl a ddylai wybod yn well o lawer, mae dampio'n bod er mwyn amddiffyn talwyr treth y cyngor rhag codiadau gormodol yn nhreth y cyngor. Ni allaf orbwysleisio nad oes a wnelo hyn o gwbl â chynnal cyngorau aneffeithlon neu dalu dyledion. Fe'm brawychwyd gan y modd y mae pobl wedi ceisio lledaenu gwybodaeth anghywir ac wedi dweud celwydd ar goedd er budd gwleidyddol. Ni thelir unrhyw ddyledion a allai fod gan y chwe awdurdod. Nid yw'r awdurdodau'n aneffeithlon neu'n anghymwys. Mae'r bobl a wasanaethant yn dioddef y tlodi gwaethaf a rhaid i bobl weld ein bod yn ymdrin â'r broblem honno.

Nid yw'r swm o arian dan sylw ond yn gyfran fach o gyfanswm y gwariant a bydd

ensure that if authorities spend in line with our assumptions, no council tax payer living in a band D property will have to pay an increase of more than £85. Without damping, band D council tax payers in Rhondda Cynon Taff County Borough Council, Merthyr Tydfil County Borough Council and the County Borough of Blaenau Gwent, would have to pay increases of between 22 to 53.4 per cent. Without damping, in a band D property this amounts to £147 in Rhondda Cynon Taff, £242 in Merthyr Tydfil and £337 in Blaenau Gwent. Imagine the impact that an increase in council tax on this scale could have on a household. It is intolerable, particularly when you bear in mind the cumulative totals since local government reorganisation. By April, they will be approximately 92 per cent for Neath Port Talbot County Borough Council, 94 per cent for Rhondda Cynon Taff, 101 per cent for Merthyr Tydfil and 111 per cent for Blaenau Gwent. Those figures are compared with an average increase in Wales of 70 per cent. If there were no damping grants and the £17 million were redistributed as revenue support grant, the average reduction per authority throughout Wales for a band D property would only be £17. I have completed the exercise. However, if the money were redistributed, you would have people in Merthyr Tydfil paying about £250. That is the injustice of a flawed formula. I recognise that and we must do something about it as soon as we can.

Jenny Randerson: Can we have your absolute commitment that this formula will be reviewed before next year? Last year we were promised that it would be reviewed for this year. The year before last we were promised that it would be reviewed for last year and so on back into the mists of time. In Wales today a great deal of the dissatisfaction and unhappiness at this formula would be alleviated to some extent if we had your absolute commitment that a fair formula will be in place next year.

Peter Law: I cannot argue with Jenny's reasonable request. Some of my predecessors with this responsibility might have been able to put more impetus behind it if they had had to stand here in front of the Assembly to

yn sicrhau, os yw awdurdodau'n gwario'n unol â'n rhagdybiaethau, na fydd unrhyw dalwr treth y cyngor sydd yn byw mewn annedd band D yn gorfod talu codiad o fwy na £85. Heb ddampio, byddai talwyr treth y cyngor band D yng Nghyngor Bwrdeistref Sirol Rhondda Cynon Taf, Cyngor Bwrdeistref Sirol Merthyr Tudful a Bwrdeistref Sirol Blaenau Gwent, yn gorfod talu codiadau o rhwng 22 a 53.4 y cant. Heb ddampio, mewn annedd band D mae hyn yn gymaint â £147 yn Rhondda Cynon Taf, £242 ym Merthyr Tudful a £337 ym Blaenau Gwent. Dychmygwch yr effaith bosibl a gâi codiad o'r maint hwnnw yn nhreth y cyngor ar deulu. Mae'n annioddefol, yn enwedig pan gofiwch y cyfansymiau cronol ers ad-drefnu llywodraeth leol. Erbyn Ebrill, byddant tua 92 y cant ar gyfer Cyngor Bwrdeistref Sirol Castell-nedd Port Talbot, 94 y cant ar gyfer Rhondda Cynon Taf, 101 y cant ar gyfer Merthyr Tudful a 111 y cant ar gyfer Blaenau Gwent. Ceir y ffigurau hynny drwy gymharu â chynnydd cyfartalog yng Nghymru o 70 y cant. Pe na bai grantiau dampio ac os câi'r £17 miliwn ei ailddosbarthu fel grant cynnal refeniw, dim ond £17 fyddai'r gostyngiad cyfartalog i bob awdurdod ledled Cymru ar gyfer annedd band D. Cwblheais yr ymarferiad. Fodd bynnag, pe câi'r arian ei ailddosbarthu, byddai gennych bobl ym Merthyr Tudful yn talu tua £250. Dyna anghyfiawnder fformwla ddiffygiol. Cydnabyddaf hynny a rhaid inni wneud rhywbeth yn ei gylch gynted ag y gallwn.

Jenny Randerson: A allwch roi ymrwymiad llwyr y caiff y fformwla hon ei hadolygu cyn y flwyddyn nesaf? Y llynedd cawsom addewid y câi ei hadolygu ar gyfer y flwyddyn hon. Y flwyddyn cyn y ddiwethaf cawsom addewid y câi ei hadolygu ar gyfer y flwyddyn ddiwethaf ac felly ymlaen yn ôl i niwl y gorffennol. Yng Nghymru heddiw gellid lleddfu llawer iawn o'r anffodlonrwydd a'r anhapusrwydd ynghylch y fformwla hon i ryw raddau pe caem ymrwymiad llwyr gennych y bydd fformwla deg ar waith y flwyddyn nesaf.

Peter Law: Ni allaf anghytuno â chais rhesymol Jenny. Mae'n bosibl y byddai rhai o'm rhagflaenwyr a chanddynt y cyfrifoldeb hwn wedi gallu rhoi mwy o hwb iddo pe baent wedi gorfod sefyll yma o flaen y

justify it annually instead of deciding behind closed doors. I give you that commitment, and I know that you will make sure, from the Partnership Council, that I keep that commitment. I want it settled. I do not want the poor to get poorer. I want a fair and equitable arrangement to give all our people a chance of a quality of life.

We would prefer projected council tax increases to be lower. However, we have to live within the Assembly's budget. We heard earlier how many pressures there are on that budget. As part of the settlement, I have increased total standard spending in line with actual budgets for the first time. This was a long-standing wish of the Welsh Local Government Association. It represents a one-off adjustment in distribution that has an impact on council tax for the individual authorities. I recognise that this year. We are aware of the deficiencies of the formula used to calculate the standard spending assessment of each council, and so for 2001-2002 we are working with the WLGA to produce that new standard spending assessment formula to which Jenny referred. Our aim is to agree the formula that provides for a fairer distribution of resources between authorities. The work is being overseen by the consultative forum on finance on which each political party in the Assembly is represented. For technical reasons, the final figure or the distributal amount of £19 million higher than the provisional figure, brings about no change to central provision for local authorities, because there is a consequential reduction in revenue support grant to reflect the increase. I appreciate the concern the figures have caused, and it is easy to think that there might have been more money available.

Each year the Assembly must consult local authorities on the revenue settlement proposal. It has a statutory duty to do this. I gave careful consideration to all the representations made in response to the statutory consultation, and copies of these have been placed in the Assembly Library. The Assembly Cabinet has had to balance its responsibilities for other key public services in Wales in endorsing my settlement

Cynulliad i'w chyfiawnhau bob blwyddyn yn lle penderfynu y tu ôl i ddrysau caeedig. Rhoddaf yr ymrwymiad hwnnw i chi, a gwn y byddwch yn sicrhau, o'r Cyngor Partneriaeth, fy mod yn cadw'r ymrwymiad hwnnw. Yr wyf am weld ei ddatrys. Nid wyf am i'r tlawd fynd yn dlotach. Yr wyf am gael trefniant teg er mwyn rhoi cyfle i'n holl bobl gael ansawdd bywyd da.

Byddai'n well gennym pe bai'r codiadau amcanestynedig yn nhreth y cyngor yn llai. Fodd bynnag, rhaid inni fyw oddi mewn i gyllideb y Cynulliad. Clywsom yn gynharach faint o bwysau sydd ar y gyllideb honno. Fel rhan o'r setliad, cynyddais gyfanswm y gwariant safonol yn unol â'r gwir gyllidebau am y tro cyntaf. Dyma ddymuniad Cymdeithas Llywodraeth Leol Cymru ers tro. Mae'n cynrychioli un newid unwaith ac am byth a gaiff effaith ar dreth y cyngor ar gyfer yr awdurdodau unigol. Cydnabyddaf hynny eleni. Yr ydym yn ymwybodol o ddiffygion y fformwla a ddefnyddiwyd i gyfrifo asesiad gwariant safonol pob cyngor, ac felly ar gyfer 2001-02 yr ydym yn gweithio gyda Chymdeithas Llywodraeth Leol Cymru er mwyn llunio'r fformwla asesiad gwariant safonol newydd honno y cyfeiriodd Jenny ati. Ein nod yw cytuno ar y fformwla honno sydd yn darparu ar gyfer dosbarthiad tecach o adnoddau ymysg awdurdodau. Goruchwylir y gwaith gan y fforwm ymgynghorol ar gyllid y cynrychiolir pob plaid gwleidyddol yn y Cynulliad arno. Am resymau technegol, nid yw'r ffigur terfynol neu'r swm dosbarthol sydd yn £19 miliwn yn uwch na'r ffigur dros dro, yn peri unrhyw newid yn y ddarpariaeth ganolog i awdurdodau lleol, oherwydd mae lleihad o ganlyniad i hynny yn y grant cynnal refeniw er mwyn adlewyrchu'r cynnydd. Sylweddolaf y pryder a achoswyd gan y ffigurau, a hawdd yw credu y gallasai mwy o arian fod ar gael.

Bob blwyddyn rhaid i'r Cynulliad ymgynghori â'r awdurdodau lleol ynghylch cynnig y setliad refeniw. Mae arni ddyletswydd statudol i wneud hynny. Rhoddais ystyriaeth fanwl i'r holl sylwadau a gyflwynwyd mewn ymateb i'r ymgynghoriad statudol, a gosodwyd copïau o'r rhain yn Llyfrgell y Cynulliad. Bu'n rhaid i Gabinet y Cynulliad gadw'r ddysgl yn wastad rhwng ei gyfrifoldebau dros wasanaethau cyhoeddus

proposals. This local government revenue support settlement is a good one, and was supported by the WLGA representatives in the Partnership Council yesterday. I commend this local government revenue support settlement proposal to the Assembly and I invite Members to approve the Local Government Finance Report.

Janet Ryder: We are not happy with the order in which these debates have been taken. We requested that the debate on the draft Local Government Finance Report be taken before the budget debate. We were not supported by other parties in this Chamber.

Peter Law's announcement of the local government revenue support settlement amounts to £3.3 billion net of specific grants and allows an overall increase in council spending of £171 million or 5.8 per cent. This is a better settlement than local government has had for many years and local government itself acknowledges this, but it is still not enough. Local government is saying that it has never before been told to such an extent how to use its budget. This is causing problems. There is more money available but only for specific areas and that means that cuts will have to be made in others. This central control goes beyond the greater use of hypothecation by this Labour administration or monitoring of budgets. It entails telling local government what percentage of their budget should be spent on different services. There is an emphasis on education and social services, particularly children's services, and this is reflected, as Peter Law said, in the budget.

4:19 p.m.

In a letter to local government on 31 January, the First Secretary points out that at an all-Wales level there is provision in the budget for an increase of about £51 million; a 9 per cent increase for social services budgets. In the light of this increase it is expected that all authorities, not allowing for variations in their individual circumstances, should make a commensurate increase in their social services budgets. It is also expected that

allweddol eraill yng Nghymru wrth gadarnhau fy nghynigion ar gyfer y setliad. Mae'r setliad cynnal refeniw llywodraeth leol hwn yn un da, ac fe'i cefnogwyd gan gynrychiolwyr Cymdeithas Llywodraeth Leol Cymru yn y Cyngor Partneriaeth ddde. Cymeradwyaf y setliad cynnal refeniw llywodraeth leol hwn i'r Cynulliad a gwahoddaf yr Aelodau i gymeradwyo'r Adroddiad Cyllid Llywodraeth Leol.

Janet Ryder: Nid ydym yn fodlon â'r drefn y cymerwyd y dadleuon hyn. Gofynasom am gynnal y ddadl ar yr Adroddiad Cyllid Llywodraeth Leol drafft cyn y ddadl ar y gyllideb. Ni chefnogwyd ni gan bleidiau eraill yn y Siambr hon.

Mae cyhoeddiad Peter Law o'r setliad cynnal refeniw llywodraeth leol yn dod i £3.3 biliwn heb gynnwys grantiau penodol ac yn caniatáu cynnydd cyffredinol yng ngwariant y cynghorau o £171 miliwn neu 5.8 y cant. Mae hwn yn setliad gwell nag a gafodd llywodraeth leol ers nifer o flynyddoedd ac mae llywodraeth leol ei hun yn derbyn hynny, ond nid yw'n ddigon o hyd. Dywed llywodraeth leol na ddywedwyd wrthi erioed i'r fath raddau sut i ddefnyddio ei chyllideb. Mae hyn yn peri problemau. Mae mwy o arian ar gael ond dim ond ar gyfer meysydd penodol a golyga hynny y bydd yn rhaid torri mewn eraill. Â'r rheolaeth ganolog hon yn bellach na'r defnydd helaethach o bridianu gan y weinyddiaeth Lafur hon neu fonitro cyllidebau. Mae'n golygu dweud wrth llywodraeth leol pa ganran o'u cyllideb y dylid ei gwario ar wahanol wasanaethau. Mae pwyslais ar addysg a gwasanaethau cymdeithasol, yn enwedig gwasanaethau plant, ac adlewyrchir hynny, fel y dywedodd Peter Law, yn y gyllideb.

Mewn llythyr i lywodraeth leol ar 31 Ionawr, nodâ'r Prif Ysgrifennydd fod darpariaeth yn y gyllideb ar lefel Cymru gyfan ar gyfer cynnydd o tua £51 miliwn; cynnydd o 9 y cant ar gyfer cyllidebau gwasanaethau cymdeithasol. Yng ngoleuni'r cynnydd hwn disgwylir y dylai'r holl awdurdodau, heb ganiatáu ar gyfer amrywiadau yn eu hamgylchiadau unigol, gynyddu eu cyllidebau gwasanaethau cymdeithasol yn

education budgets will increase by 5 per cent.

What kind of flexibility do local authorities have in this? Regardless of whether they are high or low spenders, they will be expected to increase their spending on social services and education. To achieve this, many authorities must make severe cuts in other services. There may be more money available over all, but councils are being told by a Labour administration to increase their spending in specific areas, over and above what that extra money allows. To do this, they must cut the money set aside for road repairs, refuse collection and house repairs. They must rob Peter to pay Paul.

The settlement is not sufficient to allow these increases, while maintaining other services. Councils that have developed business plans stretching over three or four years must scrap them, because the local emphasis they wanted to put on service delivery is not in line with that being dictated by the Labour administration.

Local councillors are locally accountable. They should be allowed to develop spending plans that meet local needs. They know the local priorities. There must be some agreement over how national strategies and priorities are delivered locally, but that agreement should be reached through discussion and not by dictation.

While Assembly officials claim that there is a possibility of a 5.8 per cent increase in spending, the WLGA argues that if it is required to meet this increase in education and social services, there will be little more than a 2.5 per cent increase in other services. In effect, there will be a cut. This trend is also borne out in the cuts and capital resources available.

There is also the argument about the damping mechanism. In his announcement, Peter Law said that the settlement includes a council tax damping scheme, which will involve a £17 million top-slice. Plaid Cymru—The Party of

gymesur â hynny. Disgwylir hefyd y bydd cyllidebau addysg yn cynyddu 5 y cant.

Pa fath o hyblygrwydd sydd gan awdurdodau lleol yn hyn? Ni waeth a ydynt yn wariwr uchel neu isel, disgwylir iddynt gynyddu eu gwariant ar wasanaethau cymdeithasol ac addysg. Er mwyn cyflawni hynny, rhaid i lawer o awdurdodau wneud toriadau enbyd mewn gwasanaethau eraill. Efallai fod mwy o arian ar gael yn gyffredinol, ond dywedir wrth y cynghorau gan weinyddiaeth Lafur am gynyddu eu gwariant mewn meysydd penodol, uwchlaw'r hyn a ganiateir gan yr arian ychwanegol hwnnw. I wneud hynny, rhaid iddynt dorri ar yr arian a glustnodwyd ar gyfer atgyweirio ffyrdd, casglu sbwriel ac atgyweirio tai. Rhaid iddynt ddwyn yr hen i dalu'r newydd.

Nid yw'r setliad yn ddigon i ganiatáu'r codiadau hyn, a chynnal gwasanaethau eraill yr un pryd. Mae cynghorau a ddatblygodd gynlluniau busnes yn ymestyn dros dair neu bedair blynedd yn gorfod eu taflu, am nad yw'r pwyslais lleol yr oeddent am ei roi ar gyflenwi gwasanaethau yn gytûn â'r hyn a orchmynnir gan y weinyddiaeth Lafur.

Mae cynghorwyr lleol yn atebol yn lleol. Dylid caniatáu iddynt ddatblygu cynlluniau gwariant sydd yn ateb anghenion lleol. Gwyddant beth yw'r blaenoriaethau lleol. Rhaid cael rhyw gytundeb ar y modd y cyflenwir strategaethau a blaenoriaethau cenedlaethol yn lleol, ond dylid cyrraedd y cytundeb hwnnw drwy drafod ac nid drwy orchymyn.

Er bod swyddogion y Cynulliad yn honni bod posibilid o 5.8 y cant o gynnydd mewn gwariant, mae Cymdeithas Llywodraeth Leol Cymru'n dadlau, os oes disgwyl iddi dalu am y cynnydd hwn mewn addysg a gwasanaethau cymdeithasol, na fydd ond ychydig mwy na 2.5 y cant o gynnydd mewn gwasanaethau eraill. Mewn gwirionedd, bydd toriad. Cadarnheir y duedd hon yn y toriadau a'r adnoddau cyfalaf sydd ar gael.

Dyna'r ddadl hefyd am y mecanwaith dampio. Yn ei gyhoeddiad, dywedodd Peter Law fod y setliad yn cynnwys cynllun dampio treth y cyngor, a fydd yn golygu brigdoriad o £17 miliwn. Mae Plaid Cymru—

Wales has always agreed that a damping mechanism is necessary to ensure a redistribution of resources for those areas of greatest need. The question is how to pay for this damping? We propose—as did the Plaid Cymru group on the WLGA—that it should not be top-sliced from all the other councils, but given as new, additional money on top of the local government settlement. Dafydd Wigley put forward this argument in the Partnership Council on 22 October and Phil Williams mentioned it in his speech today.

We wanted the £17 million, which the Secretary proposes to top-slice from local authorities, to be left as part of the local government settlement, and that extra money be found to fund the damping mechanism. This £17 million could then be used by authorities to lower their council tax levels or to supplement the areas of their budgets which are under severe pressure.

The local government settlement causes concern every year for those who must make it work locally. This year it has been a cause of wider concern. Never before has the settlement been so openly debated. People have begun to recognise, perhaps for the first time, the complexities of the present settlement. The need to develop a new formula is crucial so that next year we do not find ourselves in the same situation.

We accept that this is a better settlement overall and the best for many years. However, the high degree of central control is unacceptable. Local authorities are not being allowed to meet local needs. I ask that we examine this closely and, together with local government, arrive at an agreement as to how local needs can be met within the wider demands of national policy. These discussions will be crucial in determining the future relationship between the National Assembly for Wales and local government. The process of debating this settlement also needs to be re-examined. We ask for a firm assurance that any extra money that may be made available during the financial year is given to local government to aid councils in some of those service areas that face cuts.

The Party of Wales yn cytuno erioed fod angen mecanwaith dampio er mwyn sicrhau aildodsbarthu adnoddau ar gyfer yr ardaloedd hynny sydd â'r angen mwyaf. Y cwestiwn yw sut i dalu am y dampio hwn? Cynigiwn ni—fel y gwnaeth grŵp Plaid Cymru yng Nghymdeithas Llywodraeth Leol Cymru—na ddylid ei frig-dorri o'r holl gynghorau eraill, ond y dylid ei roi fel arian ychwanegol, newydd ar ben y setliad llywodraeth leol. Cyflwynodd Dafydd Wigley y ddaidl hon yn y Cyngor Partneriaeth ar 22 Hydref a chyfeiriodd Phil Williams ato yn ei araith heddiw.

Yr oeddem am weld gadael y £17 miliwn, y bwriada'r Ysgrifennydd ei frig-dorri o'r awdurdodau lleol, yn rhan o'r setliad llywodraeth leol, a chanfod yr arian ychwanegol hwnnw i ariannu'r mecanwaith dampio. Wedyn gallai'r awdurdodau ddefnyddio'r £17 miliwn hwn i leihau eu lefelau treth y cyngor neu ei ychwanegu at y mesydd yn eu cyllidebau sydd dan bwysau enbyd.

Mae'r setliad llywodraeth leol yn peri pryder bob blwyddyn i'r rhai sydd yn gorfod ei roi ar waith yn lleol. Eleni bu'n achos pryder mwy cyffredinol. Nid yw'r setliad wedi ei drafod mor agored erioed o'r blaen. Mae pobl wedi dechrau sylweddoli, am y tro cyntaf efallai, gymhlethdodau'r setliad presennol. Mae'r angen i ddatblygu fformwla newydd yn hanfodol fel na fyddwn yn ein cael ein hunain yn yr un sefyllfa y flwyddyn nesaf.

Yr ydym yn derbyn bod hwn yn well setliad at ei gilydd a'r un gorau ers blynnyddoedd lawer. Fodd bynnag, mae'r graddau mawr o reolaeth ganolog yn annerbyniol. Ni chaniateir i awdurdodau lleol ateb anghenion lleol. Gofynnaf inni edrych ar hyn yn fanwl ac, ar y cyd â llywodraeth leol, dod i gytundeb ynghylch sut y gellir diwallu anghenion lleol oddi mewn i ofynion polisi cenedlaethol. Bydd y trafodaethau hyn yn hanfodol wrth benderfynu'r berthynas yn y dyfodol rhwng Cynulliad Cenedlaethol Cymru a llywodraeth leol. Mae angen ailedrych hefyd ar y broses o drafod y setliad hwn. Gofynnwn am addewid bendant y rhoddir unrhyw arian ychwanegol a allai fod ar gael yn ystod y flwyddyn ariannol i llywodraeth leol er mwyn cynorthwyo

Edwina Hart has mentioned that.

cynghorau yn rhai o'r meysydd gwasanaeth hynny sydd yn wynebu toriadau. Soniodd Edwina Hart am hynny.

Phil Williams stated that to vote against this settlement at this stage would further penalise the areas in greatest need. It would also leave local government without any settlement. Teachers and local government staff would be the first to suffer. That is irresponsible. We will not support a settlement that forces councils to raise their council tax levels to match those in England, when the overall GDP in Wales is so much lower than in England. We will therefore abstain.

Dywedodd Phil Williams y byddai pleidleisio yn erbyn y setliad hwn yn awr yn cosbi ymhellach yr ardaloedd mwyafrif anghenus. Byddai hefyd yn gadael llywodraeth leol heb unrhyw setliad. Athrawon a staff llywodraeth leol fyddai'r cyntaf i ddioddef. Mae hynny'n anghyfrifol. Ni fyddwn yn cefnogi setliad sydd yn gorfodi cynghorau i godi lefelau eu treth cyngor i gyfateb i'r rhai yn Lloegr, pan fo'r cynnyrch mewnwladol crynswth yng Nghymru gymaint yn is nag yn Lloegr. Byddwn felly'n ymatal.

The Presiding Officer: I now call David Davies and ask him to limit his remarks to five minutes.

Y Llywydd: Galwaf yn awr ar David Davies a gofynnaf iddo gyfyngu ei sylwadau i bum munud.

David Davies: We will also oppose this budget. We will do this not simply because of the financial impact that a huge rise in council taxes will have on rural areas and not simply because those increases are unfair, iniquitous and penalise well-run councils, but because most local authorities will be saddled with rises year after year if this budget is passed. We can expect these rises for a number of reasons. I will give way to Brian Gibbons but I will not give way many times as I only have five minutes during which to speak.

David Davies: Byddwn ni hefyd yn gwrthwynebu'r gyllideb hon. Byddwn yn gwneud hynny nid yn unig oherwydd yr effaith ariannol a gaiff cynnydd anferth yn nhrethi'r cyngor ar ardaloedd gwledig ac nid yn unig am fod y codiadau hynny'n annheg, yn anghyfiawn ac yn cosbi cynghorau a redir yn dda, ond am y bydd y rhan fwyaf o awdurdodau lleol yn gorfod dygymod â chodiadau flwyddyn ar ôl blwyddyn os caiff y gyllideb hon ei phasio. Gallwn ddisgwyl y codiadau hyn am sawl rheswm. Yr wyf yn fodlon ildio i Brian Gibbons ond nid wyf yn fodlon ildio llawer o weithiau am nad oes gennyf ond pum munud i siarad.

Brian Gibbons: Will you specify which councils you classify as being poorly run?

Brian Gibbons: A fyddwch gystal â nodi pa gynghorau a ddynodwch yn rhai a gaiff eu rhedeg yn wael?

David Davies: I will be happy to do that when I come on to it in a minute. Your party is responsible for most of them.

David Davies: Byddaf yn falch o wneud pan ddof at hynny mewn munud. Eich plaid chi sydd yn gyfrifol am y rhan fwyaf ohonynt.

One reason for the huge rises is the imposition of the council tax damping scheme. It is being brought in to bail out the four local authorities to which Brian Gibbons referred. These authorities cannot and will not stick to their spending targets. I spoke to the leader of one of these authorities yesterday, and he told me that they had not overspent. I have the figures to prove that they have. Blaenau Gwent County Borough

Un rheswm am y codiadau anferth yw gorfodi'r cynllun dampio treth y cyngor. Caiff ei gyflwyno er mwyn achub croen y pedwar awdurdod lleol y cyfeiriodd Brian Gibbons atynt. Nid yw'r awdurdodau hyn yn gallu nac yn dymuno cadw at eu targedau gwariant. Siaredais ag arweinydd un o'r awdurdodau hyn ddoe, a dywedodd wrthyf nad oeddent wedi gorwario. Mae'r ffigurau gennyf i brofi eu bod. Gwariodd Cyngor

Council spent 13 per cent over its standard spending assessment, Neath Port Talbot County Borough Council 11.4 per cent, Rhondda Cynon Taff County Borough Council 10.8 per cent and Merthyr Tydfil County Borough Council 13.7 per cent. If that is not overspending, I would like somebody to tell me what is.

Jenny Randerson *rose—*

The Presiding Officer: Order. I ask Members to be careful about interventions, as time is limited. I must protect the time of the important short debate that follows.

Jenny Randerson: Are you aware, David, that when William Hague was Secretary of State for Wales and the new system came in, he recognised in writing that some councils had a problem with the calculation of their SSA? That is why he proposed the damping scheme. I acknowledge that the way in which it is now funded and the fact that it has gone on might be a problem, but do you recognise that this injustice has gone on year after year?

David Davies: I understand that William Hague reorganised local government. He quite rightly decided that he was not going to allow local authorities to suffer during the first two years of the reorganisation. That is why he funded a damping scheme from other sources. I find it hard to feel sorry for the local authorities that now claim deprivation.

Helen Mary Jones *rose—*

David Davies: I cannot give way as I only have five minutes in which to speak.

Dear old Russell Goodway came along and paid himself £60,000 a year. Blaenau Gwent and Rhondda Cynon Taff County Borough Councils have some of the highest councillor expenses. Blaenau Gwent was paying itself an average of over £9,000 per councillor. Rhondda Cynon Taff also likes to claim poverty. When one of the Members here took over the leadership of that council in May, several thousand pounds worth of alcoholic

Bwrdeistref Sirol Blaenau Gwent 13 y cant dros ei asesiad gwariant safonol, Cyngor Bwrdeistref Sirol Castell-nedd Port Talbot 11.4 y cant drosodd, Cyngor Bwrdeistref Rhondda Cynon Taf 10.8 y cant drosodd a Chyngor Bwrdeistref Sirol Merthyr Tudful 13.7 y cant drosodd. Os nad gorwario yw hynny, byddwn yn falch pe dywedai rhywun wrthyf beth sydd.

Jenny Randerson *a gododd—*

Y Llywydd: Trefn. Gofynnaf i'r Aelodau fod yn ofalus ynghylch ymyriadau, oherwydd mae amser yn brin. Rhaid imi warchod amser y ddadl fer bwysig sydd yn dilyn.

Jenny Randerson: A ydych yn ymwybodol, David, fod William Hague, pan oedd yn Ysgrifennydd Gwladol Cymru a phan gyflwynwyd y system newydd, wedi cydnabod mewn ysgrifen fod gan rai cyngorau broblem gyda'r modd y cyfrifwyd eu hasesiad gwariant safonol? Dyna pam y cynigiodd y cynllun dampio. Cydnabyddaf y gallai'r ffordd y'i cyllidir yn awr a'r ffaith ei fod wedi mynd ymlaen fod yn broblem, ond a ydych yn derbyn bod yr anghyfiawnder hwn yn mynd ymlaen flwyddyn ar ôl blwyddyn?

David Davies: Deallaf fod William Hague wedi ad-drefnu llywodraeth leol. Yn gwbl briodol, penderfynodd nad oedd am ganiatáu i awdurdodau lleol ddioddef yn ystod dwy flynedd cyntaf yr ad-drefnu. Dyna pam y cyllidodd gynllun dampio o ffynonellau eraill. Fe'i caf yn anodd teimlo tosturi dros yr awdurdodau lleol sydd bellach yn honni eu bod yn cael eu hamddifadu.

Helen Mary Jones *a gododd—*

David Davies: Ni allaf ildio gan nad oes gennyf ond pum munud i siarad.

Daeth yr hen Russell Goodway ar ei hynt a thalu £60,000 y flwyddyn iddo'i hun. Gan Gynghorau Bwrdeistref Sirol Blaenau Gwent a Rhondda Cynon Taf y mae rhai o'r treuliau cynghorwyr uchaf. Yr oedd Blaenau Gwent yn talu cyfartaledd o dros £9,000 y cynghorydd iddo'i hun. Mae Rhondda Cynon Taf hefyd yn hoffi honni ei fod yn dlawd. Pan ymgwymerodd un o'r Aelodau yma ag arweinyddiaeth y cyngor hwnnw ym Mai,

drinks were found in a cabinet.

darganfuwyd gwerth rhai miloedd o bunnoedd o ddiodydd alkoholaidd mewn cwpwrdd.

These four councils have problems. We have a right to know what exactly they are spending the money on because they are spending our money. They must start realising that in hard-pressed rural areas like Monmouthshire, it is simply not good enough to be used as a cash-point machine for local authorities that are failing.

Mae problemau gan y pedwar cyngor hyn. Mae gennym hawl i wybod ar beth yn union y maent yn gwario'r arian oherwydd maent yn gwario ein harian ni. Rhaid iddynt ddechrau sylweddoli nad yw'n dderbyniol o gwbl i ardaloedd gwledig dan bwysau mawr fel Sir Fynwy gael eu trin fel peiriant arian ar gyfer awdurdodau lleol sydd yn methu.

The council tax scheme is not the only problem. There is more bad news. The Assembly has decided that, from next year, it will base total standard spending not on an inflation-based increase on the previous SSA but on what councils have been spending. Responsible, well-run councils that are not profligate and that spend within their limits can only expect a small rise. Councils that have overspent will be rewarded for doing so. What a message to send out to local authorities at this time. Spend over and above your limits and the Assembly will reward you by giving you money from the councils that have played by the rules. All this is at a time when, in the preface to the White Paper 'Local Voices: Modernising Local Government in Wales', the former Secretary of State, Ron Davies, accepts that Welsh local authorities have been failing people for years.

Nid cynllun treth y cyngor yw'r unig broblem. Mae rhagor o newyddion drwg. Mae'r Cynulliad wedi penderfynu, o'r flwyddyn nesaf ymlaen, y bydd yn seilio cyfanswm y gwariant safonol nid ar gynnydd yn seiliedig ar chwyddiant ar ben yr asesiad gwariant safonol blaenorol ond ar yr hyn a wariodd y cynghorau. Ni all y cynghorau cyfrifol a redir yn dda nad ydynt yn afradlon ac sydd yn gwario o fewn eu terfynau ond disgwyl cynnydd bach. Bydd cynghorau a orwariodd yn cael eu gwobrwyo am wneud hynny. Am neges i'w hanfon at awdurdodau lleol ar yr adeg hon. Gwariwch dros eich terfynau a bydd y Cynulliad yn eich gwobrwyo drwy roi arian i chi oddi wrth y cynghorau a chwaraeodd yn ôl y rheolau. Hyn oll ar adeg pan fo'r cyn-Ysgrifennydd Gwladol, Ron Davies, yn y rhagair i'r Papur Gwyn 'Lleisiau Lleol: Moderneiddio Llywodraeth Leol yng Nghymru', yn derbyn bod awdurdodau lleol Cymru yn siomi pobl ers blynnyddoedd.

4:29 p.m.

We have a right to adequately-funded local services, which are paid for by local people. Under no circumstances should the council tax payers of Wales be putting their hands in their pockets and paying out their hard-earned cash to finance woeful incompetence. For too long, rural areas have been last in the queue when it comes to receiving what is theirs by right. That is why I am disappointed that Plaid, while recognising the iniquities of this funding agreement, is not willing to vote with us against this budget but is sitting on the fence and abstaining. We want a settlement that is fair for those living in rural areas, for those who elected efficient councillors, for pensioners trying to eke out a

Mae gennym hawl i wasanaethau lleol a ariannwyd yn ddigonol, y telir amdanynt gan bobl leol. Ni ddylai talwyr treth cyngor Cymru, dan unrhyw amgylchiadau, roi eu llaw yn eu pocedi a thalu'r arian a enillasant drwy fawr ymdrech i dalu am fwngleriaeth druenus. Bu ardaloedd gwledig, ers amser rhy faith o lawer, yn olaf yn y ciw pan ddaw'n fater o dderbyn yr hyn y mae ganddynt hawl iddo. Dyna pam yr wyf yn siomedig nad yw Plaid Cymru, er ei bod yn cydnabod anghyfiawnderau'r cytundeb ariannu hwn, yn barod i bleidleisio gyda ni yn erbyn y gyllideb hon ond yn eistedd ar ben clawdd ac yn ymatal. Yr ydym am gael setliad sydd yn deg â'r rhai sydd yn byw mewn ardaloedd

living on a fixed salary and for those whose lives have been blighted for decades by poorly-run Labour councils.

Rhodri Glyn Thomas: Do you accept that the only reason that you are able to play irresponsible games with your voting is that you are a member of a very small party? Those of us in larger parties have to be responsible with our votes.

David Davies: No, I do not accept that. I have not said that all Labour councils are badly run. In the interest of this consensual Chamber, I even accept that there are quite a number of Labour authorities which, although I may not like their politics, at least manage to control their finances with a degree of responsibility. I have not said that all Labour authorities are badly run, but the four authorities that have been overspending for decades are Labour run, or were Labour run when the problems arose. The situation is intolerable because nobody is prepared to accept that there has been any wrongdoing on their part or to drag in the leaders of these authorities and ask them what they have been doing with the money. If they have not been misspending the funds and really need that money because of social deprivation, surely they would have nothing to worry about in coming here and discussing with Assembly Members.

I urge all Members to search their consciences and ask themselves what message they want to send to local authorities in Wales today. I am grateful for the support of the Conservatives. I know I will have the support of the Liberal Democrats. I ask the Plaid Cymru Members to ask themselves what is fair and what is not. I urge all Members to reject this budget.

Peter Black: I start by declaring my interest as a member of the Swansea City and County Council. As Janet Ryder pointed out, we are in the bizarre situation of discussing a local government settlement rooted in a budget that

gwledig, â'r rhai a etholodd gynghorwyr effeithlon, â phensiynwyr sydd yn ceisio cael deupen llinyn ynghyd ar gyflog sefydlog ac â'r rhai yr andwywyd eu bywydau ers degawdau gan gynghorau Llafur a redwyd yn wael.

Rhodri Glyn Thomas: A ydych yn derbyn mai'r unig reswm y gallwch chwarae gemau anghyfrifol â'ch pleidleisio yw eich bod yn aelod o blaid fechan iawn? Mae'r rhai ohonom mewn pleidiau mwy yn gorfod bod yn gyfrifol â'n pleidleisiau.

David Davies: Nac ydwyf, nid wyf yn derbyn hynny. Ni ddywedais fod pob cyngor Llafur yn cael ei redeg yn wael. Er mwyn y Siambr gydsyniol hon, yr wyf hyd yn oed yn derbyn bod eithaf nifer o awdurdodau Llafur sydd, er nad wyf efallai'n hoff o'u gwleidyddiaeth, o leiaf yn llwyddo i reoli eu cyllid â rhywfaint o gyfrifoldeb. Ni ddywedais fod yr holl awdurdodau Llafur yn cael eu rhedeg yn wael, ond mae'r pedwar awdurdod sydd yn gorwario ers degawdau yn cael eu rhedeg gan Lafur, neu o leiaf yn cael eu rhedeg gan Lafur pan gododd y problemau. Mae'r sefyllfa'n annioddefol oherwydd nid oes unrhyw un yn barod i dderbyn bod unrhyw ddrygioni wedi bod ar eu rhan hwy nac i lusgo i mewn arweinyddion yr awdurdodau hyn a gofyn iddynt beth a wnaethant â'r arian. Os na fuont yn camwario'r arian a bod arnynt wir angen yr arian hwnnw oherwydd amddifadedd cymdeithasol, siawns na fyddai ganddynt unrhyw beth i boeni yn ei gylch wrth ddod yma a thrafod ag Aelodau o'r Cynulliad.

Anogaf yr holl Aelodau i chwilio'u cydwybod ac ymofyn pa neges y maent am ei hanfon i awdurdodau lleol yng Nghymru heddiw. Yr wyf yn ddiolchgar am gefnogaeth y Ceidwadwyr. Gwn y byddaf yn cael cefnogaeth y Democratiaid Rhyddfrydol. Gofynnaf i Aelodau Plaid Cymru ofyn i'w hunain beth sydd yn deg a beth sydd yn annheg. Anogaf yr holl Aelodau i wrthod y gyllideb hon.

Peter Black: Dechreuaf drwy ddatgan buddiant fel aelod o Gyngor Dinas a Sir Abertawe. Fel y nododd Janet Ryder, yr ydym yn y sefyllfa ryfedd o drafod setliad llywodraeth leol sydd wedi ei wreiddio mewn

has already been adopted. That is unfortunate, given that the key issue that needs to be addressed today is the underfunding of local councils in Wales. That has been perpetuated by this settlement. With the budget behind us, that cannot be addressed unless we send the whole process back to the drawing board.

Wales has benefited from the openness and transparency that the Assembly has brought to the government process. That is particularly true of the budget, where the consultation process, open debate and discussion have begun to enable a better understanding of it among many people and organisations. However, the local government settlement has suffered because this process has enabled some council leaders and politicians to misrepresent certain aspects of it for their own ends. The damping scheme is a case in point.

The damping scheme was introduced by a Conservative Secretary of State and has been in place for four years. It is designed to correct an imbalance in the formula for distributing revenue support grants to local councils. That imbalance exists because when local government was reorganised in Wales the formula by which grants are distributed was not changed to accommodate the different needs of the new councils. Thus, contrary to popular myth, this scheme is not subsidising six inefficient councils at the expense of the other 16—among which is Monmouthshire County Council—but correcting a fundamental flaw in the formula that does not take into account the circumstances and needs of these councils.

It is valid to say that the present Government and the previous one should have moved quicker to correct the funding formula. That they did not do so has exposed the Assembly to unfair criticism. However, as Mike German said the other week, we must start from where we are. It is now urgent that we get this funding formula right for next year to avoid the need for a further damping scheme.

It is important that the Liberal Democrats put

cyllideb a dderbyniwyd eisoes. Mae hynny'n anffodus, o dderbyn mai'r prif fater y mae angen ymdrin ag ef heddiw yw tanariannu cyngorau lleol yng Nghymru. Parhawyd â hynny drwy'r setliad hwn. A'r gyllideb y tu cefn inni, ni ellir rhoi sylw i hynny oni yrrwn yr holl broses yn ôl i'r cychwyn.

Mae Cymru wedi elwa ar y wedd agored a thryloyw y daeth y Cynulliad â hi i broses llywodraeth. Mae hynny'n arbennig o wir am y gyllideb, lle y mae'r broses ymgynghori, dadlau a thrafod agored wedi dechrau hybu dealltwriaeth well ohoni ymysg llawer o bobl a chyrff. Fodd bynnag, mae'r setliad llywodraeth leol wedi dioddef am fod y broses hon wedi galluogi rhai arweinyddion cyngor a gwleidyddion i gamliwio rhai agweddau ohono i'w diben eu hunain. Mae'r cynllun dampio yn enghraifft o hynny.

Cyflwynwyd y cynllun dampio gan Ysgrifennydd Gwladol Ceidwadol ac mae ar waith ers pedair blynedd. Fe'i dyfeisiwyd i gywiro anghydbwysedd yn y fformwla ar gyfer dosbarthu grantiau cynnal refeniw i gynghorau lleol. Mae'r anghydbwysedd hwnnw'n bod oherwydd, pan aildrefnwyd llywodraeth leol yng Nghymru, ni newidiwyd y fformwla ar gyfer dosbarthu'r grantiau er mwyn ei haddasu i wahanol anghenion y cynghorau newydd. Felly, yn groes i'r goel gyffredin, nid yw'r cynllun hwn yn rhoi cymhorthdal i chwe chyngor aneffeithlon ar draul yr 16 arall—y mae Cyngor Sir Fynwy yn un ohonynt—ond yn cywiro diffyg sylfaenol yn y fformwla nad yw'n rhoi ystyriaeth i amgylchiadau ac anghenion y cynghorau hyn.

Mae'n ddilys dweud y dylasai'r Llywodraeth bresennol a'r un flaenorol fod wedi symud yn gynt i gywiro'r fformwla ariannu. Am na wnaethant hynny bu'r Cynulliad yn agored i feirniadaeth annheg. Fodd bynnag, fel y dywedodd Mike German yr wythnos o'r blaen, rhaid inni ddechrau o'r man lle'r ydym. Mae angen brys bellach inni gael y fformwla ariannu hon yn iawn ar gyfer y flwyddyn nesaf er mwyn osgoi'r angen am gynllun dampio pellach.

Mae'n bwysig bod y Democratiaid

down a marker now for the new funding formula. The current formula does not properly take account of rurality or deprivation. The new formula must deal with these issues effectively. A formula is only a way of distributing a fixed pot of money. Whenever that formula changes, there are going to be winners and losers. The only way to avoid another damping scheme is to increase the amount of money available. To do otherwise is to court controversy for another year and, next year, it will be fully justified.

My main problem with this local government settlement is that it is wholly inadequate to deal with the needs of local councils in Wales. We hear a great deal in this Assembly about cross-cutting issues, specifically sustainable development and social inclusion. This Assembly does not deliver any services directly. It relies on others to take that role. Although all of us appreciate the difficult circumstances in which the budget was drawn up, local councils deliver many of the services that tackle social exclusion and they need the resources to do so properly.

We all welcome the £90 million for education even though £15 million of that is for teachers' performance-related pay. We welcome the £51 million extra for social services, which is overdue. When those figures are set aside, there is only a 2 per cent increase for other services.

Coming from a city with a £70 million pound backlog in road maintenance and a great deal of dog mess, I appreciate the need for proper funding of highways and cleansing. This settlement will see further cuts in those services despite the fact that council tax payers are paying 14 per cent extra. That is not acceptable. This settlement will see similar cuts across the whole of Wales. There will be cuts in highway maintenance, cleansing, refuse collection, libraries, the youth service, leisure facilities, public transport, housing services, environmental health services and a lot more. People will be

Rhyddfrydol yn cofnodi'r galw yn awr am y fformwla ariannu newydd. Nid yw'r fformwla gyfredol yn rhoi ystyriaeth briodol i wledigrwydd neu amddifadedd. Rhaid i'r fformwla newydd ymdrin yn effeithiol â'r materion hyn. Nid yw fformwla ond yn ddull o ddosbarthu pot penodol o arian. Pryd bynnag y mae'r fformwla honno'n newid, bydd rhai ar eu hennill a rhai ar eu colled. Yr unig ffordd i osgoi cynllun dampio arall yw cynyddu swm yr arian sydd ar gael. Byddai gwneud fel arall yn golygu mentro i dir dadleuol am flwyddyn arall, a'r flwyddyn nesaf, bydd yn gwbl haeddiannol.

Y prif wrthwynebiad sydd gennyf i'r setliad llywodraeth leol hwn yw ei fod yn gwbl annigonol i ymdrin ag anghenion cynghorau lleol yng Nghymru. Clywn lawer iawn yn y Cynulliad hwn am faterion trawsbynciol, a datblygu cynaliadwy a chynhwysiant cymdeithasol yn benodol. Nid yw'r Cynulliad hwn yn cyflenwi unrhyw wasanaethau'n uniongyrchol. Mae'n dibynnu ar eraill i gymryd y rôl honno. Er bod pawb ohonom yn deall yr amgylchiadau anodd a brofwyd wrth lunio'r gyllideb, mae cynghorau lleol yn cyflenwi llawer o'r gwasanaethau sydd yn mynd i'r afael ag allgáu cymdeithasol ac mae arnynt angen yr adnoddau i wneud hynny'n briodol.

Yr ydym oll yn croesawu'r £90 miliwn ar gyfer addysg er bod £15 miliwn o hynny ar gyfer tâl ar sail perfformiad i athrawon. Croesawn y £51 miliwn ychwanegol ar gyfer gwasanaethau cymdeithasol, sydd yn hir-ddisgwyliedig. Pan roddir y ffigurau hynny o'r naill ochr, nid oes ond 2 y cant o gynnydd i wasanaethau eraill.

Gan fy mod yn un o ddinas a chanddi ôl-groniad o £70 miliwn ar gynnal ffyrdd a llawer iawn o faw ci, sylweddolaf yr angen am ariannu priodol ar gyfer priffyrdd a glanhau. Bydd y setliad hwn yn gweld toriadau pellach yn y gwasanaethau hynny er bod talwyr treth y cyngor yn talu 14 y cant yn ychwanegol. Bydd toriadau mewn cynnal priffyrdd, glanhau, casglu sbwriel, llyfrgelloedd, y gwasanaeth ieuencid, cyfleusterau hamdden, trafnidiaeth gyhoeddus, gwasanaethau tai, gwasanaethau iechyd yr amgylchedd a llawer mwy. Bydd pobl yn talu drwy'u trwynau am wasanaeth

paying through the nose for a worse service. This is not happening because councils are inefficient. Most councils have already slimmed down their services to the bone and are relying on Best Value to create more savings. The problem is that Best Value creates expectations that produce pressure for more investment in services. This settlement, and those before it, is undermining local democracy by under-funding it.

More money is needed. It is easy to say that, but if we are serious about social inclusion, we need to fund local councils properly as they are in the best position to deliver it. It is easier still to say that we need to fund the damping scheme by putting £17 million into the settlement from the Assembly's coffers. The problem is that we have already adopted the budget and those who are making these demands sat on their hands and let it through. The Liberal Democrats will vote against this settlement because it does not adequately address the needs of Welsh councils or Welsh council tax payers. It places unreasonable demands on councils with central service provision and an unnecessary burden on local people who have to dig deeper into their pockets with little reward in terms of better service.

We would like the Assembly Secretary to look again at the damping scheme to see whether it can be changed to produce a lower and more even council tax increase across Wales. Above all, we want more money put in to this settlement. The best way to do this would be for Gordon Brown to give us the match funding for Objective 1 for next year. That would release £25 million in the block grant for other purposes which is the equivalent of £25 off the council tax of every band D council tax payer in Wales. This settlement is inadequate. It must be changed. Council tax payers should not be expected to accept it and neither should we.

4:39 p.m.

Pauline Jarman: First, I will answer some of the criticisms of our colleagues in the Conservative Party. It relates to their lessons on how local government should be funded and how council tax should be collected. I

gwaeth. Nid yw hyn yn digwydd am fod cynghorau'n aneffeithlon. Mae'r rhan fwyaf o gynghorau eisoes wedi torri eu gwasanaethau at yr asgwrn ac yn dibynnu ar Werth Gorau er mwyn creu mwy o arbedion. Y broblem yw bod Gwerth Gorau'n creu disgwyliadau sydd yn creu pwysau am fwy o fuddsoddi mewn gwasanaethau. Mae'r setliad hwn, a'r rhai o'i flaen, yn tanseilio democratiaeth leol drwy ei thanariannu.

Mae angen mwy o arian. Hawdd yw dweud hynny, ond os ydym o ddifrif ynghylch cynhwysiant cymdeithasol, mae angen inni ariannu cynghorau lleol yn iawn gan mai hwy sydd yn y sefyllfa orau i'w gyflawni. Haws byth yw dweud bod angen inni ariannu'r cynllun dampio drwy roi £17 miliwn yn y setliad o goffrau'r Cynulliad. Y broblem yw ein bod eisoes wedi derbyn y gyllideb a bod y rhai sydd yn gofyn am hynny wedi eistedd ar eu dwylo a gadael iddi fynd drwodd. Bydd y Democratiaid Rhyddfrydol yn pleidleisio yn erbyn y setliad hwn am nad yw'n rhoi sylw digonol i anghenion cynghorau Cymru neu dalwyr treth cyngor Cymru. Mae'n rhoi gofynion afresymol ar gynghorau gyda darpariaeth gwasanaeth ganolog a baich diangen ar bobl leol sydd yn gorfod mynd yn ddyfnach i'w pocedi gan ennill ond ychydig iawn o ran gwell gwasanaeth.

Dymunwn i'r Ysgrifennydd Cynulliad ailedrych ar y cynllun dampio i weld a ellir ei newid i greu cynnydd is a mwy gwastad yn nhreth y cyngor ledled Cymru. Yn fwy na dim, yr ydym am i fwy o arian gael ei roi yn y setliad hwn. Y ffordd orau i wneud hynny fyddai i Gordon Brown roi'r cyllid cyfatebol inni ar gyfer Amcan 1 am y flwyddyn nesaf. Byddai hynny'n rhyddhau £25 miliwn yn y grant bloc i ddibenion eraill sydd yn cyfateb i £25 oddi ar dreth cyngor pob talwr treth cyngor band D yng Nghymru. Mae'r setliad hwn yn annigonol. Rhaid ei newid. Ni ddylid disgwyl i dalwyr treth y cyngor ei dderbyn ac ni ddylem ni ychwaith.

Pauline Jarman: Yn gyntaf, yr wyf am ateb rhai o'r beirniadaethau gan ein cyd-Aelodau yn y Blaid Geidwadol. Mae'n ymwneud â'u gwersi ynghylch sut y dylid ariannu llywodraeth leol a sut y dylid casglu treth y

remind them of the poll tax, which was introduced in the teeth of opposition from local government. I made the same remarks then about the poll tax that they now make about the damping regime. However, unlike the damping regime, the poll tax disenfranchised voters by making them afraid to register to vote and criminalised those who could not pay.

In case David Davies's remarks about the conduct of Rhondda Cynon Taff County Borough Council are misunderstood, I emphasise that I am the lowest paid council leader in Wales. I claim nothing. In addition, I am a teetotaller so none of that drink was for my benefit. I also enlighten Peter Black about the Liberal Democrats' performance with regard to the Welsh Local Government Association and its attitude towards damping. Somebody is off-message in the Liberal Democrat Party because its representative in the Welsh Local Government Association—and like Max Boyce I can say that I know because I was there—voted for the £17 million to be top-sliced and not additional to the local government settlement. That does not mean that I do not sympathise with the views expressed by the Conservative and Liberal Democrat Members because I believe that the settlement should have been additional rather than top-sliced.

I will give the Assembly a glimpse of what you do when you inherit Blair's worst nightmare. I refer to the authority that we inherited. We were faced with a major financial crisis as a result of the failure to make key budget decisions in advance of the elections; an unresolved gap of £10 million, including direct labour operation losses of £5 million with no agreed strategy to deal with them; the direct threat of intervention into the authority's affairs by the then Secretary of State for Wales, now the First Secretary of the Assembly; no clear sense of purpose or direction for the future in terms of an agreed plan; and a demoralised work force used to a culture of blame, bullying and poor management.

cyngor. Fe'u hatgoffaf am dreth y pen a gyflwynwyd yn nannedd gwrthwynebiad llywodraeth leol. Gwneuthum yr un sylwadau bryd hynny am dreth y pen ag y maent hwy yn awr am y gyfundrefn dampio. Fodd bynnag, yn wahanol i'r gyfundrefn dampio, yr oedd treth y pen yn dadryddfreinio etholwyr drwy beri bod arnynt ofn cofrestru i bleidleisio ac yn gwneud troseddwy'r o'r rhai na allent dalu.

Rhag ofn y camddeallir sylwadau David Davies am ymddygiad Cyngor Bwrdeistref Sirol Rhondda Cynon Taf, pwysleisïaf mai fi yw'r arweinydd cyngor isaf ei thâl yng Nghymru. Nid wyf yn hawlio dim. Yn ogystal â hynny, yr wyf yn llwrymwrthodwraig felly nid oedd dim o'r diodydd hynny er budd i mi. Yr wyf hefyd am oleuo Peter Black ynghylch perfformiad y Democratiaid Rhyddfrydol mewn perthynas â Chymdeithas Llywodraeth Leol Cymru a'i hymagwedd at ddampio. Mae rhywun ar gyfeiliorn ym Mhlaid y Democratiaid Rhyddfrydol oherwydd yr oedd ei chynrychiolydd yng Nghymdeithas Llywodraeth Leol Cymru—ac fel Max Boyce gallaf ddweud fy mod yn gwybod gan fy mod yno—wedi pleidleisio dros frig-dorri'r £17 miliwn ac nid yn ychwanegol at y setliad llywodraeth leol. Nid yw hynny'n golygu nad wyf yn cydymdeimlo â'r safbwyntiau a fynegwyd gan yr Aelodau Ceidwadol a Democratiaid Rhyddfrydol oherwydd credaf y dylasai'r setliad fod wedi bod yn ychwanegol yn hytrach na bod wedi ei frig-dorri.

Yr wyf am roi cipolwg i'r Cynulliad o'r hyn a wnewch pan etifeddwyd hunllef waethaf Blair. Cyfeirïaf at yr awdurdod a etifeddwyd gennym. Yr oeddem yn wynebu argyfwng ariannol mawr o ganlyniad i'r methiant i wneud penderfyniadau cyllideb allweddol cyn yr etholiadau; bwlch o £10 miliwn oedd heb ei ddatrys, gan gynnwys colledion yn y gweithrediad llafur uniongyrchol o £5 miliwn heb unrhyw strategaeth gytunedig i ymdrin â hwy; y bygythiad uniongyrchol o ymyrraeth ym materion yr awdurdod gan Ysgrifennydd Gwladol Cymru fel yr oedd bryd hynny, Prif Ysgrifennydd y Cynulliad bellach; dim ymdeimlad pendant o bwrpas neu gyfeiriad ar gyfer y dyfodol o ran cynllun cytunedig; a gweithlu wedi digalonni oedd wedi arfer â

diwylliant o fwrw bai, bwlïo a rheolaeth wael.

When we were elected it was our priority to try to tackle this financial crisis by a total budget review and a new strategy over the next 18 months to restore a sound and balanced budget. We attempted to modernise the council's political decision-making structures and we are about to implement a radical restructuring of the council to make it the most modern and radical in Wales. However, despite my fight to get this money additional, I am not prepared for our teachers and local government staff to be faced with no salaries in April. I shall abstain from voting today.

Brian Gibbons: You have to thank David Davies for something. If some people in Wales were thinking of voting Conservative again, David Davies has reinforced the reasons why they should not do so.

David Melding *rose—*

The Presiding Officer: Order. I want to protect the time of the short debate. I intend to call Peter Law in less than five minutes.

Brian Gibbons: I represent Aberavon constituency in Neath Port Talbot authority. It is one of the authorities that have received a damping grant. It received £3 million. However, our council tax rates are still 25 per cent above the Welsh average. David Davies and others would say that the reasons for that are inefficiency and maladministration. In my constituency, of 13 wards, three are in the top 20 of the most socially deprived wards in Wales; 25 per cent of the children in my constituency receive free school meals; we have the third highest number of low birth weight children; we have the third highest level of children on the child protection register; and along with Blaenau Gwent and Merthyr Tydfil authorities we were the bottom three in terms of physical health and well-being in Wales. If we had an allocation formula based on need, we would expect Neath Port Talbot, Merthyr Tydfil and Blaenau Gwent to be at the top of the list.

Pan gawsom ein hethol ein blaenoriaeth gyntaf oedd ceisio mynd i'r afael â'r argyfwng ariannol hwn drwy arolwg o'r gyllideb gyfan a strategaeth newydd dros y 18 mis nesaf er mwyn adfer cyllideb gadarn a chytbwys. Ceisiasom foderneiddio strwythurau gwneud penderfyniadau gwleidyddol y cyngor ac yr ydym ar fin gweithredu ailstrwythuriad radical o'r cyngor fel mai ef fydd y mwyaf modern a radical yng Nghymru. Fodd bynnag, er gwaethaf fy ymdrech i wneud yr arian hwn yn ychwanegol, nid wyf yn barod i'n hathrawon a staff llywodraeth leol wynebu bod heb gyflog yn Ebrill. Byddaf yn ymatal rhag pleidleisio heddiw.

Brian Gibbons: Mae'n rhaid ichi ddiolch i David Davies am rywbeth. Os oedd rhai yng Nghymru yn meddwl pleidleisio dros y Ceidwadwyr eto, mae David Davies wedi ategu'r rhesymau pam na ddylent wneud hynny.

David Melding *a gododd—*

Y Llywydd: Trefn. Yr wyf am warchod amser y ddadl fer. Bwriadaf alw Peter Law ymhen llai na phum munud.

Brian Gibbons: Cynrychiolaf etholaeth Aberafan yn awdurdod Castell-nedd Port Talbot. Mae'n un o'r awdurdodau a dderbyniodd grant dampio. Derbyniodd £3 miliwn. Fodd bynnag, mae cyfraddau ein treth y cyngor yn dal i fod yn 25 y cant yn uwch na chyfartaledd Cymru. Dywedai David Davies ac eraill mai'r rhesymau am hynny yw aneffeithiolrwydd a chamweinyddu. Yn fy etholaeth i, ac ynddi 13 ward, mae tair ohonynt ymhlith 20 uchaf y wardiau mwyaf cymdeithasol ddifreintiedig yng Nghymru; mae 25 y cant o'r plant yn fy etholaeth yn derbyn prydau ysgol am ddim; gennym ni y mae'r nifer trydydd uchaf o blant â phwysau geni isel; gennym ni y mae'r lefel trydydd uchaf o blant ar y gofrestr amddiffyn plant; a chydag awdurdodau Blaenau Gwent a Merthyr Tudful, ni oedd y tri isaf o ran iechyd corfforol a lles yng Nghymru. Pe bai gennym fformwla ddyrannu a oedd yn seiliedig ar angen, byddem yn

However, Neath Port Talbot, Blaenau Gwent and Merthyr Tydfil are eleventh, twelfth and thirteenth. There is no doubt that our allocation formula is not responsive to need. It is a gross slander for people like David Davies to say that our Labour councils have overspent because of administration. We have great need that is not being met. That is the reason.

There are people here who will engage in political posturing on this matter and fail to make the tough decisions. They will posture on hypotheticals and 'if onlys'. The reality is that, within the constraints that we face, we have to make the tough decisions. This Welsh Labour administration has made those decisions. Pending the introduction of a new, fairer allocation mechanism, which will recognise social and economic need within our communities, we have introduced a damping grant and have made the tough decisions to ensure that those with the greatest need get the greatest assistance. I urge that we all support this settlement.

Peter Law: I have listened carefully to Members this afternoon. I understand and respect that you are all concerned about your constituents. That is why you are here. I know the pressures that you face. We all face these pressures. It is not easy to deal with the difficult situation of a flawed formula that has a mismatch built into it. Jenny Randerson mentioned that in her response to David Davies a minute ago, because she grasps the situation. However, the Liberal Democrats generally do not grasp it, as they voted against it.

Pauline Jarman mentioned the situation in Rhondda Cynon Taff: one of the damped authorities that has this great hardship. Yes, Pauline, you have difficulties with your direct labour operation. You also said that you have been threatened with an intervention from the Secretary of State for Wales and the First Secretary. As you know well, the First Secretary and I have been working in support of you in Rhondda Cynon Taff. It should go

disgwyl i Gastell-nedd Port Talbot, Merthyr Tudful a Blaenau Gwent fod ar ben y rhestr. Fodd bynnag, mae Castell-nedd Port Talbot, Blaenau Gwent a Merthyr Tudful yn unfed ar ddeg, deuddegfed ac yn drydydd ar ddeg. Nid oes dwywaith nad yw ein fformwla ddyrannu'n ymateb i angen. Athrod o'r mwyaf yw i rai fel David Davies ddweud bod ein cynghorau Llafur wedi gorwario oherwydd gweinyddu. Mae gennym angen mawr nad yw'n cael ei ateb. Dyna'r rheswm.

Mae pobl yma sydd am ymroi i ymagweddu gwleidyddol ar y mater hwn ac yn methu gwneud y penderfyniadau anodd. Maent am ymagweddu ar ddamcaniaethau a 'phetai a phetasai'. Y gwir yw, o fewn y cyfyngiadau a wynebwn, fod rhaid inni wneud y penderfyniadau anodd. Mae'r weinyddiaeth Lafur Gymreig hon wedi gwneud y penderfyniadau hynny. Hyd nes y cyflwynir mecanwaith dyrannu newydd, tecach, a fydd yn cydnabod angen cymdeithasol ac economaidd o fewn ein cymunedau, cyflwynasom grant dampio a gwneud y penderfyniadau anodd i sicrhau bod y rhai â'r angen mwyaf yn cael y cymorth mwyaf. Mynnaf y dylem oll gefnogi'r setliad hwn.

Peter Law: Gwrandewais yn ofalus ar yr Aelodau y prynhawn yma. Deallaf a pharchaf eich bod oll yn pryderu ynghylch eich etholwyr. Dyna pam yr ydych yma. Gwn am y pwysau a wynebwch. Yr ydym oll yn wynebu'r pwysau hynny. Nid hawdd yw ymdrin â'r sefyllfa anodd o fformwla ddiffygiol sydd â chamgyfatebiaeth yn rhan hanfodol ohoni. Soniodd Jenny Randerson am hynny yn ei hymateb i David Davies funud yn ôl, oherwydd mae'n amgyffred y sefyllfa. Fodd bynnag, nid yw'r Democratiaid Rhyddfrydol yn gyffredinol yn ei hamgyffred, gan iddynt bleidleisio yn ei herbyn.

Soniodd Pauline Jarman am y sefyllfa yn Rhondda Cynon Taf: un o'r awdurdodau a ddampiwyd sydd yn dioddef y caledi mawr hwn. Oes, Pauline, mae gennych drafferthion â'ch gweithrediad llafur uniongyrchol. Dywedasoeh hefyd ichi gael bygythiad o ymyrraeth gan Ysgrifennydd Gwladol Cymru a'r Prif Ysgrifennydd. Fel y gwyddoch yn dda, bu'r Prif Ysgrifennydd a minnau'n gweithio er mwyn eich cefnogi chi yn

on record that, in the last nine months, we have shown that we understand the effect of the situation on the people of Rhondda Cynon Taff. It would be easy to have an intervention notice, but we want to work with local authorities to deal with difficult situations and give them support, in partnership with the Welsh Local Government Association.

Brian Gibbons spoke from the heart about deprivation, because he lives among it, as do I. We cannot ignore that, because these are the people who need help. That is what the Assembly must be about. If you do not believe me, think about the band D tax level in Neath Port Talbot. At £805, it is the highest level in Wales. That is very unfortunate.

Gwenda Thomas: Do you agree that Neath Port Talbot County Borough Council has suffered a double whammy? The settlement following reorganisation did not take account of the needs of that area and that has compounded matters. It is not because the council mismanaged its affairs.

Peter Law: Absolutely right, Gwenda. Thank you for raising that point, because it harks back to Jenny Randerson's point earlier. We are still working with a mismatched formula inherited from previous authorities. That is why there is an overspend in some of these standard spending assessments. It is understandable, David, because the councils are not having a fair crack of the whip. They do not have a level playing field, which is what we will deal with in the new formula.

David Davies: You say that I am confused. Some local authority leaders say that they have an overspend. My figures show that they have. You say that they have, but attack me for saying so. Have they or have they not overspent?

Peter Law: It is because of the flawed formula. It is not fair to judge them on that. They have had to go over some of their standard spending assessments knowing full well that we have to accept that because of

Rhondda Cynon Taf. Dylai fynd ar gof a chadw inni ddangos, yn y naw mis diwethaf, ein bod yn deall effaith y sefyllfa ar bobl Rhondda Cynon Taf. Hawdd fyddai cael rhybudd ymyrryd, ond yr ydym am weithio gydag awdurdodau lleol i ymdrin â sefyllfaoedd anodd a'u cefnogi, mewn partneriaeth â Chymdeithas Llywodraeth Leol Cymru.

Siaradodd Brian Gibbons o'r galon am amddifadedd, am ei fod yn byw yn ei ganol, fel yr wyf finnau. Ni allwn ddiystyru hynny, oherwydd y rhain yw'r bobl y mae arnynt angen cymorth. Dyna'r hyn y mae'n rhaid i'r Cynulliad ymwneud ag ef. Os na chredwch fi, meddylwch am y lefel treth band D yng Nghastell-nedd Port Talbot. Ar £805, hon yw'r lefel uchaf yng Nghymru. Mae hynny'n anffodus iawn.

Gwenda Thomas: A gytunwch fod Cyngor Bwrdeistref Sirol Castell-nedd Port Talbot wedi dioddef ergyd ddwbl? Nid oedd y setliad ar ôl ad-drefnu'n cymryd anghenion yr ardal i ystyriaeth ac mae hynny wedi gwaethygu'r mater. Nid yw hyn am fod y cyngor wedi camreoli ei fusnes.

Peter Law: Yn gwbl gywir, Gwenda. Diolch i chi am godi'r pwynt hwnnw, oherwydd mae'n mynd yn ôl at bwynt Jenny Randerson yn gynharach. Yr ydym yn dal i weithio â fformwla anghyfatebol a etifeddwyd gan yr awdurdodau blaenorol. Dyna pam y mae gorwario yn rhai o'r asesiadau gwario safonol. Mae'n ddealladwy, David, oherwydd nid yw'r cynghorau'n cael cyfle teg. Nid oes ganddynt gae chwarae gwastad, a dyna'r hyn y byddwn yn rhoi sylw iddo yn y fformwla newydd.

David Davies: Dywedwch fy mod wedi drysu. Dywed rhai arweinyddion awdurdodau lleol eu bod wedi gorwario. Mae'r ffigurau sydd gennyf yn dangos eu bod. Dywedwch chithau eu bod, ond yr ydych yn ymosod arnaf am ddweud hynny. A ydynt wedi gorwario ai peidio?

Peter Law: Mae hynny oherwydd y fformwla ddiffygiol. Nid yw'n deg eu barnu ar sail hynny. Bu'n rhaid iddynt fynd dros ben rhai o'u hasesiadau gwariant safonol gan wybod yn iawn bod rhaid inni dderbyn hynny

the difficulty that they face. That is the point. An element of compassion must be built into government. You must understand the situation. It is very bad, which is why we are working with the Welsh Local Government Association to try to find a solution and bring in the new formula for next year. I will speak more about that in a moment. I listened carefully to your comments. I met people from Monmouthshire who were demonstrating here this afternoon and I understood their concerns, as I do those of other people from all over Wales whom I have met. Yesterday, I met a deputation from Blaenau Gwent. I understood their concerns and I understand yours, Glyn.

4:49 p.m.

Glyn Davies: I saw you receiving a petition from the people of Monmouthshire earlier today. I have a petition here with some 7,500 signatures collected by the local newspaper in Montgomeryshire, which was presented to Mick Bates and myself last week. This has been repeated all over Wales. The scale of opposition to this settlement is far greater than you imagine.

Peter Law: The scale of opposition is considerable because people in your party have spread wild rumours and untruths about the situation. You know what I am talking about. I will come to that in a minute—you are not getting off the hook easily. This afternoon's debate has given us the opportunity to give our views on the settlement for local government, which represents nearly half of the Assembly's budget. It is important. The local government finance report is a key document. If the report is not approved, the Assembly will not be able to pay the local authorities, and the consequences would be catastrophic. That is why I am disappointed with the Liberal Democrats' approach this afternoon and particularly with my colleague, Peter Black, for whom I have regard and who makes a valued contribution on local government matters.

The revenue settlement is good. It amounts to £3.3 billion net of specific grants. It permits an overall increase in overall council spending of £171 million or 5.8 per cent. Last

oherwydd yr anhawster a wynebant. Dyna'r pwynt. Rhaid cynnwys elfen o dosturi mewn llywodraeth. Rhaid ichi ddeall y sefyllfa. Mae'n wael iawn, a dyna pam yr ydym yn gweithio gyda Chymdeithas Llywodraeth Leol Cymru i geisio cael ateb a chyflwyno'r fformwla newydd ar gyfer y flwyddyn nesaf. Yr wyf am sôn am hynny ymhen eiliad. Gwrandewais yn astud ar eich sylwadau. Cyfarfûm â phobl o Sir Fynwy oedd yn gwrthdystio yma y prynhawn yma a deallais eu pryderon, fel y deallaf bryderon pobl eraill ledled Cymru y cyfarfûm â hwy. Ddoe, cyfarfûm â dirprwyaeth o Flaenau Gwent. Deallais eu pryderon a deallaf eich rhai chi, Glyn.

Glyn Davies: Fe'ch gwelais yn derbyn deiseb gan bobl Sir Fynwy yn gynharach heddiw. Mae gennyf ddeiseb yma ac arni tua 7,500 o lofnodion a gasglwyd gan fy mhapur lleol yn Sir Drefaldwyn, a gyflwynwyd i Mick Bates a minnau'r wythnos diwethaf. Digwyddodd hyn ledled Cymru. Mae maint y gwrthwynebiad i'r setliad hwn yn fwy o lawer nag y tybiwch.

Peter Law: Mae maint y gwrthwynebiad yn sylweddol am fod pobl yn eich plaid wedi lledaenu sïon gwyllt ac anwireddau am y sefyllfa. Gwyddoch am beth yr wyf yn sôn. Dof at hynny mewn munud—ni chewch ddianc mor rhwydd. Mae'r ddadl y prynhawn yma wedi rhoi cyfle inni roi ein barn ar y setliad i lywodraeth leol, sydd yn cyfateb i bron hanner cyllideb y Cynulliad. Mae'n bwysig. Mae'r adroddiad cyllid llywodraeth leol yn ddogfen allweddol. Os na chymeradwyir y ddogfen, ni fydd y Cynulliad yn gallu talu'r awdurdodau lleol, a byddai'r canlyniadau'n drychinebus. Dyna pam yr wyf wedi fy siomi gan ymagwedd y Democratiaid Rhyddfrydol y prynhawn yma ac yn enwedig gan fy nghyd-Aelod, Peter Black, sydd yn un y mae gennyf barch ato ac sydd yn gwneud cyfraniad gwerthfawr ar faterion llywodraeth leol.

Mae'r setliad refeniw yn dda. Mae'n dod i £3.3 biliwn heb gynnwys grantiau penodol. Mae'n caniatáu cynnydd cyffredinol yng ngwariant cyffredinol y cynghorau o £171

year, the increase was 5.1 per cent. The police are permitted to increase spending by 5 per cent, not 4 per cent as I announced in December. There will be no increase in central support. All these matters are being considered.

I appreciate Janet Ryder's comments. She made a reasoned approach in the matter to which she referred when she said that it was the best settlement but that it was still not enough. I understand that. That is the normal approach. We recognise that we must consider the matter with the comprehensive spending review in the future. The First Secretary said that in the Partnership Council. We must ensure that we get the right bid to work with local government. The First Secretary has recognised that and we will do what we can to consider that in the future, bearing in mind that there are not bottomless pots of money. However, Janet Ryder made a fair point.

On monitoring social services expenditure, as I said, there is an agreed system of targets with outcomes with the Welsh Local Government Association. That is important. The WLGA has agreed to that. As I told you, we have already been dealing with education. The £91 million increase projected in the settlement will be monitored by each council. If an authority tells Rosemary Butler that it will not be able to deliver our expectations fully, I am sure that she will listen closely. However, she will want to be satisfied that there is no deterioration in services. Surely, that is what you want as responsible Assembly Members. We work with, not against local authorities. All authorities should be able to improve educational provision in the light of this settlement. I referred to social services earlier and the approach that we have adopted with the WLGA is reasonable.

On damping, I listened carefully to Nick Bourne's comments on Labour Party increases. I remind him that, in 1996-97, there was an 18.3 per cent council tax increase across the whole of Wales under the Conservatives. In 1998-99 it was 11.9 per

miliwn neu 5.8 y cant. Y llynedd, yr oedd y cynnydd yn 5.1 y cant. Caniateir i'r heddlu gynyddu eu gwariant 5 y cant, nid 4 y cant fel y cyhoeddais ym mis Rhagfyr. Ni fydd cynnydd yn y cymorth canolog. Mae'r holl faterion hyn dan ystyriaeth.

Gwerthfawrogaf sylwadau Janet Ryder. Cymerodd agwedd resymegol at y mater y cyfeiriodd ato pan ddywedodd mai hwn oedd y setliad gorau ond nad oedd yn ddigon o hyd. Deallaf hynny. Dyna'r agwedd arferol. Cydnabyddwn fod rhaid inni ystyried y mater gyda'r arolwg cynhwysfawr o wariant yn y dyfodol. Dywedodd y Prif Ysgrifennydd hynny yn y Cyngor Partneriaeth. Rhaid inni sicrhau ein bod yn cael y cais iawn er mwyn gweithio gyda llywodraeth leol. Cydnabu'r Prif Ysgrifennydd hynny a byddwn yn gwneud yr hyn a allwn i ystyried hynny yn y dyfodol, gan gofio nad oes unrhyw byllau arian diwaelod. Fodd bynnag, gwnaeth Janet Ryder bwynt teg.

Ynghylch monitro gwariant gwasanaethau cymdeithasol, fel y dywedais, mae system o dargedau gyda chanlyniadau a gytunwyd â Chymdeithas Llywodraeth Leol Cymru. Mae hynny'n bwysig. Mae Cymdeithas Llywodraeth Leol Cymru wedi cytuno ar hynny. Fel y dywedais wrthy, yr ydym yn ymdrin ag addysg eisoes. Bydd y cynnydd amcanestynedig o £91 miliwn yn y setliad yn cael ei fonitro gan bob cyngor. Os dywed awdurdod wrth Rosemary Butler na fydd yn gallu cyflawni'n disgwyliadau'n llawn, yr wyf yn sicr y bydd yn gwrando'n astud. Fodd bynnag, bydd hi am fod yn sicr nad oes dirywiad mewn gwasanaethau. Siawns nad hynny yw'r hyn yr ydych am ei gael fel Aelodau Cynulliad cyfrifol. Yr ydym yn gweithio gydag awdurdodau lleol, nid yn eu herbyn. Dylai'r holl awdurdodau allu gwella darpariaeth addysgol yng ngoleuni'r setliad hwn. Cyfeiriais at wasanaethau cymdeithasol yn gynharach ac mae'r dull gweithredu yr ymgymerasom ag ef gyda Chymdeithas Llywodraeth Leol Cymru'n rhesymol.

Ynghylch dampio, gwrandewais yn astud ar sylwadau Nick Bourne am godiadau'r Blaid Lafur. Fe'i hatgoffaf fod cynnydd, yn 1996-7, o 18.3 y cant yn nhreth y cyngor ledled Cymru o dan y Ceidwadwyr. Yn 1998-99 yr oedd yn 11.9 y cant o dan y Llywodraeth

cent under the first Labour Government, working on Tory expenditure plans. Some people here have short memories. David Davies, who has a penchant for playing to the gallery, as we have come to know to our sadness, must stop playing politics with poor people's lives on issues like this. That is what it is all about. It is irresponsible to take this scattergun approach and criticise all and sundry when we talk about poor people who have no alternative but to look to us for help. The last thing that I want is advice from the Conservative Party, which has no credibility in Wales, as we saw from the election results. We do not need lessons from the party that gave us the poll tax. Do not ever forget that.

Peter Rogers: Did you stay up for the election results last Friday to see how well your party did?

Peter Law: That result was what we call a blip. The point is that any penalty for the Assembly, caused by local authorities setting budgets that cause an overall council tax increase higher than 10.7 per cent, would be taken seriously. We would be minded to visit the consequences of our actions on those authorities responsible, after considering the situation.

Richard Edwards: Do you accept that there are wards in Pembrokeshire, both urban and rural, where the level of need and deprivation is as great, or almost as great, as those in the authorities which are rightly receiving the damping grants? Can you give a firm commitment to the Assembly that the iniquitous Tory allocation formula will be reformed by next year?

Peter Law: Yes, I accept that there are cases of deprivation in Pembrokeshire. I recognise that. You raise the point regularly and strongly represent the people on it. However, in the areas where damping applies—I have said it before and I will say it again—there is deprivation surrounded by deprivation on top of deprivation, which is proven in the deprivation indices for Wales. I do not underestimate the difficulties people have in rural areas. I respect that, and I have made

Lafur gyntaf, gan weithio yn ôl cynlluniau gwariant y Torïaid. Mae cof byr gan rai sydd yma. Rhaid i David Davies, sydd yn hoff o chwarae i'r galeri, fel y daethom i wybod er tristwch i ni, beidio â chwarae gwleidyddiaeth â bywydau pobl dlawd ar faterion fel hyn. Dyna sydd dan sylw a dim arall. Anghyfrifol yw cymryd agwedd hollgynhwysol a beirniadu pawb a phobun pan soniwn am bobl dlawd sydd heb ddewis arall ond edrych atom ni am gymorth. Y peth diwethaf yr wyf am ei gael yw cyngor gan y Blaid Geidwadol, sydd heb hygyrdd yng Nghymru, fel y gwelsom o ganlyniadau'r etholiad. Nid oes arnom angen gwersi gan y blaid a roddodd dreth y pen i ni. Peidiwch byth ag anghofio hynny.

Peter Rogers: A oeddech wedi aros ar eich traed i ddisgwyl canlyniadau'r etholiad ddydd Gwener diwethaf i weld pa mor dda y gwnaeth eich plaid chi?

Peter Law: Yr oedd y canlyniad hwnnw'n wyriad bach fel y'i galwn. Y pwynt yw y byddai unrhyw gosb ar y Cynulliad, a achosir drwy bennu cyllidebau gan awdurdodau lleol sydd yn achosi codiad cyffredinol yn nhreth y cyngor o fwy na 10.7 y cant, yn cael ei gymryd o ddifrif. Byddem yn dueddol o fwrw canlyniadau ein gweithredoedd ar yr awdurdodau hynny sydd yn gyfrifol, ar ôl ystyried y sefyllfa.

Richard Edwards: A ydych yn derbyn bod wardiau yn Sir Benfro, rhai trefol a gwledig, lle y mae lefel yr angen a'r amddifadedd yn gymaint, neu bron gymaint, ag yn yr awdurdodau hynny sydd yn briodol yn derbyn y grantiau dampio? A allwch roi ymrwymiad pendant i'r Cynulliad y caiff y fformwla ddyrannu Dorïaidd anghyfiawn ei diwygio y flwyddyn nesaf?

Peter Law: Ie, derbyniaf fod achosion o amddifadedd yn Sir Benfro. Cydnabyddaf hynny. Yr ydych yn codi'r pwynt yn rheolaidd ac yn cynrychioli'r bobl yn gryf ar hynny. Fodd bynnag, yn yr ardaloedd lle y mae dampio ar waith—fe'i dywedais o'r blaen ac fe'i dywedaf eto—mae amddifadedd o gylch amddifadedd ar ben amddifadedd, a brofir yn y mynegeion amddifadedd ar gyfer Cymru. Nid wyf yn bychanu'r anawsterau sydd gan bobl mewn ardaloedd gwledig.

that point a number of times today.

The damping scheme will cost £17 million. It has been discussed and agreed with the WLGA, and the decision to limit the cost of the scheme reflects their views. That is why the amount should be put in perspective. The scheme cost £22 million last year. I am dismayed that some Assembly Members are lending credibility to misleading reports peddled over the past week, but I think that I have dispensed with the matter now. Damping exists to protect council tax payers from excessive council tax increases. It has nothing to do with supporting inefficient councils or paying off debts. The amount involved represents a small fraction of overall revenue funding, and this will ensure that if authorities spend in line with our assumptions, no council tax payer living in a band D property will have to pay an increase of more than £85. Without damping, band D council tax payers in some of the most deprived areas would have to pay increases of between 22 and 53 per cent. That would be unacceptable.

We are aware of the deficiencies of the formula used to calculate this. We are working with local government to produce a new standard spending assessment formula, which will take account of road cleansing also, Peter. It is an important point and has been taken into account in the new formula. We want a fairer distribution of resources between authorities, and this work is a further example of the partnership by which we are addressing matters of concern to the Assembly and local government. Decisions have been taken in full consultation with local government. We must consider local government's needs in the context of our responsibilities for other key public services in Wales, and I have no doubt that this local government revenue settlement is a good one.

If you believe in trying to improve the quality of life for those who need help, then vote for this motion. If, like me, you stood for this Assembly to change things and to fight

Parchaf hynny, a gwneuthum y pwynt hwnnw sawl gwaith heddiw.

Bydd y cynllun dampio'n costio £17 miliwn. Fe'i trafodwyd a'i gytuno â Chymdeithas Llywodraeth Leol Cymru, ac mae'r penderfyniad i gyfyngu ar gost y cynllun yn adlewyrchu eu barn. Dyna pam y dylid edrych ar y swm yn ei wir oleuni. Costiodd y cynllun £22 miliwn y llynedd. Yr wyf yn siomedig bod rhai Aelodau o'r Cynulliad yn rhoi hygredded i'r adroddiadau camarweiniol a bedlerwyd dros yr wythnos a aeth heibio, ond credaf fy mod wedi gorffen â'r mater yn awr. Mae dampio'n bod er mwyn amddiffyn talwyr treth y cyngor rhag codiadau gormodol yn nhreth y cyngor. Nid oes a wnelo ef ddim â chynnal cyngorau aneffeithlon neu dalu dyledion. Mae'r swm dan sylw'n cyfateb i gyfran fach o'r cyllid refeniw cyffredinol, a bydd hyn yn sicrhau, os bydd yr awdurdodau'n gwario'n unol â'n rhagdybiaethau, na fydd yr un talwr treth y cyngor sydd yn byw mewn annedd band D yn gorfod talu codiad o fwy na £85. Heb ddampio, byddai rhai talwyr treth y cyngor band D yn rhai o'r ardaloedd mwyaf difreintiedig yn gorfod talu codiadau o rhwng 22 a 53 y cant. Byddai hynny'n annerbyniol.

Yr ydym yn ymwybodol o ddiffygion y fformwla a ddefnyddir i gyfrifo hyn. Yr ydym yn gweithio gyda llywodraeth leol i lunio fformwla asesiad gwariant safonol newydd, a fydd yn rhoi ystyriaeth i lanhau ffyrdd hefyd, Peter. Mae'n bwynt pwysig ac fe'i cymerwyd i ystyriaeth yn y fformwla newydd. Yr ydym am gael dosbarthiad tecach o adnoddau rhwng awdurdodau, ac mae'r gwaith hwn yn enghraifft bellach o'r bartneriaeth a fu'n gyfrwng inni ymdrin â materion sydd o bwys i'r Cynulliad a llywodraeth leol. Gwnaethpwyd y penderfyniadau drwy ymgynghori'n llawn â llywodraeth leol. Rhaid inni ystyried anghenion llywodraeth leol yng nghyd-destun ein cyfrifoldebau dros wasanaethau cyhoeddus allweddol eraill yng Nghymru, ac nid oes gennyf amheuaeth nad yw'r setliad cyllid llywodraeth leol hwn yn un da.

Os ydych yn credu mewn ceisio gwella ansawdd bywyd y rhai y mae arnynt angen cymorth, pleidleisiwch dros y cynnig hwn. Os oeddech chi, fel minnau, wedi sefyll fel

poverty throughout Wales, and if you believe in the Assembly's aim of fighting deprivation and social exclusion, I ask you to vote for this motion, which is in the interest of the people of Wales.

ymgeisydd i'r Cynulliad er mwyn newid pethau ac ymladd tlodi ledled Cymru, ac os credwch yn nod y Cynulliad o ymladd amddifadedd ac allgáu cymdeithasol, gofynnaf ichi bleidleisio dros y cynnig hwn, sydd er budd pobl Cymru.

Cynnig: O blaid 28, Ymatal 16, Yn erbyn 14.

Motion: For 28, Abstain 16, Against 14.

Pleidleisiodd yr Aelodau canlynol o blaid:
The following Members voted for:

Barrett, Lorraine
Butler, Rosemary
Chapman, Christine
Jane Davidson
Davies, Andrew
Davies, Ron
Edwards, Richard
Essex, Sue
Feld, Val
Gibbons, Brian
Gregory, Janice
Griffiths, John
Gwyther, Christine
Halford, Alison
Hart, Edwina
Hutt, Jane
Jones, Ann
Jones, Carwyn
Law, Peter
Lewis, Huw
Marek, John
Michael, Alun
Middlehurst, Tom
Morgan, Rhodri
Neagle, Lynne
Pugh, Alun
Sinclair, Karen
Thomas, Gwenda

Ymataliodd yr Aelodau canlynol:
The following Members abstained:

Dafis, Cynog
Davies, Geraint
Davies, Janet
Davies, Jocelyn
Hancock, Brian
Jarman, Pauline
Jones, Elin
Jones, Gareth
Jones, Helen Mary
Jones, Ieuan Wyn
Lloyd, David
Ryder, Janet
Thomas, Owen John
Thomas, Rhodri Glyn
Wigley, Dafydd
Williams, Phil

Motion adopted.

Pleidleisiodd yr Aelodau canlynol yn erbyn:
The following Members voted against:

Bates, Mick
Black, Peter
Bourne, Nick
Cairns, Alun
Davies, David
Davies, Glyn
German, Michael
Graham, William
Humphreys, Christine
Melding, David
Morgan, Jonathan
Randerson, Jenny
Rogers, Peter
Williams, Kirsty

Derbyniwyd y cynnig.

4:59 p.m.

Dadl Fer Short Debate

Cyngor Allforio Cymru An Export Council for Wales

Nick Bourne: I will allow Phil Williams and Mike German a minute each to contribute. I have offered a minute to the Labour backbenchers, but no one has taken up the offer. However, if any of those that are left on the Labour backbenches want to intervene during the speech, I will be happy to give way for a minute.

The Presiding Officer: Order. You cannot give way although you can nominate a person to speak.

Nick Bourne: Well, if anybody indicates that he or she wants to speak, I will not give way but will allow them a minute at the end of my speech. I can see Brian Gibbons light up when I say that, so he obviously has something in mind.

It is important that export promotion and development is given a key role in the Welsh economy. It is the key to expanding businesses and generating wealth in Wales, and it would produce economic activity additional to the local trading that we have at present. Improvement in the support that Wales receives to succeed in overseas markets is needed through establishing an export council for Wales—a body dedicated to export promotion.

Although exports are already dealt with on a national scale by bodies such as the Welsh Development Agency and the Assembly, there is much more that we could do to promote and expand Wales's trade in a global market place. I welcome the statement by Rhodri Morgan on 20 January to the Economic Development Committee, about the establishment of a single all-Wales overseas trade operation. I agree with him that there is a lack of cohesion at the all-Wales level, and that some confusion exists among businesses as to who does what.

Nick Bourne: Yr wyf am ganiatáu munud yr un i Phil Williams a Mike German i gyfrannu. Cynigiais funud i'r meincwyr cefn Llafur, ond nid oes neb wedi derbyn y cynnig. Fodd bynnag, os yw rhywun o'r rhai sydd ar ôl ar y meinciau cefn Llafur yn dymuno ymyrryd yn ystod yr araith, byddaf yn falch o ildio am funud.

Y Llywydd: Trefn. Ni allwch ildio er y gallwch enwebu rhywun i siarad.

Nick Bourne: Wel, os yw rhywun yn dynodi ei fod ef neu hi'n dymuno siarad, ni fyddaf yn ildio ond caniatâf funud iddynt ar ddiwedd fy araith. Gallaf weld Brian Gibbons yn goleuo pan ddywedaf hynny, felly mae'n amlwg bod ganddo rywbeth mewn golwg.

Mae'n bwysig rhoi rôl allweddol i hybu a datblygu allforio yn economi Cymru. Hon yw'r allwedd i ehangu busnesau a chreu cyfoeth yng Nghymru, a byddai'n cynhyrchu gweithgaredd economaidd ar ben y masnachu lleol sydd gennym ar hyn o bryd. Mae angen gwella'r gefnogaeth a gaiff Cymru er mwyn llwyddo mewn marchnadoedd tramor drwy sefydlu cyngor allforio Cymru—corff pwrpasol i hybu allforio.

Er bod allforion eisoes yn cael eu trafod ar raddfa genedlaethol gan gyrff fel Awdurdod Datblygu Cymru a'r Cynulliad, mae llawer mwy y gallem ei wneud i hybu ac ehangu masnach Cymru mewn marchnad fyd-eang. Croesawaf y datganiad gan Rhodri Morgan ar 20 Ionawr i'r Pwyllgor Datblygu Economaidd, am sefydlu ymgyrch masnach dramor sengl i Gymru gyfan. Cytunaf ag ef fod diffyg cydlynid ar lefel Cymru gyfan, a bod rhywfaint o ddryswch yn bod ymysg busnesau ynghylch pwy sydd yn gwneud beth.

However, the proposals do not go far enough in securing effective export provision for Welsh businesses and services. At present, for example, there is little substantial information available on funding for exports in Wales. The level of funding allocated to Wales from the Department of Trade and Industry is derisory in comparison with the other constituent parts of the United Kingdom. Northern Ireland receives £5 million per annum, Scotland £13 million, England £121 million, while Wales receives £1.2 million, which is clearly out of line compared with those figures.

Without a doubt, Wales lacks the identifiable, international image that it needs. It is too often thought of as just being part of the United Kingdom, rather than a country in its own right that has its own companies, services, products and identity. A recognisable international image would help us to convey standards of quality and value associated with Welsh products and provide a shop window to the world, which would promote the concept of Wales as a good business partner, and enhance Wales's global competitiveness.

Having just returned from a visit to the Scottish Parliament, it is evident to me that Scotland is getting its act together much more effectively on this. There is even a shop in the Scottish Parliament dedicated to selling Scottish goods and products. We could emulate that, so that overseas visitors could see what we can offer to the outside world when they come to our Assembly. In short, we need to rethink how Wales is projected to the outside world to ensure that we make a name for ourselves as a major global player. We could learn from the Far East and Asia who are well equipped with trade development councils, which have resulted in global economic success for those regions. Closer to home, Ireland has had considerable success in expanding its gross domestic product through exports. We have to look at the changed role of the WDA. I am not asking for an increase in resources, but a shift of resources within the WDA to this export body from the concentration on inward investment.

Fodd bynnag, nid yw'r cynigion yn mynd yn ddigon pell o ran sicrhau darpariaeth allforio effeithiol i fusnesau a gwasanaethau Cymru. Ar hyn o bryd, er enghraifft, prin yw'r wybodaeth sydd ar gael ar ariannu ar gyfer allforion yng Nghymru. Mae'r lefel ariannu a ddysnir i Gymru o'r Adran Masnach a Diwydiant yn bitw o'i gymharu â rhannau cyfansoddol eraill y Deyrnas Unedig. Mae Gogledd Iwerddon yn derbyn £5 miliwn y flwyddyn, yr Alban yn derbyn £13 miliwn, Lloegr yn derbyn £121 miliwn, tra bo Cymru'n derbyn £1.2 miliwn, sydd yn amlwg yn anghyson o'i gymharu â'r ffigurau hynny.

Heb amheuaeth, nid yw Cymru'n meddu ar y ddelwedd adnabyddadwy, ryngwladol y mae arni ei hangen. Fe'i hystyrir yn rhy aml yn ddim amgen na rhan o'r Deyrnas Unedig, yn hytrach nag yn wlad drwy ei hawl ei hun sydd â'i chwmnïau, ei gwasanaethau, ei chynhyrchion a'i hunaniaeth. Byddai delwedd ryngwladol adnabyddadwy yn gymorth inni gyfleu safonau o ansawdd a gwerth sydd yn gysylltiedig â chynhyrchion Cymru ac yn rhoi ffenestr siop i'w dangos i'r byd, a fyddai'n hybu'r cysyniad o Gymru fel partner busnes da, ac yn hyrwyddo cystadleuolrwydd byd-eang Cymru.

A minnau newydd ddychwelyd o ymweliad â Senedd yr Alban, mae'n amlwg imi fod yr Alban yn mynd ati'n fwy effeithiol yn hyn o beth. Ceir siop bwrpasol hyd yn oed yn Senedd yr Alban sydd yn gwerthu nwyddau a chynhyrchion yr Alban. Gallem efelychu hynny, fel y gallai ymwelwyr tramor weld beth sydd gennym i'w gynnig i'r byd y tu allan pan ddeuant i'n Cynulliad. Yn fyr, mae angen inni ailfeddwl ynghylch y modd y cyflwynir Cymru i'r byd y tu allan er mwyn sicrhau ein bod yn ennill bri fel chwaraewr mawr byd-eang. Gallem ddysgu oddi wrth y Dwyrain Pell ac Asia sydd â digonedd o gynghorau datblygu masnach, sydd wedi arwain at lwyddiant economaidd byd-eang i'r rhanbarthau hynny. Yn agosach atom, cafodd Iwerddon gryn lwyddiant wrth gynyddu ei chynnyrch mewnwladol crynswth drwy allforion. Rhaid inni edrych ar y rôl wahanol sydd gan Awdurdod Datblygu Cymru. Nid wyf yn gofyn am fwy o adnoddau, ond am symud adnoddau oddi mewn i Awdurdod Datblygu Cymru i'r corff allforio hwn oddi wrth y pwyslais ar fewnfuddsoddi.

The body could make trade contacts for people, provide business information and advice, provide special services to small and medium sized businesses, give guidance on marketing opportunity, hold trade fairs and promotional events overseas and provide a record of easily accessible economic data. These things are essential to enable us to generate more exports from Wales and generate growth and prosperity for all parts of Wales. It ties in with Objective 1 projects and I am sure that some Objective 1 moneys could be used to promote such a body. Such a body could help our companies to grow and help investment. An export council, or an export promotion body for Wales, would help to improve Wales's business image overseas. It could provide information, particularly to small and medium sized enterprises, and allocate resources to them. These would not be new resources, but a shift of resources within the WDA. This would help to promote our exports. It would present a fresh, modern image to the outside world with two obvious benefits: it would make a massive contribution to the Welsh GDP and tie in successfully with Objective 1 projects, which we now need to consider and to which I know we will return tomorrow.

Phil Williams: We need a successful export strategy, with Wales-specific export data, identification of niche markets, joint trade missions and the promotion of Wales. The question is which is the most appropriate body to do that job? Bringing trade promotion under the Assembly means that key business decisions—many requiring rapid action—will be controlled by the civil servants of an elected body. Are we sure that they are the best qualified for the job? They may be. Some say that it should be the WDA's task, but, however successful the WDA has been in attracting inward investment, it may not be wise to give yet more functions to a monolithic body. Others say it should be a separate specialist body, as is the case in many other countries. I do not have a firm answer. This is a vitally important matter that needs careful discussion. There is no need for a desperate rush.

Gallai'r corff greu cysylltiadau masnach ar gyfer pobl, darparu gwybodaeth a chyngor busnes, darparu gwasanaethau arbennig i fusnesau bach a chanolig eu maint, rhoi arweiniad ar gyfleoedd marchnata, cynnal ffeiriau masnach a digwyddiadau hyrwyddo dramor a darparu cofnod o ddata economaidd hygrych. Mae'r pethau hyn yn holl bwysig i'n galluogi i greu mwy o allforion o Gymru a chreu twf a ffyniant ar gyfer pob rhan o Gymru. Mae'n ymgysylltu â phrosiectau Amcan 1 ac yr wyf yn sicr y gellid defnyddio rhywfaint o arian Amcan 1 i hybu corff o'r fath. Gallai corff o'r fath helpu ein cwmnïau i dyfu a helpu buddsoddi. Byddai cyngor allforio, neu gorff hybu allforio i Gymru, yn gymorth i wella delwedd busnes Cymru dramor. Gallai ddarparu gwybodaeth, yn enwedig i fusnesau bach a chanolig eu maint, a dyrannu adnoddau iddynt. Nid adnoddau newydd fyddai'r rhain, ond adnoddau a symudwyd oddi mewn i Awdurdod Datblygu Cymru. Byddai hyn yn gymorth i hybu ein hallforion. Byddai'n cyflwyno delwedd fodern, ffres i'r byd y tu allan gyda dwy fantais amlwg: byddai'n gwneud cyfraniad anferth i gynnyrch mewnwladol crynswth Cymru ac yn ymgysylltu'n llwyddiannus â phrosiectau Amcan 1, y bydd yn rhaid inni eu hystyried yn awr ac y gwn y byddwn yn dod yn ôl atynt yfory.

Phil Williams: Mae angen strategaeth allforio lwyddiannus arnom, gyda data allforio penodol am Gymru, dynodi marchnadoedd arbenigol, teithiau masnach ar y cyd a hybu Cymru. Y cwestiwn yw pa un yw'r corff mwyaf priodol i wneud y gwaith hwnnw? Mae dod â hybu masnach o dan y Cynulliad yn golygu y bydd penderfyniadau busnes allweddol—a llawer ohonynt yn gofyn gweithredu cyflym—wedi eu rheoli gan weision sifil mewn corff etholedig. A ydym yn sicr mai hwy yw'r rhai mwyaf cymwys i'r gwaith? Efallai eu bod. Dywed rhai y dylai fod yn dasg i Awdurdod Datblygu Cymru, ond, pa mor llwyddiannus bynnag y bu Awdurdod Datblygu Cymru wrth ddenu mewnfuddsoddi, efallai nad yw'n ddoeth rhoi mwy fyth o swyddogaethau i gorff monolithig. Dywed eraill y dylai fod yn gorff arbenigol ar wahân, fel a geir mewn llawer o wledydd eraill. Nid oes gennyf ateb pendant. Mae hyn yn fater hanfodol bwysig y

mae angen ei ystyried yn fanwl. Nid oes angen rhuthro'n fyrbwyll.

I have two concerns. The first is a domestic issue. I am concerned that at the extra January meeting of the Economic Development Committee—called specifically to discuss transfer orders from Cardiff Bay Development Corporation and scheduled to finish at 4 p.m. when I had to leave—an extra item was added, namely the announcement that a single overseas trade unit would be established in the Assembly. This was an announcement of an Executive decision, made without first consulting the Economic Development Committee. It is a bad example of the way the Executive proceeds without the Committees.

Mae gennyf ddau bryder. Mae'r cyntaf yn fater domestig. Pryderaf fod eitem wedi ei hychwanegu yn y cyfarfod ychwanegol yn Ionawr o'r Pwyllgor Datblygu Economaidd—a alwyd yn benodol i drafod gorchmynion trosglwyddo o Gorfforaeth Datblygu Bae Caerdydd ac a amserlennwyd i orffen am 4 p.m. pan oedd yn rhaid imi adael—sef cyhoeddiad i'r perwyl y byddai uned masnach dramor sengl yn cael ei sefydlu yn y Cynulliad. Cyhoeddiad am benderfyniad gan y Weithrediaeth oedd hwn, a wnaethpwyd heb ymgynghori'n gyntaf â'r Pwyllgor Datblygu Economaidd. Mae'n enghraifft wael o'r modd y mae'r Weithrediaeth yn symud ymlaen heb y Pwyllgorau.

Secondly, there is yet more evidence of continuing tension between the old Welsh Office and the WDA. Team Wales must be more than a slogan. We need a unified strategy and a single body clearly identified and well established to promote overseas trade.

Yn ail, mae mwy o dystiolaeth eto o dyndra parhaus rhwng yr hen Swyddfa Gymreig ac Awdurdod Datblygu Cymru. Rhaid i Dîm Cymru fod yn fwy na slogan. Mae arnom angen strategaeth unedig ac un corff wedi ei ddynodi'n glir a'i sefydlu'n gadarn i hybu masnach dramor.

Michael German: I thank Nick Bourne for raising this matter. I share some of Phil Williams's concerns, but I want to express them differently. It is true that trading internally will never raise Wales's GDP. We must trade outward and we need to support the efforts of those who undertake to do that. The other problem is that we do not know how much Wales's export trade is worth. We do not collect sufficient statistics. I hope that the Assembly can insist that statistics are collected.

Michael German: Diolchaf i Nick Bourne am godi'r mater hwn. Rhannaf rai o bryderon Phil Williams, ond yr wyf am eu mynegi'n wahanol. Mae'n wir na fydd masnachu'n fewnol byth yn codi cynnyrch mewnwladol crynswth Cymru. Rhaid inni fasnachu tuag at allan ac mae angen inni gefnogi ymdrechion y rhai sydd yn ymgymryd i wneud hynny. Y broblem arall yw na wyddom werth masnach allforio Cymru. Nid ydym yn casglu digon o ystadegau. Gobeithiaf y gall y Cynulliad fynnu y cesglir ystadegau.

I am concerned about who has responsibility for the overseas trade unit. We all share the view that if Scotland receives £13 million from the DTI, and we only receive £1.2 million, we are receiving poor treatment. I hope that, whatever we do, we ensure that we have our fair share of the cake from Whitehall.

Pryderaf ynghylch pwy sydd â chyfrifoldeb dros yr uned masnach dramor. Yr ydym oll o'r farn, os yw'r Alban yn derbyn £13 miliwn o'r Adran Masnach a Diwydiant, a ninnau ond yn derbyn £1.2 miliwn, ein bod yn cael ein trin yn wael. Gobeithiaf, beth bynnag a wnawn, y byddwn yn sicrhau ein bod yn derbyn ein cyfran deg o'r deisen o Whitehall.

Rhodri Morgan has decided to move the overseas trade unit from the WDA to the Assembly. This will please those who want to have a bonfire of quangos. However, for

Mae Rhodri Morgan wedi penderfynu symud yr uned masnach dramor o Awdurdod Datblygu Cymru i'r Cynulliad. Bydd hynny wrth fodd y rhai sydd am gael coelcerth o

those who want to know what that means, it should be done more comprehensively. I firmly believe that we need to remove some of the lines that exist between the Assembly and the quangos. We need to create a commercial viability for a unit, while keeping that accountability. The arguments and discussions about Objective 1 monitoring methodologies are similar to this argument. The last thing we would want to do is to have it under the control and domination of administrators, when we need to ensure that it moves in the right direction and shares the values from that direction. We are looking for a co-ordinated approach and we should have a debate about where the unit should be located. Potential exporters in Wales want to see co-ordinated help for a one-stop shop. They do not want to have to fish around for that help. I have had the benefit of being part of an overseas trade mission from Wales. The support I received was excellent, but we need more of it from the right calibre of people. We also need a one-stop shop that will ensure that everyone reaps the benefits of this and that Wales and Scotland receive their equal share.

5:09 p.m.

Val Feld: I will speak, in part to show that Rhodri Morgan is not the only Labour Member with something constructive to say about exports and economic development. I find myself in the curious position of agreeing with Nick Bourne and disagreeing with some of what Mike German and Phil Williams have said. Nick is right about the importance of this subject and it needing to be addressed. Nick, not being a member of the Economic Development Committee and perhaps not as close as some of us are to Objective 1, may not have read the entire single programming document. There are specific measures in that document to help businesses to develop export potential. This is right and it should be considered and implemented as part of the business support review, on which the Economic Development Committee is now embarking. It must be about looking at what help businesses need, in a range of different ways, to grow and develop. Developing exports is a part of that.

gwangos. Fodd bynnag, er mwyn y rhai sydd am wybod beth y mae hynny'n ei olygu, dylid ei wneud yn fwy cynhwysfawr. Credaf yn gryf fod angen inni ddileu rhai o'r cysylltiadau a geir rhwng y Cynulliad a'r cwangos. Mae angen inni greu hyfywedd masnachol ar gyfer uned, gan gadw'r atebolrwydd hwnnw. Mae'r dadleuon a'r trafodaethau am fethodolegau monitro Amcan 1 yn debyg i'r ddadl hon. Y peth diwethaf y byddem am ei wneud yw ei rhoi dan reolaeth a thra-arglwyddiaeth gweinyddwyr, pan fo angen inni sicrhau ei bod yn symud yn y cyfeiriad iawn ac yn rhannu gwerthoedd y cyfeiriad hwnnw. Yr ydym yn ceisio dull cydlynol a dylem gael trafodaeth ynghylch lle y dylid lleoli'r uned honno. Mae allforwyr dichonol yng Nghymru am weld cymorth cydlynol ar gyfer siop un cam. Nid ydynt am orfod chwilio am y cymorth hwnnw. Cefais y fantais o fod yn rhan o daith masnach dramor o Gymru. Yr oedd y gefnogaeth a gefais yn rhagorol, ond mae arnom angen mwy ohoni gan bobl o'r ansawdd iawn. Mae arnom angen siop dan yr unto hefyd a fydd yn sicrhau bod pawb yn elwa o hyn a bod Cymru a'r Alban yn derbyn cyfran deg.

Val Feld: Yr wyf am siarad, yn rhannol er mwyn dangos nad Rhodri Morgan yw'r unig Aelod Llafur sydd â rhywbeth adeiladol i'w ddweud am allforion a datblygu economaidd. Caf fy mod yn y sefyllfa ryfedd o gytuno â Nick Bourne ac anghytuno â rhywfaint o'r hyn a ddywedodd Mike German a Phil Williams. Mae Nick yn iawn ynghylch pwysigrwydd y pwnc hwn a bod angen rhoi sylw iddo. Mae'n bosibl nad yw Nick, gan nad yw'n aelod o'r Pwyllgor Datblygu Economaidd a heb fod mor agos â rhai ohonom efallai at Amcan 1, wedi darllen y ddogfen rhaglennu sengl gyfan. Mae mesurau penodol yn y ddogfen honno i helpu busnesau i ddatblygu eu gallu allforio. Mae hynny'n briodol a dylid ei ystyried a'i weithredu'n rhan o'r arolwg o gefnogaeth i fusnes, y mae'r Pwyllgor Datblygu Economaidd yn dechrau arno yn awr. Rhaid i hynny ymwneud â'r cymorth y mae ar fusnesau ei angen, mewn amrediad o wahanol ffyrdd, er mwyn tyfu a datblygu. Mae datblygu allforion yn rhan o hynny.

It is clear that businesses in Wales face practical problems. I recently attended a seminar and listened to a big exporter from Swansea West who sells bakery equipment all over the world. The amount of time he spent talking about the intricacies and complexities of EU regulations showed that we have much to do to provide that kind of support. That is how we need to go about it. I disagree with Phil Williams because I do not think that Rhodri Morgan's statement was about something that had been consulted on previously in the old People and Prosperity programme. That was one step but now it needs to be taken further to look at how the new structure is used in the Welsh Office.

I disagree with Mike when he says that trading internally will never raise the level of GDP. We must learn to trade internally much more in Wales. One problem is that we trade too much with England and do not use and develop the businesses, suppliers and expertise in Wales. If we were to do that we would not lose so much wealth to England. We should look at exports and at ourselves as a Welsh economy and how we relate to economies in other parts of the United Kingdom, Europe and the world.

The Economic Development Secretary (Rhodri Morgan): I welcome this debate, along with the constructive approach adopted by Nick Bourne. He welcomed the decision to unify the two public sector overseas trade support organisations, namely the Assembly—or the old Welsh Office—export set-up and the newer Welsh Development Agency set-up. About 25 years ago, during John Morris's period as Secretary of State for Wales and with the help of 24 staff, the Welsh Office took over the Department of Trade and Industry's functions in Wales, which included export advice. The WDA has become involved in this more recently with three permanent staff and six contracted staff. It provides a very useful service to exporters in mid Wales through the Mid Wales Exporters Association, which is funded by, although not employed by, the WDA. The

Mae'n amlwg bod busnesau yng Nghymru'n wynebu problemau ymarferol. Bûm yn bresennol mewn seminar yn ddiweddar a gwrandewais ar allforiwr mawr o Orllewin Abertawe sydd yn gwerthu offer pobi ledled y byd. Yr oedd hyd yr amser a dreuliodd yn sôn am fanylion a chymhlethdodau rheoliadau'r UE yn dangos bod gennym lawer i'w wneud er mwyn darparu cefnogaeth o'r fath. Dyna sut y dylem fynd yn ei gylch. Anghytunaf â Phil Williams oherwydd ni chredaf fod datganiad Rhodri Morgan yn ymwneud â rhywbeth yr ymgynghorwyd yn ei gylch eisoes yn yr hen raglen Pobl a Ffyniant. Un cam oedd hynny ond mae angen mynd ag ef ymhellach yn awr er mwyn ystyried sut y defnyddir y strwythur newydd yn y Swyddfa Gymreig.

Anghytunaf â Mike pan ddywed na fydd masnachu'n fewnol byth yn codi lefel y cynnyrch mewnwladol crynswth. Rhaid inni ddysgu masnachu'n fewnol yn helaethach o lawer yng Nghymru. Un broblem yw ein bod yn masnachu gormod â Lloegr ac nad ydym yn defnyddio ac yn datblygu'r busnesau, y cyflenwyr a'r arbenigedd yng Nghymru. Pe baem yn gwneud hynny ni fyddem yn colli cymaint o gyfoeth i Loegr. Dylem edrych ar allforion ac arnom ein hunain fel economi Cymreig a sut yr ydym yn cydberthnasu ag economïau mewn rhannau eraill o'r Deyrnas Unedig, Ewrop a'r byd.

Yr Ysgrifennydd Datblygu Economaidd (Rhodri Morgan): Croesawaf y ddadl hon, ynghyd â'r ymagwedd adeiladol a fabwysiadwyd gan Nick Bourne. Croesawodd y penderfyniad i uno'r ddau gorff cefnogi masnach dramor yn y sector cyhoeddus, sef trefniant allforio'r Cynulliad—neu'r hen Swyddfa Gymreig—a threfniant diweddarach Awdurdod Datblygu Cymru. Tua 25 mlynedd yn ôl, yn ystod cyfnod John Morris yn Ysgrifennydd Gwladol Cymru a chyda chymorth 24 o staff, ymgwymerodd y Swyddfa Gymreig â swyddogaethau'r Adran Masnach a Diwydiant yng Nghymru, oedd yn cynnwys cyngor allforio. Dechreuodd Awdurdod Datblygu Cymru gymryd rhan yn hyn yn ddiweddar gyda thri aelod staff parhaol a chwech ar gontract. Mae'n darparu gwasanaeth defnyddiol iawn i allforwyr yng

WDA inherited it from the former Development Board for Rural Wales. It is highly rated by everybody in Wales; not only those who have direct access to the service as small exporters and small and medium sized enterprises in mid Wales, as I am sure that Glyn would agree. It is universally held in high esteem throughout Wales.

nghanolbarth Cymru drwy Gymdeithas Allforwyr Canolbarth Cymru, a gyllidir gan Awdurdod Datblygu Cymru, er nad yw'n ei chyflogi. Fe'i hetifeddwyd gan Awdurdod Datblygu Cymru o gyn-Fwrdd Datblygu Cymru Wledig. Mae'n uchel ei pharch gan bawb yng Nghymru; nid yn unig y rhai sydd â mynediad uniongyrchol at y gwasanaeth fel allforwyr bychain a busnesau bach a chanolig eu maint yng nghanolbarth Cymru, fel y byddai Glyn yn cytuno, yr wyf yn sicr. Mae parch mawr tuag ati gan bawb ledled Cymru.

I do not think Nick intended this debate to be all about the decision that I made to unify the two export bodies, of which there has been some criticism. I think that Nick wanted the debate to be on a wider remit. It does not matter whether the Assembly or the WDA runs the export unit in the end. What matters is how you do it, how far you can take it, and what additional wealth you can create if you run it in a more expansive way and invest more money in it.

Ni chredaf fod Nick yn bwriadu i'r ddadl hon ymwneud yn llwyr â'm penderfyniad i uno'r ddau gorff allforio, y bu rhywfaint o feirniadaeth arno. Credaf fod Nick am i'r ddadl ymwneud â chylch gwaith ehangach. Nid yw o bwys yn y pen draw ai'r Cynulliad ynteu Awdurdod Datblygu Cymru sydd yn rhedeg yr uned allforio. Yr hyn sydd yn bwysig yw sut y gwnewch hynny, pa mor bell y gallwch fynd ag ef, a pha gyfoeth ychwanegol y gallwch ei greu os rhedwch ef yn fwy eang a buddsoddi mwy o arian ynddo.

One good thing about this Assembly is that you learn something every day. Nick mentioned an interesting set of comparative figures. I have to admit that I was not aware of them; I should be, but I am not. I thank him for providing me with those figures of £5 million for Northern Ireland, £13 million for Scotland, £121 million for England and £1.2 million for Wales. I will write to him if I can verify those figures and give him an explanation. I cannot say anything useful at the moment.

Un peth da am y Cynulliad hwn yw eich bod yn dysgu rhywbeth newydd bob dydd. Soniodd Nick am set ddiddorol o ffigurau cymharol. Rhaid imi gyfaddef nad oeddwn yn ymwybodol ohonynt; dylwn fod, ond nid ydwyf. Diolchaf iddo am roi imi'r ffigurau hynny am £5 miliwn i Ogledd Iwerddon, £13 miliwn i'r Alban, £121 miliwn i Loegr a £1.2 miliwn i Gymru. Byddaf yn ysgrifennu ato os gallaf gadarnhau'r ffigurau hynny a rhoddaf eglurhad iddo. Ni allaf ddweud dim sydd yn ddefnyddiol ar y funud.

Michael German: Will you write to us also?

Michael German: A fyddwch gystal ag ysgrifennu atom ni hefyd?

Rhodri Morgan: Of course. I certainly will.

Rhodri Morgan: Wrth gwrs. Byddaf yn sicr o wneud.

This is almost like returning to the local government debate. In a way, governments work by giving to those that hath rather than those that hath not—in this area at least, if not in local government. Scotland has a strong export tradition because of its shortbread, whisky, the North Sea oil, tartans and tweeds and woollens from the borders. We do not really have equivalent products. I will not criticise the Methodist revival and

Mae hyn bron fel mynd yn ôl i'r ddadl llywodraeth leol. Mewn ffordd, mae llywodraethau'n gweithio drwy roi i'r rhai y mae ganddynt yn hytrach nag i'r rhai nad oes ganddynt ddim—yn y maes hwn o leiaf, os nad mewn llywodraeth leol. Mae gan yr Alban draddodiad allforio cryf oherwydd ei theisennau brau, ei wisgi, olew Môr y Gogledd, tartanau a brethynnau a dillad gwlan o'r gororau. Nid oes gennym

the religious revival of 1904 for ensuring that we do not have a spirits industry in Wales as Scotland and Ireland do. One way or another, that huge export market has to be sustained. I see that Brian is about to make a brilliant point about the Welsh spirits industry.

Brian Hancock: We have Welsh lamb and beef, caws Caerffili, and so on. We have the industries and agricommerce within Wales. We need to sing their praises. We need the 'Made in Wales' brand on every product. Do you agree that the strength of the pound is killing our agri-industries and manufacturing industries, which makes it even more difficult for us to export?

Rhodri Morgan: You have taken the words out of my mouth. I was about to make that very point. The public sector gives to those that hath at the moment, and does not base what it gives on the export potential. That is what we have done in the past. If you have £1,000 million of exports in whisky and tweeds from Scotland, you will invest £5 million in the export sector without quibbling, because it is critical to maintain that £1,000 million of exports. When I was a young civil servant in the Welsh Office, attending meetings at the Scottish Office, the Scots used to complain that without the whisky exports, Harold Wilson's Government would fall because they were holding up the balance of payments. That is probably true. The Scots have always had an export culture so it is worth investing money in it and nobody quibbles about doing so. When we try to create an export culture in Wales, we are investing speculatively to see what we can do to create the Welsh equivalent of the Scottish whisky, cashmere, woollens, Aberdeen Angus, North Sea oil and all the other industries that the Scots have going for them already. We can do it. Phil will no doubt share my view that the optoelectronics industry in Wales will be bigger than Scottish whisky one day. I am sure of that. We must invest speculatively in our export support mechanism to create a Welsh optoelectronics centre of excellence, which will be recognised on a worldwide

gynhyrchion cyfatebol mewn gwirionedd. Nid wyf am feirniadu'r diwygiad Methodistiaidd a diwygiad crefyddol 1904 am sicrhau nad oes gennym ddiwydiant gwirodydd yng Nghymru fel un yr Alban ac Iwerddon. Rywfodd neu'i gilydd, rhaid cynnal y farchnad allforio anferth honno. Gwelaf fod Brian ar fin gwneud pwynt gwyh am ddiwydiant gwirodydd Cymru.

Brian Hancock: Mae gennym gig oen ac eidion Cymru, caws Caerffili, ac yn y blaen. Mae'r diwydiannau a'r amaeth-fasnach gennym oddi mewn i Gymru. Dylem ganu eu clodydd. Mae arnom angen cael y brand 'Gwnaethpwyd yng Nghymru' ar bob cynnyrch. A gytunwch fod cryfder y bunt yn lladd ein hamaeth-ddiwydiannau a'r diwydiannau cynhyrchu, sydd yn ei gwneud yn anos byth inni allforio?

Rhodri Morgan: Aethoch â'r geiriau o'm ceg. Yr oeddwn ar fin gwneud yr union bwynt hwnnw. Mae'r sector cyhoeddus yn rhoi i'r rhai a chanddynt ar hyn o bryd, ac nid yw'n seilio'r hyn y mae'n ei roi ar y potensial allforio. Dyna a wnaethom yn y gorffennol. Os oes gennych £1,000 miliwn o allforion wisgi a brethynnau o'r Alban, byddwch yn buddsoddi £5 miliwn yn y sector allforio heb hollti blew, oherwydd mae'n holl bwysig cynnal y £1,000 miliwn hynny o allforion. Pan oeddwn yn was sifil ifanc yn y Swyddfa Gymreig, yn mynychu cyfarfodydd yn Swyddfa'r Alban, arferai'r Albanwyr gwyno y byddai Llywodraeth Harold Wilson yn syrthio heb yr allforion wisgi, am mai hwy oedd yn cynnal cydbwysedd y taliadau. Mae hynny'n wir yn ôl pob tebyg. Mae gan yr Albanwyr ddiwylliant allforio erioed felly mae'n werth buddsoddi arian ynddo ac nid oes neb yn hollti blew ynghylch gwneud hynny. Pan geisiwn greu diwylliant allforio yng Nghymru, yr ydym yn buddsoddi'n anturiol i weld beth y gallwn ei wneud er mwyn creu'r hyn sydd yn cyfateb yng Nghymru i wisgi'r Alban, cashmir, dillad gwlân, gwartheg Aberdeen Angus, olew Môr y Gogledd a'r holl ddiwydiannau eraill sydd gan yr Albanwyr o'u plaid yn barod. Gallwn wneud hynny. Mae'n sicr bod Phil o'r un farn â mi y bydd y diwydiant optoelectroneg yng Nghymru yn fwy na wisgi'r Alban ryw ddiwrnod. Yr wyf yn sicr o hynny. Rhaid inni fuddsoddi'n anturiol yn ein mecanwaith

basis. We must create a brand that will be recognised on a worldwide basis rather than use a brand that already exists because whisky, cashmere, woollens and Aberdeen Angus somehow created it over the past century.

That brings me to Nick's other point about building a Welsh brand image abroad. I am passionately keen about that. I hope that one day the creation of a strong Welsh brand image in international trade will be seen as the most important consequence of establishing the Assembly. I will refer now to Phil and Mike's comments about creating a single capacity export sales support centre in the Assembly. They are obviously not entirely happy about it, although that is not why Nick raised this matter for short debate this afternoon.

5:19 p.m.

Phil is wrong to say that the decision was brought to the Economic Development Committee at the last minute and dropped on it like a bomb with no notice. The matter had already been floated for consultation as a matter of principle. Several months ago, I asked the Committee if it agreed that we should have a single chain of command. I agreed that we must consider whether it should eliminate the overlap between the Assembly and WDA units. The Committee said that we should not confuse the users of the service or its providers by having a single chain of command and we should eliminate the overlap. Scotland does not have a single chain of command, it has a joint responsibility to Scottish Enterprise and the Scottish Executive. Likewise, British Trade International has a joint chain of command to the Foreign Office and the Department of Trade and Industry. During the early consultation meeting, we agreed that whatever we decided, it would be a single chain of command that would not confuse the users or the providers.

The decision about whether it should be a stand alone body—a new quango—or a body within the WDA or the Assembly, was left to me. I made that decision and put it to the

cefnogi allforio er mwyn creu canolfan ragoriaeth optoelectroneg yng Nghymru, a gydnabyddir ledled y byd. Rhaid inni greu brand a fydd yn adnabyddus ledled y byd yn hytrach na defnyddio brand sydd eisoes yn bod am fod wisgi, cashmir, dillad gwlan a gwartheg Aberdeen Angus wedi ei greu rywsut dros y ganrif ddiwethaf.

Daw hynny â mi at bwynt arall Nick am greu delwedd brand i Gymru dramor. Yr wyf yn angerddol o frwdfrydig ynghylch hynny. Gobeithiaf ryw ddiwrnod y gwelir creu delwedd brand gryf i Gymru mewn masnach ryngwladol yn ganlyniad pwysicaf i sefydlu'r Cynulliad. Yr wyf am gyfeirio'n awr at sylwadau Phil a Mike am greu canolfan cefnogi gwerthiannau allforio un gallu yn y Cynulliad. Mae'n amlwg nad ydynt yn gwbl fodlon â hynny, er nad hynny yw'r rheswm y cododd Nick y mater hwn ar gyfer dadl fer y prynhawn yma.

Mae Phil yn anghywir wrth ddweud i'r penderfyniad gael ei ddwyn i'r Pwyllgor Datblygu Economaidd ar y funud olaf a'i ollwng arno fel bom yn ddirybudd. Yr oedd y mater eisoes wedi ei godi ar gyfer ymgynghori fel mater o egwyddor. Rai misoedd yn ôl, gofynnais i'r Pwyllgor a oedd yn cytuno y dylem gael un gadwyn awdurdod. Cytunais fod rhaid inni ystyried a ddylai ddileu'r gorgyffwrdd rhwng unedau'r Cynulliad ac Awdurdod Datblygu Cymru. Dywedodd y Pwyllgor na ddylem ddrysu defnyddwyr y gwasanaeth na'i ddarparwyr drwy gael un gadwyn awdurdod ac y dylem ddileu'r gorgyffwrdd. Nid oes gan yr Alban gadwyn awdurdod, mae ganddi gydatebolrwydd i Scottish Enterprise a Gweithrediaeth yr Alban. Yn yr un modd, mae gan Fasnach Ryngwladol Prydain gadwyn awdurdod ar y cyd at y Swyddfa Dramor a'r Adran Masnach a Diwydiant. Yn ystod y cyfarfod ymgynghori cynnar, cytunasom, beth bynnag a benderfynem, y byddai'n un gadwyn awdurdod na fyddai'n drysu'r defnyddwyr neu'r darparwyr.

Gadawyd i mi benderfynu a ddylai fod yn gorff ar wahân—cwango newydd—neu'n gorff oddi mewn i Awdurdod Datblygu Cymru neu'r Cynulliad. Gwneuthum y

Committee. I did not think that the Presiding Officer's patience would stretch to accepting that it was an important enough issue, as there were 27 staff involved, for a statement to be made in Plenary session.

The Presiding Officer: Order. I assure you, Rhodri, that my patience extends to all statements that you wish to make at any time.

Rhodri Morgan: I am grateful for that. Mike is not right to say that we have moved the export sales support centre from the WDA. We had three choices: moving it from the Assembly into the WDA, moving the part of it that was in the WDA into the Assembly, or having a stand alone body. The three staff will be seconded from the WDA to minimise any complications with their pension rights and so on, and they will work for the unit within the Assembly. Phil is not happy that that has enough business drive, as he thinks that the WDA is more commercial. The view that all bureaucrats are tea swilling nine to five clock watchers is rather old fashioned and unfair. In my eight or nine months in this post, I have visited the trade fair in Stuttgart that the Assembly ran in late May 1999, and the Kuwait trade mission, in which I participated, in November. It is a professional set-up and I hope that it will become more so.

I hope that the export forum that we will provide will advise us and tell us whether it is satisfied with the way it is going. It will be commercial and will run in a unified way, which will add to the quality of the service, build up the Welsh brand name abroad and run trade fairs, such as those we ran last year. Eventually we will overtake Scotland, Ireland and elsewhere in exports per head, in spite of our background, which makes that job difficult. With Objective 1 assistance to support activities in this area, I am sure that exports will play a major role in wealth creation in Wales, in comparison to what has happened before.

penderfyniad hwnnw a'i roi i'r Pwyllgor. Ni chredais y byddai amynedd y Llywydd yn ymestyn i dderbyn ei fod yn fater digon pwysig, gan fod 27 o staff yn gysylltiedig, i wneud datganiad arno yn y Cyfarfod Llawn.

Y Llywydd: Trefn. Rhoddaf sicrwydd i chi, Rhodri, fod fy amynedd yn ymestyn i'r holl ddatganiadau y dymunwch eu gwneud ar unrhyw adeg.

Rhodri Morgan: Yr wyf yn ddiolchgar am hynny. Nid yw Mike yn gywir wrth ddweud ein bod wedi symud y ganolfan cefnogi gwerthiannau allforio o Awdurdod Datblygu Cymru. Yr oedd gennym dri dewis: ei symud o'r Cynulliad i Awdurdod Datblygu Cymru, symud y rhan ohoni oedd yn Awdurdod Datblygu Cymru i'r Cynulliad, neu gael corff ar wahân. Caiff y tri aelod staff eu secondio o Awdurdod Datblygu Cymru er mwyn lleihau unrhyw gymhlethdodau ynghylch eu hawliau pensiwn ac yn y blaen, a byddant yn gweithio i'r uned oddi mewn i'r Cynulliad. Nid yw Phil yn fodlon bod iddi ddigon o gymhelliant busnes, gan ei fod o'r farn bod Awdurdod Datblygu Cymru'n fwy masnachol. Mae'r syniad bod pob biwrocrat yn wylwr sydd yn yfed te o naw tan bump o'r gloch braidd yn hen-ffasiwn ac annheg. Yn yr wyth neu naw mis y bûm yn y swydd hon, ymwelais â'r ffair fasnach yn Stuttgart a gynhaliwyd gan y Cynulliad yn hwyr ym Mai 1999, a'r daith masnach i Kuwait, y cymerais ran ynddi, yn Nhachwedd. Mae'n drefniant proffesiynol a gobeithiaf y daw'n fwy felly.

Gobeithiaf y bydd y fforwm allforio y byddwn yn ei ddarparu yn ein cyngori ac yn dweud wrthym a yw'n fodlon â'r ffordd y mae'n datblygu. Bydd yn fasnachol a chaiff ei redeg drwy ddull unedig, a fydd yn ychwanegu at ansawdd y gwasanaeth, yn cryfhau enw brand Cymru dramor ac yn cynnal ffeiriau masnach, fel y rhai a gynaliasom y llynedd. Yn y pen draw, byddwn yn goddiweddud yr Alban, Iwerddon a mannau eraill o ran allforion y pen, er gwaethaf ein cefndir, sydd yn gwneud y gwaith hwnnw'n anodd. Gyda chymorth Amcan 1 i gynnal gweithgareddau yn y maes hwn, yr wyf yn sicr y bydd allforion yn chwarae rôl o bwys wrth greu cyfoeth yng Nghymru, o'i gymharu â'r hyn a ddigwyddodd o'r blaen.

Y Llywydd: Diolch yn fawr, Rhodri, a diolch i Nick am ddechrau'r ddadl. Dyna ddiwedd ein trafodaethau am heddiw. Yr wyf yn siŵr fod pawb yn edrych ymlaen at Gyfarfod Llawn yfory. Diolch yn fawr.

The Presiding Officer: Thank you, Rhodri, and thank you Nick, for opening the debate. That is the end of our discussions for today. I am sure that everyone is looking forward to the Plenary session tomorrow. Thank you.

Daeth y sesiwn i ben am 5:24 p.m.

The session ended at 5:24 p.m.