



Cynulliad Cenedlaethol Cymru
(Y Cofnod Swyddogol)

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Cynnwys
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Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy ynddi yn y Siambr yn y golofn chwith.

These proceedings are reported in the language in which they were spoken in the Chamber in the left hand column.

Cyfarfu'r Cynulliad am 11 a.m. gyda'r Llywydd yn y Gadair
The Assembly met at 11 a.m. with the Presiding Officer in the Chair

Datganiad ar Ddyfarniad yr Uchel Lys ar Newidiadau yn Nhâl Athrawon **Statement on the High Court Judgment on Changes in Teachers' Pay**

The Secretary for Education and Children (Rosemary Butler): On 14 July the High Court issued its judgment on the judicial review brought by the National Union of Teachers regarding the way in which changes in teachers' pay were introduced. Concerns have been raised about what this may mean for the Assembly and for teachers' pay. I can offer some clarification, although I am not in a position to comment definitively on the outcome or consequences of this action. The written judgment has not yet been published and the possibility of an appeal remains.

In its judgment, the High Court concluded that the processes followed by the Secretary of State for Education and Employment in setting standards for the performance threshold were incorrect. The court considered three issues. First, the court considered that the threshold standards were contractual terms that affected teachers' pay, and that they had to be introduced through statutory processes. The court indicated that a variety of statutory routes were open to the Secretary of State to promulgate the threshold standards, although it did not offer a view about which, if any, was preferable. The second issue was the consultation period for the pay and conditions Order. The court's view was that the four days that were offered by the Department for Education and Employment for the final detailed Order was an insufficient time. It added that the fact that the intention as to the contents of the Order had been published in previous consultations did not justify such a short consultation period, as it did not reflect the exact detail of the Order. The third issue was whether the consultation processes were carried out in the correct order. The court concluded that the Secretary of State was not acting incorrectly in the organisation of the consultation processes.

Yr Ysgrifennydd Addysg a Phlant (Rosemary Butler): Ar 14 Gorffennaf cyhoeddodd yr Uchel Lys ei ddyfarniad ar yr arolwg barnwrol a ddygwyd gan Undeb Cenedlaethol yr Athrawon ynglŷn â'r ffordd y cyflwynwyd newidiadau yn nhâl athrawon. Mae pryderon wedi'u codi ynglŷn â'r hyn y gallai hynny ei olygu i'r Cynulliad ac i dâl athrawon. Gallaf gynnig rhywfaint o eglurhad, er nad wyf mewn sefyllfa i ymdrin yn derfynol â ffrwyth neu ganlyniadau'r achos hwn. Nid yw'r dyfarniad ysgrifenedig wedi ei gyhoeddi eto ac mae'r posibilrwydd o apel yn aros.

Yn ei ddyfarniad, daeth yr Uchel Lys i'r casgliad bod y prosesau a ddilynwyd gan yr Ysgrifennydd Gwladol dros Addysg a Chyflogaeth wrth bennu'r safonau ar gyfer y trothwy perfformiad yn anghywir. Ystyriodd y llys dri mater. Yn gyntaf, yr oedd y llys o'r farn bod y safonau trothwy yn delerau contractyddol sydd yn effeithio ar dâl athrawon, a bod yn rhaid eu cyflwyno drwy brosesau statudol. Nododd y llys bod nifer o lwybrau statudol yn agored i'r Ysgrifennydd Gwladol i gyhoeddi'r safonau trothwy, er na ddywedwyd pa lwybr y byddai'r llys yn ei ffafrio, os oedd yn ffafrio un. Yr ail fater oedd y cyfnod ymgynghori ar gyfer y Gorchymyn tâl ac amodau. Ym marn y llys yr oedd y pedwar diwrnod a gynigiwyd gan yr Adran Addysg a Chyflogaeth ar gyfer y Gorchymyn manwl terfynol yn amser annigonol. Ychwanegodd nad oedd y ffaith i'r bwriad o ran cynnwys y Gorchymyn gael ei gyhoeddi mewn ymgynghoriadau blaenorol yn cyfiawnhau'r fath gyfnod ymgynghori byr, gan nad oedd yn adlewyrchu union fanylion y Gorchymyn. Y trydydd mater oedd pa un y cafodd y prosesau ymgynghori eu cynnal yn y drefn gywir. Daeth y llys i'r casgliad nad oedd yr Ysgrifennydd Gwladol yn gweithredu'n anghywir o ran trefniadaeth y prosesau ymgynghori.

In the light of this, the court issued an Order quashing the Pay and Conditions No. 2 Order 2000 and the threshold standards. The Secretary of State was given leave to appeal. In summary, the court ruled that the standards for the performance threshold were invalid because they should have been referred formally to the School Teachers' Review Body and set out in a statutory Order. The court also ruled that the new duties on deputies and other teachers to assist in threshold assessments were unlawful because consultation periods on these had been too short.

There has been a surprising amount of ill-informed and misconceived comment about this judgment. Let me emphasise, therefore, what did not happen. The court's decision did not challenge the new pay structure. It did not question the content of the threshold standards themselves and it did not call into question the Secretary of State for Education and Employment's powers to set threshold standards for Wales and England. In short, this judgment does not alter the Assembly's position regarding teachers' pay. Responsibility for setting pay and conditions for teachers in Wales and England remains a matter for the Department for Education and Employment. It has not been devolved to the Assembly, and the judgment does not challenge that position. Despite what some have said—[*Interruption.*]

I am sorry, Presiding Officer, I am finding the whispering of Conservative Members rather distracting.

The Presiding Officer: Order. Let us hear the Secretary's statement.

Rosemary Butler: Despite what some have said, the Assembly has no powers to alter the pay threshold standards, or any other aspect of the pay system.

There have been understandable concerns about what this judgment means for the threshold application process in Wales. The Secretary of State for Education and

Yn wyneb hyn, cyhoeddodd y llys Orchymyn yn dileu Gorchymyn Tâl ac Amodau Rhif 2 2000 a'r safonau trothwy. Rhoddwyd hawl i'r Ysgrifennydd Gwladol i apelio. I grynhoi, dyfarnodd y llys nad oedd y safonau ar gyfer y trothwy perfformiad yn ddilys oherwydd y dylid bod wedi eu cyfeirio'n ffurfiol at Gorff Adolygu'r Athrawon Ysgol a'u cyflwyno mewn Gorchymyn statudol. Dyfarnodd y llys hefyd fod y dyletswyddau newydd ar ddirprwyon ac athrawon eraill i gynorthwyo gyda'r asesiadau trothwy yn anghyfreithlon am i'r cyfnodau ymgynghori ar y rhain fod yn rhy fyr.

Cafwyd toreth annisgwyl o sylwadau anwybodus a chyfeiliornus am y dyfarniad hwn. Gadewch imi bwysleisio, felly, yr hyn na ddigwyddodd. Nid oedd penderfyniad y llys yn herio'r strwythur tâl newydd. Nid oedd yn cwestiynu cynnwys y safonau trothwy eu hunain ac nid oedd yn bwrw amheuaeth ar bwerau'r Ysgrifennydd Gwladol dros Addysg a Chyflogaeth i osod safonau trothwy i Gymru a Lloegr. Yn fyr, nid yw'r dyfarniad hwn yn newid sefyllfa'r Cynulliad o ran tâl athrawon. Erys y cyfrifoldeb am osod tâl ac amodau athrawon yng Nghymru a Lloegr yn fater i'r Adran Addysg a Chyflogaeth. Ni ddatganolwyd ef i'r Cynulliad, ac nid yw'r dyfarniad yn herio'r sefyllfa honno. Er gwaethaf yr hyn y mae rhai wedi'i ddweud—[*Torri ar draws.*]

Mae'n ddrwg gennyf, Lywydd, mae sibrwd yr Aelodau Ceidwadol yn tarfu arnaf braidd.

Y Llywydd: Trefn. Gadewch inni glywed datganiad yr Ysgrifennydd.

Rosemary Butler: Er gwaethaf yr hyn y mae rhai wedi'i ddweud, nid oes gan y Cynulliad unrhyw bwerau i newid y safonau trothwy tâl, nac unrhyw agwedd arall o'r system gyflogau.

Bu pryderon cwbl ddealladwy ynglŷn â'r hyn y mae'r dyfarniad hwn yn ei olygu o ran proses y ceisiadau trothwy yng Nghymru. Nid yw'r Ysgrifennydd Gwladol dros

Employment has still to decide whether or not to appeal. However, he asked the School Teachers' Review Body to start the process of consulting formally on the threshold standards.

Inevitably, there will be a delay. In Wales, teachers were preparing their threshold applications for a submission deadline of 29 September. The Department for Education and Employment is postponing this deadline and will issue further guidance as soon as possible. It has said that it will aim to put the threshold process back on track, and that the pay increase will still be backdated to 1 September 2000. It will make every effort to ensure that teachers who are successful receive the £2,000 pay increase as quickly as possible.

Gareth Jones: Diolchaf i Rosemary am ei datganiad. A yw hi'n cytuno bod y sefyllfa bresennol yn adlewyrchiad gwael o'r berthynas rhwng yr Adran Addysg a Chyflogaeth yn Llundain a'r Cynulliad? Onid yw'r Ysgrifennydd Gwladol dros Addysg a Chyflogaeth hefyd wedi distyru hawliau a phenderfyniad Aelodau'r Cynulliad? Mae hynny wedi creu sefyllfa anfodddhaol ac annerbyniol i ni. Deallwn y gwnaeth hynny yn anghyfreithlon.

Wrth ystyried yr holl agweddau a'r sefyllfa druenus yr ydym ynddi, mae'n amlwg na allwn ymddiried yn yr Adran Addysg a Chyflogaeth yn Llundain i lunio polisiau addysg yng Nghymru. Mae hwn yn gyfle i Rosemary, fel Ysgrifennydd Addysg a Phlant y Cynulliad, i gefnu ar y saga drist hon a datblygu cyfundrefn werthuso athrawon a fydd yn berthnasol inni yng Nghymru ac yn seiliedig ar fuddsoddi mewn athrawon a'u datblygiad proffesiynol yn unol ag anghenion ysgolion a disgyblion Cymru.

Yng ngoleuni'r hyn sydd wedi digwydd, oni ddylech yn awr fanteisio ar y cyfle hwn a chefnu ar yr Adran Addysg a Chyflogaeth a mynd ati o ddifrif i greu sefyllfa a chyfundrefn yng Nghymru a fyddai'n ymateb i anghenion Cymru? Yr ydych yn pregethu hynny ac mae'n amser i chi wireddu hynny.

Addysg a Chyflogaeth wedi penderfynu eto a yw am apelio ai peidio. Fodd bynnag, gofynnodd i Gorff Adolygu'r Athrawon Ysgol ddechrau ar y broses o ymgynghori'n ffurfiol ar y safonau trothwy.

Yn anochel, ceir oedi. Yng Nghymru, yr oedd athrawon yn paratoi eu ceisiadau trothwy ar gyfer dyddiad cau o 29 Medi. Mae'r Adran Addysg a Chyflogaeth yn gohirio'r dyddiad cau hwn a bydd yn cyhoeddi canllawiau pellach cyn gynted â phosibl. Mae wedi dweud y bydd yn ceisio rhoi proses y trothwy yn ôl ar y cledrau ac y bydd y codiad cyflog yn dal i gael ei ôl-ddyddio i 1 Medi 2000. Bydd yn gwneud pob ymdrech i sicrhau bod athrawon sydd yn llwyddo yn derbyn y codiad cyflog o £2,000 cyn gynted â phosibl.

Gareth Jones: I thank Rosemary for her statement. Does she agree that the present situation is a poor reflection on the relationship between the Department for Education and Employment in London and the Assembly? Has not the Secretary of State for Education and Employment also ignored the rights and the decision of Assembly Members? That has created an unsatisfactory and unacceptable situation for us. We understand that he did that unlawfully.

When one considers all these aspects and the deplorable situation in which we find ourselves, it is obvious that we cannot trust the Department for Education and Employment to formulate education policies in Wales. This is an opportunity for Rosemary, as the Assembly Secretary for Education and Children, to turn her back on this sad saga and develop a teacher appraisal system that will be relevant to us in Wales and based on investing in teachers and their professional development in accordance with the needs of the schools and pupils of Wales.

In the light of what has happened, should you not now take advantage of this opportunity and turn your back on DfEE and seriously set about creating a situation and system in Wales that would be responsive to Wales's needs? You preach that and it is time for you to carry it out.

Jonathan Morgan: I thank the Secretary for Education and Children for making a statement on this matter. This ruling has done considerable damage to confidence among the teaching profession in Wales. I have visited many schools in the past couple of days. Teachers have spent hours and hours attempting to grapple with the paperwork that this Government has put before them to gain £2,000. Teachers are giving up time in in-service training days. In addition, pupils are losing out on teaching days because teachers are trying to understand the nature of the paperwork. This whole issue is now being thrown up into the air. There has been considerable loss of confidence among the teaching profession. We were regarded as mere consultees in this process. That is interesting when you consider Mr Justice Jackson's comments:

'The course adopted by the Secretary of State has bypassed the STRB, Parliament and the Welsh Assembly.'

Not only were we mere consultees, but it appears that the Secretary of State for Education and Employment had no intention of listening to the concerns and views of the National Assembly for Wales. Will the Secretary for Education and Children consider using her authority, which she clearly did not do in the first instance, and go back to David Blunkett and ask him to remove the element of pupil performance in this dreadful system of performance-related pay and design a system that is appropriate to Wales, and Wales alone?

Jenny Randerson: There is a danger that we will all stand here and say that we told you so. The legal basis of this business has been shaky from the start. Last week's judgment was damning and found faults in several aspects. David Blunkett made a series of mistakes, which epitomises the arrogance of the way in which the Government in Westminster handled this matter. It is no wonder that he did not want to consult the

Jonathan Morgan: Diolchaf i'r Ysgrifennydd Addysg a Phlant am wneud datganiad ar y mater hwn. Mae'r dyfarniad hwn wedi niweidio hyder ymysg y proffesiwn dysgu yng Nghymru yn sylweddol. Yr wyf wedi ymweld â llawer o ysgolion dros y dyddiau diwethaf. Mae athrawon wedi treulio oriau ac oriau yn ceisio mynd i'r afael â'r gwaith papur a roddwyd o'u blaenau gan y Llywodraeth hon er mwyn iddynt ennill £2,000. Mae athrawon yn rhoi o'u hamser mewn diwrnodau hyfforddiant mewn swydd. Yn ogystal, mae'r disgyblion ar eu colled ar ddiwrnodau dysgu gan fod yr athrawon yn ceisio deall natur y gwaith papur. Bellach mae'r holl fater ar chwâl. Collwyd llawer o hyder ymysg y proffesiwn dysgu. Ystyriwyd ni fel dim ond corff i ymgynghori ag ef yn y broses hon. Mae hynny'n ddiddorol yn wyneb sylwadau Mr Ustus Jackson:

'Mae'r cwrs a fabwysiadwyd gan yr Ysgrifennydd Gwladol wedi osgoi Corff Adolygu'r Athrawon Ysgol, y Senedd a Chynulliad Cymru.'

Nid yn unig nad oeddem yn ddim ond corff i ymgynghori ag ef, ond ymddengys nad oedd gan yr Ysgrifennydd Gwladol dros Addysg a Chyflogaeth unrhyw fwriad o wrando ar bryderon a barn Cynulliad Cenedlaethol Cymru. A wnaiff yr Ysgrifennydd Addysg a Phlant ystyried defnyddio ei hawdurdod, rhywbeth na wnaeth hi mohono mae'n amlwg yn y lle cyntaf, a mynd yn ôl at David Blunkett a gofyn iddo ddileu'r elfen o berfformiad disgyblion yn y system ofnadwy hon o dâl ar sail perfformiad a dylunio system sydd yn briodol i Gymru, a Chymru yn unig?

Jenny Randerson: Mae perygl y bydd pawb ohonom yn sefyll yma a dweud 'dywedasom wrthyh'. Bu sylfaen gyfreithiol y busnes hwn yn sigledig o'r cychwyn. Yr oedd y dyfarniad yr wythnos diwethaf yn ddamniol a chanfu ddiffygion mewn sawl agwedd. Gwnaeth David Blunkett gyfres o gamgymeriadau, sydd yn ymgorfforiad o'r ffordd drahaus y mae'r Llywodraeth yn San Steffan wedi delio â'r mater hwn. Nid yw'n

National Assembly for Wales because he knew that we would reject it. Will David Blunkett pay any attention to what we say, now that he will be forced to consult us? If he does not pay attention to what we say, then he and the Labour Party will in be serious trouble in the teaching profession and in the schools of this country.

My main concern is the chaos that this will cause and the impact on teachers, who are undertaking their in-service training on Thursday and Friday of this week. I have been liaising between council and schools this week to try to get a clear definition of what they should do. The instructions in Cardiff are to go ahead as if it were all for real, but teachers find that difficult to accept. My view is—perhaps you will pass this on—that he should pay the £2,000 to all teachers who are qualified in terms of experience and forget the whole wretched business. I daresay that you will not convey that message. The important thing is that teachers must not lose out and I ask you, Rosemary, to go to see David Blunkett and insist that he pays attention to the Assembly's wishes, which have been expressed on numerous occasions, namely that we do not want the link with pupil performance.

11:10 p.m.

William Graham: I speak as Chair of the Pre-16 Education, Schools and Early Learning Committee. The first matter that I bring to the Assembly's attention yet again is that I believe that the Committee was correct in obtaining independent legal advice on this matter. It was a matter that required much thought and proper consultation. Proper consultation meant that the Committee was not to be treated merely as a consultee but, perhaps, as the main means of consultation in Wales.

The second matter is to ask the Secretary for Education and Children to observe the normal courtesies and allow the Chair of the Committee to have a copy of her statement before she presents it to Plenary.

Lynne Neagle: I thank Rosemary for her

syndod nad oedd am ymgynghori â Chynulliad Cenedlaethol Cymru oherwydd gwyddai y byddem yn ei wrthod. A wnaiff David Blunkett gymryd unrhyw sylw o'r hyn a ddywedwn ni, gan y bydd yn rhaid iddo ymgynghori â ni bellach? Os nad yw'n rhoi sylw i'w hyn a ddywedwn, bydd ef a'r Blaid Lafur mewn dyfroedd dyfnion gyda'r proffesiwn dysgu ac yn ysgolion y wlad hon.

Fy mhryder pennaf yw'r anhrefn y bydd hyn yn ei achosi a'r effaith ar athrawon, sydd yn ymgymryd â'u hyfforddiant mewn swydd ddydd Iau a dydd Gwener yr wythnos hon. Bûm yn cysylltu rhwng y cyngor ac ysgolion yr wythnos hon i geisio cael diffiniad clir o'r hyn y dylent ei wneud. Y cyfarwyddiadau yng Nghaerdydd yw bwrw ymlaen fel pe bai popeth yn iawn, ond mae athrawon yn ei chael hi'n anodd derbyn hynny. Fy marn i yw—efallai y gwnewch chi basio hyn ymlaen—y dylai dalu'r £2,000 i bob athro sydd yn gymwys o ran profiad ac anghofio'r holl fusnes truenus. Mae'n siŵr na wnewch chi gyfleu'r neges honno. Y peth pwysig yw na ddylai athrawon fod ar eu colled a gofynnaf i chi, Rosemary, fynd i weld David Blunkett a mynnu ei fod yn cymryd sylw o ddymuniadau'r Cynulliad, a fynegwyd droeon, sef nad ydym am gael y cyswllt gyda pherfformiad disgyblion.

William Graham: Siaradaf fel Cadeirydd y Pwyllgor Addysg Cyn-16 Oed, Ysgolion ac Addysg Gynnar. Y mater cyntaf yr wyf am ei ddwyn i sylw'r Cynulliad unwaith eto yw fy mod yn credu bod y Pwyllgor yn iawn i gael cyngor cyfreithiol annibynnol ar y mater hwn. Yr oedd yn fater a fynnai lawer o feddwl ac ymgynghori priodol. Golygai ymgynghori priodol na ddylid trin y Pwyllgor fel dim ond corff i ymgynghori ag ef ond, efallai, fel y prif gyfrwng ymgynghori yng Nghymru.

Yr ail fater yw gofyn i'r Ysgrifennydd Addysg a Phlant barchu'r cwrteisi arferol a chaniatáu i Gadeirydd y Pwyllgor gael copi o'i datganiad cyn iddi ei gyflwyno i'r Cyfarfod Llawn.

Lynne Neagle: Diolchaf i Rosemary am ei

statement. However, does she agree that this is a sad time for the trade union movement and that it is disappointing that a union that should be seeking to enhance and improve the conditions of its members has embarked on a course of action that will take money out of the pockets of teachers in Wales? *[Interruption.]*

The Presiding Officer: Order. I appreciate that the Welsh Conservative Group is happy to be back here, but having spent two days at Westminster, I am even more convinced that we should never emulate it.

Rosemary Butler: I apologise to William Graham as Chair of the Pre-16 Education Committee. Arrangements were made and you should have received a copy of my statement. We will look through the system to find out why you did not. The copy was sent out at 10.25 a.m. this morning.

I will address each point in order. Gareth Jones suggested that I should turn my back on the Department for Education and Employment. That is the silliest statement that I have heard in a long time. DfEE does not formulate policy in Wales. We formulate education policy in Wales. It is important that we continue to have a good relationship with DfEE. The suggestion that pupils are losing out because of the training that teachers are receiving is a little unfair. We have provided specific training days for teachers, and pupils do not lose out.

The teaching profession has experienced a loss of confidence but not a loss of confidence in us as an Assembly. The Assembly has delivered exactly what it was given. There has been no devolution of the paying conditions to the Assembly. All members of the Pre-16 Education Committee agreed eventually that that was not what they wanted. A motion was tabled by the Committee that we should have devolved powers on pay and conditions in Wales. That decision was reversed, for which I am grateful. I strongly believe that we should have the same pay and conditions in Wales

datganiad. Fodd bynnag, a yw hi'n cytuno bod hwn yn amser trist i fudiad yr undebau llafur a'i bod yn siom bod undeb a ddylai fod yn ceisio hybu a gwella amodau ei aelodau wedi mynd ar drywydd gweithredu a fydd yn mynd ag arian allan o bocedi athrawon yng Nghymru? *[Torri ar draws.]*

Y Llywydd: Trefn. Sylweddolaf fod Grŵp Ceidwadol Cymru yn falch o fod yn ôl yma, ond wedi treulio deuddydd yn San Steffan, yr wyf yn fwy argyhoeddedig nag erioed na ddylem fyth ei efelychu.

Rosemary Butler: Ymddiheuraf i William Graham fel Cadeirydd y Pwyllgor Addysg Cyn-16. Gwnaethpwyd trefniadau a dylech fod wedi derbyn copi o'm datganiad. Byddwn yn edrych drwy'r system i ganfod pam na wnaethoch. Anfonwyd y copi allan am 10.25 a.m. y bore yma.

Ymdriniaf â phob pwynt yn ei dro. Awgrymodd Gareth Jones y dylwn droi fy nghefn ar yr Adran Addysg a Chyflogaeth. Dyna'r datganiad mwyaf ffôl imi ei glywed ers tro byd. Nid yr Adran Addysg a Chyflogaeth sydd yn llunio polisi yng Nghymru. Ni sydd yn llunio polisi addysg yng Nghymru. Mae'n bwysig ein bod yn parhau i gael perthynas dda gyda'r Adran Addysg a Chyflogaeth. Mae'r awgrym bod disgyblion ar eu colled oherwydd yr hyfforddiant y mae athrawon yn ei gael braidd yn annheg. Yr ydym wedi darparu diwrnodau hyfforddi penodol i athrawon, ac nid yw'r disgyblion yn dioddef.

Mae'r proffesiwn dysgu wedi colli hyder ond nid colli hyder ynom ni fel Cynulliad. Mae'r Cynulliad wedi cyflawni yn union yr hyn a roddwyd iddo. Nid yw amodau tâl wedi eu datganoli i'r Cynulliad. Cytunodd pob aelod o'r Pwyllgor Addysg Cyn-16 maes o law nad oeddent yn dymuno hynny. Cyflwynwyd cynnig gan y Pwyllgor y dylai fod gennym bwerau datganoledig ar dâl ac amodau yng Nghymru. Cafodd y penderfyniad hwnnw ei wrthdroi, ac yr wyf yn ddiolchgar am hynny. Credaf yn gryf y dylem gael yr un tâl ac amodau yng Nghymru a Lloegr.

and England.

It is important that it is not the principle that is being disputed in the High Court but the process. For you to suggest that I did not inform David Blunkett of the Pre-16 Education Committee's wishes is unfair. I did inform DfEE and David Blunkett of the Assembly's wishes. William Graham can shake his head but I did that.

We discussed taking legal advice. The legal advice that I was given is correct and has proved correct. We do not have devolved powers on this issue. We did not ask for legal advice on the process. That is important. For the Chair of the Pre-16 Education Committee to ask for the resignation of the Counsel General of the National Assembly for Wales is an overreaction on this issue. He did not ask for the resignation this morning, but he certainly did so in my local paper.

We have thousands of disappointed teachers. In England, over 200,000 teachers filled in the application form. In Wales the process is well under way. This week teachers have asked when they can get their money. I can only say that the information will be given to teachers in Wales as soon as we have any indication from the Department for Education and Employment about the process. It is not our business to do that. The DfEE must do so. It is the process and responsibility of the DfEE. We have agreed that local government will be responsible for the assessment in Wales, which is different to the process used in England. Apart from that, this is the responsibility of the DfEE. I have given you an update this morning of the situation as I understand it. People have been reading the legal advice from the Assembly. The formal ruling of the Court has not yet been published so people are reading verbatim reports of what happened. We have not yet had that ruling. That is all I can say. I will inform DfEE of the Pre-16 Education Committee's request but we must remember that this has not been devolved to the Assembly.

Mae'n bwysig nad yr egwyddor yw'r testun dadl yn yr Uchel Lys ond y broses. Mae ichi awgrymu na fu imi hysbysu David Blunkett o ddymuniadau'r Pwyllgor Addysg Cyn-16 yn annheg. Hysbysais yr Adran Addysg a Chyflogaeth a David Blunkett o ddymuniadau'r Cynulliad. Gall William Graham ysgwyd ei ben ond gwneuthum hynny.

Buom yn trafod cymryd cyngor cyfreithiol. Mae'r cyngor cyfreithiol a roddwyd imi yn gywir ac fe'i profwyd yn gywir. Nid oes gennym bwerau datganoledig ar y mater hwn. Ni ofynasom am gyngor cyfreithiol ar y broses. Mae hynny'n bwysig. Mae Cadeirydd y Pwyllgor Addysg Cyn-16 yn gorymateb i'r pwnc hwn wrth ofyn am i Gwnsler Cyffredinol Cynulliad Cenedlaethol Cymru ymddiswyddo. Ni ofynnodd am yr ymddiswyddiad y bore yma, ond yn sier gwnaeth hynny yn fy mhapur lleol.

Mae gennym filoedd o athrawon siomedig. Yn Lloegr, mae dros 200,000 o athrawon wedi llanw'r ffurflen gais. Yng Nghymru, mae'r broses wedi symud gryn bellter. Yr wythnos hon mae athrawon wedi gofyn pryd y gallant gael eu harian. Ni allaf ond dweud y rhoddir yr wybodaeth i athrawon Cymru cyn gynted ag y cawn unrhyw awgrym gan yr Adran Addysg a Chyflogaeth ynglŷn â'r broses. Nid ein busnes ni yw gwneud hynny. Rhaid i'r Adran Addysg a Chyflogaeth wneud hynny. Proses a chyfrifoldeb yr Adran Addysg a Chyflogaeth ydyw. Yr ydym wedi cytuno mai llywodraeth leol fydd yn gyfrifol am yr asesiad yng Nghymru, sydd yn wahanol i'r broses yn Lloegr. Ar wahân i hynny, cyfrifoldeb yr Adran Addysg a Chyflogaeth yw hyn. Yr wyf wedi rhoi'r wybodaeth ddiweddaraf am y sefyllfa ichi y bore yma fel y deallaf fi hi. Bu pobl yn darllen y cyngor cyfreithiol gan y Cynulliad. Nid yw dyfarniad ffurfiol y Llys wedi'i gyhoeddi eto felly mae pobl yn darllen adroddiadau air am air o'r hyn a ddigwyddodd. Nid ydym wedi cael y dyfarniad eto. Dyna'r cyfan y gallaf ei ddweud. Byddwn yn hysbysu'r Adran Addysg a Chyflogaeth o gais y Pwyllgor

Addysg Cyn-16 ond rhaid inni gofio nad yw'r mater hwn wedi'i ddatganoli i'r Cynulliad.

Cynnig Trefniadol Procedural Motion

The Presiding Officer: I call upon the Business Secretary to propose a procedural motion, under Standing Order No. 6.9, to allow the Assembly to consider a matter of urgent public importance.

Y Llywydd: Galwaf ar y Trefnydd i gynnig cynnig trefniadol, o dan Reol Sefydlog Rhif 6.9, i ganiatáu i'r Cynulliad ystyried mater o bwys brys i'r cyhoedd.

The Business Secretary (Andrew Davies): I propose that

Y Trefnydd (Andrew Davies): Cynigaf fod

the Assembly, in accordance with Standing Order No. 6.9, allows the Finance Secretary to propose the no named day motion, laid in the Table Office this morning, on the outcome of the comprehensive spending review.

y Cynulliad, yn unol â Rheol Sefydlog Rhif 6.9, yn caniatáu i'r Ysgrifennydd Cyllid gynnig y cynnig heb ddyddiad, a osodwyd yn y Swyddfa Gyflwyno y bore hwn, ar gasgliadau'r adolygiad cynhwysfawr o wariant.

*Cynnig: O blaid 55, Ymatal 0, Yn erbyn 0.
Motion: For 55, Abstain 0, Against 0.*

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

Barrett, Lorraine
Bates, Mick
Black, Peter
Bourne, Nick
Butler, Rosemary
Cairns, Alun
Chapman, Christine
Dafis, Cynog
Davidson, Jane
Davies, Andrew
Davies, David
Davies, Geraint
Davies, Janet
Davies, Jocelyn
Davies, Ron
Edwards, Richard
Essex, Sue
Evans, Delyth
Feld, Val
German, Michael
Gibbons, Brian
Graham, William
Griffiths, John
Gwyther, Christine
Halford, Alison
Hancock, Brian
Hart, Edwina
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
 Melding, David
 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

Motion adopted.

Derbyniwyd y cynnig.

Yr Adolygiad Cynhwysfawr o Wariant The Comprehensive Spending Review

The Finance Secretary (Edwina Hart): I propose that

the Assembly notes the announcement by the Chancellor of the Exchequer of the conclusions of the spending review and in particular the revised forward spending baselines for Wales set out in the table circulated to Members on 18 July. The Assembly requests a full debate on the matter on Tuesday 12 September immediately upon the Assembly's return.

This is a unique occasion for the Assembly in two ways. It is the first time that the Assembly has received its own three-year allocation of funding from a spending review. It is also the largest increase ever in the Welsh budget, providing us with an unrivalled opportunity to make a significant difference to public services in Wales. We have been presented with a golden chance of making a lasting impression on the future of Wales. We must not waste it. The eyes of the Welsh people will be on the Assembly over the coming months. Collectively we need to deliver the services that Wales needs. That is

Yr Ysgrifennydd Cyllid (Edwina Hart): Cynigaf fod

y Cynulliad yn nodi'r cyhoeddiad gan Ganghellor y Trysorlys ar gasgliadau'r adolygiad o wariant ac yn enwedig y gwaelodlinau blaenwariant diwygiedig a roddir yn y tabl a gylchredwyd i bob Aelod ar 18 Gorffennaf. Mae'r Cynulliad yn gofyn am ddadl lawn ar y mater ddydd Mawrth 12 Medi yn syth ar ôl i'r Cynulliad ddychwelyd.

Mae hwn yn achlysur unigryw i'r Cynulliad mewn dwy ffordd. Dyma'r tro cyntaf i'r Cynulliad dderbyn ei ddyraniad cyllid tair blynedd ei hun o adolygiad gwariant. Dyma hefyd y cynnydd mwyaf erioed yng nghyllideb Cymru, gan roi inni gyfle heb ei ail i wneud gwahaniaeth sylweddol i wasanaethau cyhoeddus yng Nghymru. Rhoddwyd inni gyfle euraidd i wneud argraff parhaol ar ddyfodol Cymru. Rhaid inni beidio â'i wastraffu. Bydd llygaid pobl Cymru ar y Cynulliad dros y misoedd i ddod. Gyda'n gilydd mae angen inni ddarparu'r gwasanaethau y mae eu hangen ar Gymru.

what we have been elected to do.

Before turning to the figures, I will set out the budget process from now on. As Members are aware, we believe that it is important that the Assembly gives a clear indication of its priorities. It is only by agreeing these main priorities that we can hope to deliver a consensus on how the money can best be spent over the next three years. We have set out our stall in 'Betterwales.com'. My consultation paper, 'Building a Better Wales Together', which was launched in May, invites comments on whether these are the right priorities, benchmarks and targets for three years and 10 years' time. We will take careful note of the responses to the consultation paper.

Each Committee has also considered papers from Assembly Secretaries on the priorities within each sector for the coming years. There have been useful discussions in the majority of Committees on these papers. The Committee responses that I have seen to date have been helpful and constructive. Over the coming weeks we will carefully consider all the replies we receive. I will meet my fellow Assembly Secretaries to discuss the particular requirements for their sectors. I will then come forward with our specific proposals in early October for a debate on the draft budget in mid October. There will be plenty of time for Committees to consider the proposals before the final budget at the end of November or the beginning of December.

11:20 a.m.

This administration is interested only in pursuing policies that are made in Wales for Wales. During the coming weeks, Whitehall ministers will make a series of spending announcements and we will not engage in a knee-jerk reaction to those. They will be made by Whitehall ministers about issues that affect England. Initiatives in England will inform our deliberations but will not determine our policies. Our policies will be determined in the National Assembly for Wales. We can learn from what happens over the border, but each policy will be closely scrutinised to see whether it is in Wales's

Dyna'r hyn yr etholwyd ni i'w wneud.

Cyn troi at y ffigurau, yr wyf am nodi proses y gyllideb o hyn ymlaen. Fel y gŵyr yr Aelodau, credwn ei bod yn bwysig bod y Cynulliad yn rhoi darlun clir o'i flaenoriaethau. Dim ond drwy gytuno ar y prif flaenoriaethau hyn y gallwn obeithio cael consensws ar y ffordd orau o wario'r arian dros y tair blynedd nesaf. Yr ydym wedi gosod ein stondin yn 'Gwelcymru.com'. Mae fy mhapur ymgynghorol, 'Adeiladu Gwell Cymru Gyda'n Gilydd', a lansiwyd fis Mai, yn gwahodd sylwadau i ddweud ai'r rhain yw'r blaenoriaethau, y meincnodau a'r targedau iawn am y tair blynedd a'r 10 mlynedd nesaf. Byddwn yn cymryd sylw manwl o'r ymatebion i'r papur ymgynghorol.

Mae pob Pwyllgor hefyd wedi ystyried papurau gan Ysgrifenyddion y Cynulliad ar y blaenoriaethau ym mhob sector dros y blynyddoedd i ddod. Cafwyd trafodaethau buddiol yn y rhan fwyaf o'r Pwyllgorau ar y papurau hyn. Bu'r ymatebion a welais i o du'r Pwyllgorau hyd yma yn ddefnyddiol ac adeiladol. Dros yr wythnosau i ddod byddwn yn ystyried pob ymateb a dderbyniwn yn ofalus. Byddaf yn cwrdd â'm cyd-Ysgrifenyddion i drafod gofynion neilltuol eu sectorau hwy. Byddaf wedyn yn cyflwyno ein cynigion penodol ddechrau Hydref ar gyfer dadl ar y gyllideb ddrafft ganol Hydref. Bydd digon o amser i'r Pwyllgorau ystyried y cynigion cyn y gyllideb derfynol ddiwedd Tachwedd neu ddechrau Rhagfyr.

Nid oes gan y weinyddiaeth hon ddiddordeb mewn dilyn dim ond polisïau a wnaethpwyd yng Nghymru ar gyfer Cymru. Dros yr wythnosau i ddod, bydd gweinidogion San Steffan yn gwneud cyfres o gyhoeddiadau gwariant ac ni fyddwn yn ymateb yn ddifeddwl i'r rheini. Fe'u gwneir gan weinidogion San Steffan am faterion sydd yn effeithio ar Loegr. Bydd cynlluniau yn Lloegr yn goleuo ein trafodaethau ni ond ni fyddant yn pennu ein polisïau. Cynulliad Cenedlaethol Cymru fydd yn pennu ein polisïau ni. Gallwn ddysgu o'r hyn sydd yn digwydd dros y ffin, ond manylir yn drylwyr

best interests. That will be the touchstone as to whether policies should be introduced here or whether we should adopt alternatives. To avoid doubt, almost all the money in the Welsh budget is unhypothecated. It is up to the Assembly to decide how it spends its resources and we cannot blame anyone else if we fail to agree our priorities and allocate moneys accordingly.

Before the spending review, we were able to secure improvements to the spending rules and consequential that determine the Welsh budget. The new consequential are fairer than those used in the last spending review and they work to Wales's advantage. The Treasury published the new funding rules yesterday and they are on its web site for you to look at during the summer constituency weeks.

I turn to the figures. The Welsh departmental expenditure limit for the next three years is £8.4 billion, £9.1 billion and £9.8 billion. The significance of those figures is enormous. By the third year, we will be up to nearly £10 billion. This is an increase of £480 million, £1,173 million and £1,821 million over the current baseline. This represents real terms increases of 6.4 per cent, 5.6 per cent and 4.5 per cent each year—a year on year real terms average increase after inflation of 5.4 per cent.

As an aside, Presiding Officer, during an interview this morning, I spoke to a member of the public in the studio who said to me 'Isn't it £2 billion, Edwina?' That sums up what the people of Wales think. That is a staggering amount of money. It is unprecedented. It means that expenditure per head in Wales from the total Welsh budget will increase from £3,055 this year to £3,762 by the third year. That is a massive increase. These figures include a total of £421 million over three years for the structural funds, which is over and above the Barnett consequential.

On Monday, we had the excellent news that

ar bob polisi i weld a yw er lles pennaf Cymru. Dyna fydd y maen prawf wrth benderfynu a ddylai polisiâu gael eu cyflwyno yma ynteu a ddylem fabwysiadu cynlluniau gwahanol. Fel nad oes unrhyw ddryswch, nid oes prin ddim o'r arian yng nghyllideb Cymru wedi ei bridianu. Mater i'r Cynulliad yw penderfynu sut y mae'n gwario ei adnoddau ac ni allwn feio neb arall os methwn â chytuno ar ein blaenoriaethau a dyrannu arian yn unol â hynny.

Cyn yr adolygiad gwariant, llwyddasom i sicrhau gwelliannau i'r rheolau gwariant a'r elfennau canlyniadol sydd yn pennu cyllideb Cymru. Mae'r elfennau canlyniadol newydd yn decach na'r rheini a ddefnyddiwyd yn yr adolygiad diwethaf o wariant ac maent yn gweithio er budd Cymru. Cyhoeddodd y Trysorlys y rheolau cyllido newydd ddoe ac maent ar ei safle ar y we ichi edrych arnynt yn ystod yr wythnosau etholaeth dros yr haf.

Trof at y ffigurau. Mae terfyn gwariant adrannol Cymru am y tair blynedd nesaf yn £8.4 biliwn, £9.1 biliwn a £9.8 biliwn. Mae arwyddocâd y ffigurau hynny yn enfawr. Erbyn y drydedd flwyddyn, byddwn bron â bod wedi cyrraedd £10 biliwn. Mae hynny yn gynydd o £480 miliwn, £1,173 miliwn ac £1,821 miliwn dros y llinell sylfaen gyfredol. Mae hyn yn cynrychioli codiadau mewn termau real o 6.4 y cant, 5.6 y cant a 4.5 y cant bob blwyddyn—cynydd mewn termau real ar gyfartaledd flwyddyn ar ôl blwyddyn o 5.4 y cant ar ôl chwyddiant.

Gyda llaw, Lywydd, yn ystod cyfweiliad y bore yma, siaradais ag aelod o'r cyhoedd yn y stiwdio a ddywedodd wrthyf, 'Onid £2 biliwn yw, Edwina?' Mae hynny'n crynhoi yr hyn y mae pobl Cymru yn ei feddwl. Mae'n swm aruthrol o arian. Mae'n ddigynsail. Mae'n golygu y bydd y gwariant y pen yng Nghymru o gyllideb lawn Cymru yn cynyddu o £3,055 eleni i £3,762 erbyn y drydedd flwyddyn. Mae hynny yn gynydd enfawr. Mae'r ffigurau hyn yn cynnwys cyfanswm o £421 miliwn dros dair blynedd ar gyfer y cronfeydd strwythurol sydd ar ben elfen ganlyniadol Barnett.

Ddydd Llun, cawsom y newyddion rhagorol

the Objective 3 programme had been formally approved. We are expecting the Objective 1 programme to be approved this week. We are quietly confident that our Objective 2 plans will also be approved and the programmes are on track. It is even better news that we now have the resources to deliver them to the people of Wales. This is a unique settlement. For the first time we have been able to persuade the Treasury to provide additional amounts for structural fund programmes over and above the Barnett consequential.

Rhodri Glyn Thomas: Wrth reswm, yr ydym yn croesawu'r cynnydd mewn gwariant cyhoeddus yng Nghymru o flwyddyn i flwyddyn a bydd hynny'n rhan o'r gyllideb. O ran eglurdeb, a wnewch chi gadarnhau nad oes arian cyfatebol ychwanegol ar gael y tu allan i'r bloc, ac y bydd yn rhaid defnyddio'r arian cyhoeddus ychwanegol er mwyn cael yr arian cyfatebol, sydd yn golygu y byddwn ni yng Nghymru, o gymharu â Lloegr, yn gwario llai ar wasanaethau angenrheidiol?

Will you clarify that for us? We are not being churlish—we welcome this added expenditure—but is it not true, Edwina, that match funding will have to come out of that block and it will come out of funding for essential services in Wales?

Edwina Hart: Nothing will come out of essential services' funding in Wales.

I will continue my speech, which outlines the various issues. The settlement is a large amount—£2 billion in the third year. We will be able to add to essential services in Wales and we will be able to deal with all the possible match funding issues. This is just griping on the sidelines on an excellent settlement. *[Interruption.]* There would be a lot of gripe about it if we still had a Tory administration elsewhere.

First, the amount goes well beyond the public expenditure provision for Objective 1. It provides cover for Objective 2, Objective 3

bod y rhaglen Amcan 3 wedi ei chymeradwyo'n ffurfiol. Yr ydym yn disgwyl i'r rhaglen Amcan 1 gael ei chymeradwyo'r wythnos hon. Yr ydym yn dawl hyderus y caiff ein cynlluniau Amcan 2 hefyd eu cymeradwyo a bod y rhaglenni'n mynd rhagddynt fel y dylent. Mae'n well newyddion fyth gan fod gennym bellach yr adnoddau i'w cyflenwi i bobl Cymru. Mae hwn yn setliad unigryw. Am y tro cyntaf yr ydym wedi gallu perswadio'r Trysorlys i ddarparu symiau ychwanegol ar gyfer rhaglenni'r cronfeydd strwythurol ar ben elfen ganlyniadol Barnett.

Rhodri Glyn Thomas: Naturally, we welcome the increase in public expenditure in Wales year on year and that will be part of the budget. For clarity, will you confirm that there is no additional match funding available beyond the block, and that we will have to use the additional public money to get the match funding, which means that we in Wales, compared to England, will spend less on essential services?

A wnewch chi wneud hynny'n eglur inni? Nid ydym yn bod yn grintachlyd—croesawn y gwariant ychwanegol hwn—ond onid yw'n wir, Edwina, y bydd yn rhaid i'r arian cyfatebol ddod allan o'r bloc ac y bydd yn dod allan o'r arian ar gyfer gwasanaethau hanfodol yng Nghymru?

Edwina Hart: Ni fydd unrhyw beth yn dod allan o'r arian ar gyfer gwasanaethau hanfodol yng Nghymru.

Af ymlaen â'm haraith sydd yn amlinellu'r gwahanol faterion. Mae'r setliad yn swm mawr—£2 biliwn yn y drydedd flwyddyn. Gallwn ychwanegu at wasanaethau hanfodol Cymru a gallwn ddelio â'r holl faterion posibl ynglŷn ag arian cyfatebol. Nid yw hyn ond cwynfan ar gyrion setliad rhagorol. *[Torri ar draws.]* Byddai yna lawer i gwyno amdano pe bai gennym weinyddiaeth Doriaidd o hyd mewn man arall.

Yn gyntaf, mae'r swm yn mynd ymhell y tu hwnt i'r ddarpariaeth gwariant cyhoeddus ar gyfer Amcan 1. Mae'n darparu ar gyfer

and community initiatives. Second, it includes the full settlement for the public expenditure cover for the European Social Fund, and third, it provides cover for the overhang of the old programmes. This is a settlement of which we could only have dreamed. If we had only received public expenditure cover for Objective 1 at our historic levels of spend, there would have been a shortfall over three years of £120 million. It is a tremendous achievement for the Assembly. Since the Barnett formula arrangements were agreed over 20 years ago, there has never been a specific allocation to Wales, Scotland or Northern Ireland for structural funds expenditure. I repeat the figure of an extra £421 million for Wales over and above the £1.8 billion regenerated by the Barnett formula by the third year.

We have won the most important prize for public expenditure for a structural fund programme. Given the overall increase in the rest of the block of the scale that we are discussing today, the comprehensive nature of the settlement on the public expenditure cover, the amount of match funding that is already in the Welsh budget, and given the scope for the additional match funding for the increased budget of other Government departments spending in Wales, there can be no question that we do not have the match funding to take the fullest advantage of the opportunity offered by European money. This is no longer an issue about resources. It is about whether we can use resources sufficiently well to bring about the step change in the Welsh economy that we all so desperately need.

Cynog Dafis: Crybwyllodd Edwina Ogledd Iwerddon. Gofynnaf iddi gadarnhau i'r Canghellor ddweud ddod y bydd Gogledd Iwerddon yn cael cant y cant o'r arian Ewropeaidd yn ychwanegol ond nad yw hynny'n wir am Gymru a'n bod ni'n brin o sawl can miliwn yn ychwanegol o'r arian Ewropeaidd. Yn ail, ai am hynny y gofynnodd Llywodraeth Cymru i'r Canghellor, ac a yw Edwina yn fodlon ar y

Amcan 2, Amcan 3 a chynlluniau cymunedol. Yn ail, mae'n cynnwys y setliad llawn ar gyfer elfen gwariant cyhoeddus Cronfa Gymdeithasol Ewrop ac, yn drydydd, mae'n darparu ar gyfer bargodiad yr hen raglenni. Mae hwn yn setliad na allem fod ond wedi breuddwydio amdano. Pe na baem ond wedi derbyn darpariaeth gwariant cyhoeddus ar gyfer Amcan 1 ar ein lefelau gwario hanesyddol, byddai'r diffyg dros dair blynedd yn £120 miliwn. Mae'n llwyddiant aruthrol i'r Cynulliad. Ers cytuno ar drefniadau fformwla Barnett dros 20 mlynedd yn ôl, ni roddwyd dyraniad penodol i Gymru, yr Alban na Gogledd Iwerddon erioed ar gyfer gwariant cronfeydd strwythurol. Ailadroddaf y ffigur o £421 miliwn ychwanegol i Gymru sydd ar ben yr £1.8 biliwn a atgynhyrchir gan fformwla Barnett erbyn y drydedd flwyddyn.

Yr ydym wedi ennill y wobr bwysicaf o ran gwariant cyhoeddus ar raglen cronfa strwythurol. O ystyried y cynnydd drwyddo draw yng ngweddill y bloc ar y raddfa yr ydym yn ei thrafod heddiw, natur gynhwysfawr y setliad o ran y ddarpariaeth gwariant cyhoeddus, y swm o arian cyfatebol sydd yng nghyllideb Cymru'n barod, ac o gofio'r posibiliadau i ddarparu arian cyfatebol ychwanegol o gyllidebau adrannau eraill y Llywodraeth sydd yn gwario yng Nghymru ac sydd hefyd wedi gweld cynnydd yn eu cyllideb, nid oes unrhyw amheuaeth nad yw'r arian cyfatebol gennym i allu manteisio i'r eithaf ar y cyfle a gynigir gan arian Ewropeaidd. Nid adnoddau yw hanfod y mater hwn mwyach. Y cwestiwn pwysig yw a allwn ddefnyddio'r adnoddau yn ddigon da i gyflawni'r newid chwyldroadol yn economi Cymru y mae cymaint o'i angen ar bawb ohonom.

Cynog Dafis: Edwina mentioned Northern Ireland. I ask her to confirm that the Chancellor said yesterday that Northern Ireland will have a 100 per cent of additional European money but that that is not true of Wales and that we are some hundreds of millions of pounds short of additional European money. Second, is that what the Government of Wales asked the Chancellor, and is Edwina satisfied with the way that

ffordd y mae Cymru wedi cael ei thrin o'i chymaru â Gogledd Iwerddon ar y mater hwn?

Edwina Hart: Additionality is an issue at member state level. I am satisfied with our settlement. The Chancellor made announcements in the context of peace and reconciliation yesterday and there have been other announcements in the past on that area. Those funds are concerned with the peace programme. I am satisfied. We asked for what you requested. There are no bones about that. I was prepared to ask for what you requested and make the necessary representations. We have been successful in getting what we wanted.

I can give a clear commitment that no worthwhile project will fail because of a lack of match funding. We are already reviewing Assembly budgets carefully for existing and new sources of match funding. As an immediate measure, I announce that I have agreed to release a further £3 million this year and £15 million for next year onwards from Pathway to Prosperity funds to use as match funding. A further £10 million is already available this year, £15 million will be available next year and £18 million the following year from the local regeneration fund for use as additional match funding. These resources are in existing Assembly baselines but are not already committed. They are not taking away from other services or commitments that we have made as an administration. In addition, the Assembly is able to use more of its budget as match funding. For example, regional selective assistance can be used for the first time, and we believe that £17 million is already available from this source alone.

There are also funds from the New Deal programmes and the New Opportunities Fund that are outside the Welsh budget. We already have a huge pool of match funding in the system to draw upon. The challenge now is to come up with the projects to transform the economy of west Wales and the Valleys.

I repeat that it is a better settlement than

Wales has been treated in comparison with Northern Ireland on this matter?

Edwina Hart: Mater o bwys ar lefel aelod-wladwriaethau yw ychwanegedd. Yr wyf yn fodlon â'n setliad ni. Gwnaeth y Canghellor gyhoeddiadau yng nghyd-destun heddwch a chymodi ddoe a chafwyd cyhoeddiadau eraill yn y gorffennol ar hynny. Mae'r cronfeydd hynny yn gysylltiedig â'r broses heddwch. Yr wyf yn fodlon. Gofynasom am yr hyn a geisich chi. Dyna'r gwir yn blaen. Yr oeddwn yn barod i ofyn am yr hyn a geisich a chyflwyno'r achos fel oedd raid. Yr ydym wedi llwyddo i gael yr hyn yr oeddem yn ei ddymuno.

Gallaf roi addewid clir na fydd unrhyw brosiect gwerthfawr yn methu oherwydd diffyg arian cyfatebol. Yr ydym eisoes yn adolygu cyllidebau'r Cynulliad yn ofalus am ffynonellau presennol a newydd o arian cyfatebol. Fel gweithred ddi-oed, cyhoeddaf fy mod wedi cytuno i ryddhau £3 miliwn ychwanegol eleni a £15 miliwn o'r flwyddyn nesaf ymlaen o'r arian Ffordd i Ffyniant i'w defnyddio fel arian cyfatebol. Mae £10 miliwn pellach ar gael yn barod eleni, bydd £15 miliwn ar gael y flwyddyn nesaf a £18 miliwn y flwyddyn ddilynol o'r gronfa adfywio leol i'w defnyddio fel arian cyfatebol ychwanegol. Mae'r adnoddau hyn yn llinellau sylfaen presennol y Cynulliad ond nid ydynt wedi'u rhwymo'n barod. Nid ydynt yn cymryd oddi wrth wasanaethau eraill nac ymrwymadau eraill a wnaethom fel gweinyddiaeth. Yn ogystal, gall y Cynulliad ddefnyddio mwy o'i gyllideb fel arian cyfatebol. Er enghraifft, gellir defnyddio cymorth dethol rhanbarthol am y tro cyntaf, a chredwn fod £17 miliwn ar gael eisoes o'r ffynhonnell hon yn unig.

Mae hefyd arian o raglenni'r Fargen Newydd a'r Gronfa Cyfleoedd Newydd sydd y tu allan i gyllideb Cymru. Mae gennym eisoes gronfa enfawr o arian cyfatebol yn y system i dynnu ohoni. Yr her yn awr yw dyfeisio prosiectau i drawsnewid economi gorllewin Cymru a'r Cymoedd.

Dywedaf eto ei fod yn well setliad nag y

anyone could have expected. However, that does not mean that we can spend the money like water. We cannot do that and there will still be difficult choices to make in this year's budget round. We must also continue to press for gains in efficiency across our programmes and I will continue to press for value for money in all that we do.

Finally, I understand that the speaker likely to follow me is Dafydd Wigley, leader of the opposition. Dafydd is my opposite number in finance. I place on record—as this will be his last address in the Chamber as leader of the opposition—my thanks to him and state the respect we have for him for always putting forward his views in the interest of Wales.

11:30 p.m.

Nick Bourne: Nice try.

Edwina Hart: It is not a nice try; I meant it. I said at the beginning that we have a unique opportunity that extends beyond Objective 1. The challenge that we face is to make the additional money work for Wales across the board, to improve the health service and social care, improve our schools, training and education and, most of all, to make a real difference in our deprived areas. We must focus on that. Let us put past differences behind us. We can discuss all the figures through the summer and we can number crunch then. We have had a good settlement by any measure. Now the people of Wales expect us to deliver. I am pleased to propose the motion.

Dafydd Wigley: Diolchaf i Edwina am ei geiriau caredig. Dyma'r tro olaf y byddaf yn annerch y Cynulliad fel Llywydd Plaid Cymru. Diolchaf i gyd-Aelodau o bob plaid am eu caredigrwydd a'u goddefgarwch dros y 15 mis diwethaf. Rhaid cyfaddef fy mod yn edrych ymlaen at y rhyddid newydd a gaf o fis Medi ymlaen i gael siarad o'r meinciau cefn.

gallai unrhyw un fod wedi ei ddisgwyl. Fodd bynnag, nid yw hynny'n golygu y gallwn wario arian fel dŵr. Ni allwn wneud hynny a bydd dewisiadau anodd o hyd i'w gwneud yng nghylch y gyllideb eleni. Rhaid inni barhau i bwysu hefyd am enillion effeithlonrwydd ar draws ein rhaglenni a byddaf yn parhau i bwysu am werth am arian ym mhopeth a wnawn.

Yn olaf, deallaf mai'r siaradwr sydd yn debygol o'm dilyn yw Dafydd Wigley, arweinydd yr wrthblaid. Dafydd sydd yn cyfateb i mi ym maes cyllid. Cofnodaf—gan mai hwn fydd ei anerchiad olaf yn y Siambr fel arweinydd yr wrthblaid—fy niolch iddo a mynegaf y parch sydd gennym tuag ato gan ei fod bob amser wedi lleisio ei farn er budd Cymru.

Nick Bourne: Ymgais dda.

Edwina Hart: Nid ymgais dda mohoni; yr oeddwn yn ei olygu. Dywedais ar y dechrau fod gennym gyfle unigryw sydd yn ymestyn y tu hwnt i Amcan 1. Yr her a wynebwn yw gwneud i'r arian ychwanegol weithio i Gymru ym mhob maes, i wella'r gwasanaeth iechyd a gofal cymdeithasol, gwella ein hysgolion, hyfforddiant ac addysg ac, yn bennaf oll, i wneud gwahaniaeth gwirioneddol i'n hardaloedd difreintiedig. Rhaid inni ganolbwyntio ar hynny. Gadewch inni anghofio ein gwahaniaethau yn y gorffennol. Gallwn drafod yr holl ffigurau drwy'r haf a gallwn gresian rhifau bryd hynny. Mae gennym setliad da o unrhyw fesur. Yn awr mae pobl Cymru yn disgwyl inni gyflawni. Yr wyf yn falch o gynnig y cynnig.

Dafydd Wigley: I thank Edwina for her kind words. This is the last time that I will address the Assembly as the President of Plaid Cymru. I thank fellow Members from all parties for their kindness and forbearance over the last 15 months. I must admit that I am looking forward to the new freedom that I will have from September onwards of being able to speak from the backbenches.

Yr wyf yn falch fod yr araith olaf hon ar bwnc sydd mor agos at fy nghalon, sef sefyllfa gyllidol Cymru. Mae'r datganiad a wnaethpwyd gan Ganghellor y Trysorlys ddoe yn eithriadol o bwysig i Gymru. Mae'n diffinio'r patrwm gwario dros y tair blynedd nesaf. Mae'n bwysicach i ni yn y Cynulliad nag ydyw i San Steffan neu Senedd yr Alban oherwydd nid oes gennym yr hawl i amrywio trethi nac i fenthycu ac felly yr ydym yn gorfod gweithio o fewn y cyfanswm a bennir ar ein cyfer drwy'r datganiad hwn.

I am pleased that this last speech is on a subject that is so close to my heart, namely the financial situation of Wales. The statement made by the Chancellor of the Exchequer yesterday is exceptionally important to Wales. It defines the pattern of expenditure over the next three years. It is more important to us in the Assembly than it is to Westminster or the Scottish Parliament because we do not have the right to vary taxes or to borrow and therefore we must work within the total set for us by this statement.

Y ffigurau hyn fydd ein fframwaith ar gyfer gweddill y Cynulliad hwn. Cawn ffræo a dadlau ynglŷn â sut y byddwn yn rhannu'r deisen—ac, yn sicr ddigon, byddwn yn gwneud hynny—ond dyma fydd maint y deisen.

These figures will be our framework for the remainder of this Assembly. We can squabble and argue about how we will share the cake—and we will certainly do so—but this will be the size of the cake.

Beth yw ein hadwaith ni i'r ffigurau? O safbwynt cyffredinol, mae'n hen bryd i Lywodraeth sydd yn honni ei bod yn credu mewn gwariant cyhoeddus ddarparu cyllid digonol i gynnal lefel deilwng o wasanaethau cyhoeddus. Yr ydym wedi disgwyl am dair blynedd i symud yn y cyfeiriad hwnnw ac mae'n hen bryd i hynny ddigwydd. Er gwaethaf sbloets a sbri ddoe, ar ddiwedd y cyfnod bydd gwariant cyhoeddus yn 40.5 y cant o'r cynnyrch mewnwladol crynswth o'i gymharu â 42.7 y cant yn 1995-96 pan oedd y Llywodraeth Geidwadol mewn grym. Felly, mae gostyngiad wedi bod yn y gyfran o'r cynnyrch mewnwladol crynswth a roddir tuag at wariant cyhoeddus.

What is our reaction to the figures? From a general viewpoint, it is high time for a Government that claims that it believes in public expenditure to provide sufficient finances to sustain a decent level of public services. We have waited for three years for a move in that direction and it is high time that it happened. Despite yesterday's glitz and glamour, at the end of the period public expenditure will be 40.5 per cent of gross domestic product compared with 42.7 per cent in 1995-96 when the Conservative Government was in power. Therefore, there has been a reduction in the proportion of gross domestic product that goes towards public expenditure.

Huw Lewis: Are you not forgetting that the nature of public spending has changed markedly? We are no longer servicing such a massive public international debt and we are no longer spending so much money on unemployment benefit since Labour created a million jobs.

Huw Lewis: Onid ydych yn anghofio bod natur gwariant cyhoeddus wedi newid yn sylweddol? Nid ydym mwyach yn cynnal y fath ddyled ryngwladol gyhoeddus enfawr ac nid ydym mwyach yn gwario cymaint o arian ar fudd-daliadau diweithdra ers i Lafur greu miliwn o swyddi.

Dafydd Wigley: I welcome the million jobs that have been created. I note that the Chancellor's priority is to put money into reducing the debt as opposed to investing in public services. That is a perfectly legitimate decision to make, but I wonder whether that is the priority.

Dafydd Wigley: Croesawaf y miliwn o swyddi sydd wedi'u creu. Nodaf mai blaenoriaeth y Canghellor yw rhoi arian i mewn i ostwng y ddyled yn hytrach na buddsoddi mewn gwasanaethau cyhoeddus. Mae hwnnw'n benderfyniad cwbl ddilys i'w wneud, ond ys gwn i ai dyna'r flaenoriaeth.

Y realiti yw bod y gyfran o'r cynnyrch mewnwladol crynswth a roddir tuag at wariant cyhoeddus wedi disgyn yn y modd hwn.

Brian Gibbons: Do you agree that the Labour Government is investing in public services? I thought we had something over £40 billion to invest in public services.

Dafydd Wigley: Y pwynt yr oeddwn yn ei wneud oedd bod lefel y gwariant dros y tair blynedd diwethaf wedi bod yn llwyr annigonol. Yr ydym yn achub rhyw gymaint ar y cam yn awr, ond yr ydym yn dal ar lefel sydd yn is na'r gyfran o'r cynnyrch mewnwladol crynswth a oedd yn cael ei gwario ym mlwyddyn lawn olaf y Llywodraeth Geidwadol. Mae hynny'n ffaith i gyfeillion ar y meinciau Llafur feddwl amdano.

Er bod cynnydd sylweddol mewn rhai adrannau o wariant cyhoeddus yn rhan o'r datganiad ddoe, mae'n anhygoel bod y Canghellor, gyda £43 biliwn i'w rhannu, wedi methu â rhoi yr un geiniog ychwanegol i bensiynwyr. Yr wyf yn sicr y bydd pensiynwyr ledled Cymru yn sylwi ar hynny. Mae'n warthus ac ni fyddwn yn synnu pe bai pris gwleidyddol i'w dalu.

Trof at y setliad fel y mae'n effeithio'n uniongyrchol ar y Cynulliad.

Lynne Neagle: As I am sure that you know, the Labour Party has given a significant amount of extra funding to pensioners since coming into Government—[*Interruption.*]

The Presiding Officer: Order.

Lynne Neagle: On all our policies for pensioners, we have delivered more money than we would have done had we restored the earnings link. As an experienced parliamentarian, Dafydd, do you agree that the Chancellor yesterday committed to making a further announcement on a credit for pensioners, and we will look to him doing

The reality is that the proportion of gross domestic product that goes towards public expenditure has fallen in this way.

Brian Gibbons: A ydych yn cytuno bod y Llywodraeth Lafur yn buddsoddi mewn gwasanaethau cyhoeddus? Tybiwn fod gennym rywbeth dros £40 biliwn i'w fuddsoddi mewn gwasanaethau cyhoeddus.

Dafydd Wigley: My point was that the level of expenditure over the last three years has been totally inadequate. We are making up some of the lost ground now, but we are still on a level that is lower than the proportion of gross domestic product that was spent in the last full year of the Conservative Government. That is a fact for friends on the Labour benches to think about.

Although a substantial increase in some sectors of public expenditure was part of yesterday's statement, it is incredible that the Chancellor, with £43 billion to share, failed to give one additional penny to pensioners. I am sure that pensioners throughout Wales will note that. It is appalling and I would not be surprised were there a political price to pay.

I turn to the settlement as it directly affects the Assembly.

Lynne Neagle: Fel y gwyddoch yr wyf yn si'wr, mae'r Blaid Lafur wedi rhoi swm sylweddol o arian ychwanegol i bensiynwyr ers iddi ddod i Lywodraeth—[*Torri ar draws.*]

Y Llywydd: Trefn.

Lynne Neagle: Ar ein holl bolisiau i bensiynwyr, yr ydym wedi darparu mwy o arian nag y byddem wedi'i wneud pe baem wedi adfer y cyswllt ag enillion. Fel seneddwr profiadol, Dafydd, a ydych yn cytuno i'r Canghellor ddoe ymrwymo i wneud cyhoeddiad pellach ar gredyd i bensiynwyr, ac y byddwn yn disgwyl iddo

so in the autumn when decisions are made on benefits?

Dafydd Wigley: Mae'n anhygoel bod Lynne yn teimlo bod 75c yr wythnos yn gyfraniad sylweddol tuag at incwm pensiynwyr a bod y bwlch a grewyd trwy ddatgysylltu pensiynau ac enillion yn 1981—bwlch a gostiodd £30 yr wythnos yn y pensiwn ar gyfer person sengl—wedi ei unioni drwy'r math o newidiadau a gyflwynwyd gan y Llywodraeth Lafur dros y misoedd diwethaf. Mae pensiynwyr wedi cael eu siomi ac nid oes dim yn natganiad ddod fydd yn gwneud iawn am hynny. Yr wyf yn sicr y bydd pris gwleidyddol i'w dalu am hynny.

I heard someone say 'watch this space'. Some people here may know more about the Chancellor's plans next March than I, but, so far, the money is not there. He had £43 billion and did not allocate a penny to increase the state pension.

Lorraine Barrett: Given that Plaid Cymru believes in a separate Wales, how does it propose to do anything for pensioners given that, before yesterday, there was an estimated £5 billion deficit that would have to be raised through Welsh taxpayers?

Dafydd Wigley: Ar lefel Brydeinig, byddwn yn fwy na hapus i weld lleihad yn y gwariant ar arfau niwclear ac i'r arian hwnnw fynd at helpu pensiynwyr. Dyna yw polisi ein plaid.

Mae rhai elfennau i'w croesawu yn y datganiad, ond eraill sydd yn peri gofid. Yn gyntaf, croesawaf fuddugoliaeth i'r Cynulliad, ac i Rhodri Morgan ac Edwina Hart, o ran ennill yr egwyddor bod yn rhaid i arian o gronfeydd strwythurol Ewrop fod uwchben y swm a gynhyrchir i Gymru gan fformwla Barnett ac yn ychwanegol at yr arian hwnnw.

Mae'r fuddugoliaeth honno i'r Cynulliad a'r Llywodraeth yn un bwysig ac yn un a groesawn fel plaid oherwydd ei fod yn rhywbeth y bu Plaid Cymru yn galw amdano am dros 10 mlynedd. Felly, byddai'n od pe

wneud hynny yn yr hydref pan wneir penderfyniadau ar fudd-daliadau?

Dafydd Wigley: It is incredible that Lynne feels that 75p per week is a substantial contribution to pensioners' income and that the gap that was created through undoing the link between pensions and earnings in 1981—a gap that has cost £30 per week in the pension for a single person—has been redressed by the kind of changes introduced by the Labour Government over the past months. Pensioners have been let down and there is nothing in yesterday's statement that will make up for that. I am certain that there will be a political price to pay for that.

Clywais rywun yn dweud 'cewch weld'. Efallai fod rhai pobl yma yn gwybod mwy am gynlluniau'r Canghellor fis Mawrth nesaf na fi ond, hyd yn hyn, nid yw'r arian yno. Yr oedd ganddo £43 biliwn ac ni ddyrannodd geiniog i gynyddu'r pensiwn gwladol.

Lorraine Barrett: O gofio bod Plaid Cymru yn credu mewn Cymru ar wahân, sut y mae'n bwriadu gwneud unrhyw beth dros bensiynwyr o gofio, cyn ddod, bod diffyg ariannol amcangyfrifedig o £5 biliwn y byddai'n rhaid ei godi drwy drethdalwyr Cymru?

Dafydd Wigley: On a British level, I would be more than happy to see a reduction in the expenditure on nuclear arms and for that money to go towards helping pensioners. That is our party's policy.

Some elements in the statement are to be welcomed, but others are a cause for concern. First, I welcome the victory for this Assembly, and for Rhodri Morgan and Edwina Hart, in winning the principle that money from the European structural funds must be above the sum produced for Wales by the Barnett formula and additional to that money.

That victory for the Assembly and the Government is an important one that we as a party welcome, because Plaid Cymru has been calling for this for over 10 years. Therefore, it would be odd if we did not

na byddem yn ei groesawu.

welcome it.

Talaf deyrnged i Bwyllgor Datblygu Economaidd y Cynulliad am ei waith dyfal a manwl, a ddatgelodd y gwirionedd am y sefyllfa hon. Yn arbennig, talaf deyrnged i Phil Williams a Ron Davies am eu gwaith ar y Pwyllgor. Heb fodolaeth y Cynulliad, nid oes amheuaeth na fyddem wedi cael buddugoliaeth yn y frwydr hon. Er ein bod wedi ennill yr egwyddor, ni chytunaf gydag Edwina ein bod wedi cael yr arian llawn a ddylai fod wedi deillio o'r fuddugoliaeth honno.

I pay tribute to the Assembly's Economic Development Committee for its thorough, in-depth work, which disclosed the truth about this situation. In particular, I pay tribute to Phil Williams and Ron Davies for their work on the Committee. Without the Assembly's existence, there is no doubt that we would not have had a victory in this battle. Although we have won the principle, I do not agree with Edwina that we have received the full funding that should have come out of that victory.

Brian Gibbons: I wish to confirm that I heard the translation correctly and that you are conceding that we had a victory in this negotiation?

Brian Gibbons: Hoffwn gadarnhau imi glywed y cyfieithiad yn iawn a'ch bod yn cydnabod inni gael buddugoliaeth yn y negodiadau hyn?

Dafydd Wigley: I am more than willing not only to state, but to repeat on record that this is an important development—

Dafydd Wigley: Yr wyf yn fwy na pharod nid yn unig i ddatgan, ond i ailadrodd ar gofnod bod hwn yn ddatblygiad pwysig—

Brian Gibbons: It is a victory.

Brian Gibbons: Mae'n fuddugoliaeth.

Dafydd Wigley: Yes, indeed, it is a victory for this Assembly and for Rhodri Morgan's Government and for a policy that Plaid Cymru has been advocating for 10 years.

Dafydd Wigley: Ydyw, yn wir, y mae'n fuddugoliaeth i'r Cynulliad hwn ac i Lywodraeth Rhodri Morgan ac i bolisi y bu Plaid Cymru yn ei gymell am 10 mlynedd.

This week, we have won an important principle, but we have not been given all the cash that should have followed as a consequence of winning that principle. That is in contrast to the statement released by the Government yesterday on Northern Ireland, which stated that the European money for Northern Ireland will be fully additional over and above the block settlement—

Yr wythnos hon, yr ydym wedi ennill egwyddor bwysig, ond ni roddwyd inni yr holl arian y dylid bod wedi ei roi yn sgîl ennill yr egwyddor honno. Mae hynny yn gwrthgyferbynnu â'r datganiad a ryddhawyd gan y Llywodraeth ddoe ar Ogledd Iwerddon, a ddatganai y byddai'r arian Ewropeaidd i Ogledd Iwerddon yn gyfan gwbl ychwanegol ar ben y setliad bloc—

Y Prif Ysgrifennydd: Mae'r datganiad o Swyddfa Gogledd Iwerddon yn datgan

The First Secretary: The statement from the Northern Ireland Office states that

'the EU Peace 2 Programme will be fully additional to the Northern Ireland Executive's budget.'

'bydd Rhaglen Heddwch 2 yr UE yn gyfan gwbl ychwanegol i gyllideb Gweithrediaeth Gogledd Iwerddon.'

Ai dyna gyfeiriad Dafydd at ddatganiad y Llywodraeth?

Is that Dafydd's reference to the Government's statement?

11:40 p.m.

Dafydd Wigley: Ie, mae arian Rhaglen Heddwch 2 yn allweddol ar gyfer adeiladu'r economi. Mae'r datganiad yn nodi ymhellach mai bwriad y rhaglen fydd:

'to focus on urban and rural regeneration, employment and economic development.'

Dyna'r union beth y mae'r rhaglen hon i fod i'w wneud ar ran Cymru.

The sum total of the European structural funds that should come to Wales to be spent over the next three years amounts to approximately £750 million, which includes £180 million a year for Objective 1. In his speech yesterday, Gordon Brown stated

'The settlement . . . includes a special allocation to ensure funding of the European share of Wales's objective 1 needs—an allocation to Wales of £80 million, £90 million and £102 million over the next three years.'

That adds up to a total of £272 million over the next three years, compared to the £180 million a year—£540 million over three years—that should be coming just for Objective 1. In other words, all the money is not additional to or over and above Barnett. There may be ways in which the Government is trying to interpret this, but the reality is that we are not getting the full additionality that we wanted. We have won the principle but we have not got all the cash. That will have consequences for us.

Our special allocation covers about half the Objective 1 money coming from Europe. Even if we include the public expenditure survey cover for the European social fund allocation, which we welcome as being transferred to the Assembly's control, it amounts to £149 million over three years. We are still, therefore, almost £100 million short of PES cover for Objective 1, even before we begin to take into consideration the need for match funding. The Secretary of State for Wales, Paul Murphy, claims that the overall increase in the Welsh block is enough to cover match funding as well as the

Dafydd Wigley: Yes, the Peace 2 Programme money is crucial to building the economy. The statement goes on to state that the aim of the programme will be:

'canolbwyntio ar adfywio trefol a gwledig, cyflogaeth a datblygu economaidd.'

That is exactly what this programme is meant to do for Wales.

Mae cyfanswm y cronfeydd strwythurol Ewropeaidd a ddylai ddod i Gymru i gael ei wario dros y tair blynedd nesaf oddeutu £750 miliwn, sydd yn cynnwys £180 miliwn y flwyddyn ar gyfer Amcan 1. Yn ei araith ddoe, dywedodd Gordon Brown

'Mae'r datganiad . . . yn cynnwys dyraniad arbennig i sicrhau y cyllidir elfen Ewropeaidd anghenion amcan 1 Cymru—dyraniad i Gymru o £80 miliwn, £90 miliwn a £102 miliwn dros y tair blynedd nesaf.'

Mae hynny'n rhoi cyfanswm o £272 miliwn dros y tair blynedd nesaf, o'i gymharu â'r £180 miliwn y flwyddyn—£540 miliwn dros dair blynedd—a ddylai fod yn dod ar gyfer Amcan 1 yn unig. Mewn geiriau eraill, nid yw'r holl arian yn ychwanegol nac ar ben arian Barnett. Efallai fod ffyrdd y mae'r Llywodraeth yn ceisio dehongli hyn, ond y gwirionedd yw nad ydym yn cael yr arian ychwanegol llawn yr oeddem am ei gael. Yr ydym wedi ennill yr egwyddor ond ni chawsom yr arian i gyd. Bydd i hynny ganlyniadau inni.

Mae ein dyraniad arbennig yn darparu ar gyfer tua hanner yr arian Amcan 1 a ddaw o Ewrop. Hyd yn oed os ydym yn cynnwys y ddarpariaeth arolwg gwariant cyhoeddus o ddyraniad cronfa gymdeithasol Ewrop, y croesawn ei drosglwyddiad i reolaeth y Cynulliad, y cyfanswm a geir yw £149 miliwn dros dair blynedd. Yr ydym, felly, bron i £100 miliwn yn fyr o ddarpariaeth arolwg gwariant cyhoeddus ar gyfer Amcan 1, cyn inni hyd yn oed ddechrau ystyried yr angen am arian cyfatebol. Mae Ysgrifennydd Gwladol Cymru, Paul Murphy, yn honni bod y cynnydd drwyddo draw ym mloc Cymru yn

shortfall in PES cover for the European money that I mentioned.

The figures published yesterday are far from transparent on this point. Reaching any meaningful conclusion involves a detailed line-by-line analysis, and I know that Edwina will acknowledge that. It involves taking each budget element, finding what the increase in England is for each one, applying what is called the comparability factor—the adjustment needed as to how much of the English departments' total is applicable to Wales—and calculating each of those on a per capita basis to get the figure that is relevant to Wales, aggregating the total and comparing it to what Wales actually got in the settlement. That is what Phil Williams was doing until 1 a.m. this morning. We are grateful for his ability to handle these figures. It reminds one of the Schleswig Holstein question. Only three people understood it—one was dead, one was mad and the other had forgotten.

The First Secretary: And one was Phil Williams.

Dafydd Wigley: You touch on the point, Rhodri. If Edwina's post is reshuffled and I retire, it leaves Phil with a tremendous responsibility on his shoulders.

The bottom line of this analysis is that we are getting more money than we might have expected. However, we are not getting enough to give the full cover for the European cash shortfall and the match funding requirements. We are approaching a shortfall of about £100 million.

The Presiding Officer: Will you give way to Huw Lewis?

Dafydd Wigley: I have given way enough. I know that other Members wish to speak.

If we are to take full advantage of the European structural funds over the next three

ddigon i ddarparu arian cyfatebol yn ogystal â'r diffyg yn y ddarpariaeth arolwg gwariant cyhoeddus ar gyfer yr arian Ewropeaidd y cyfeiriais ato.

Mae'r ffigurau a gyhoeddwyd ddoe ymhell o fod yn dryloyw ar y pwynt hwn. Mae dod i unrhyw gasgliad ystyrllon yn golygu dadansoddiad manwl linell-wrth-linell, a gwn y bydd Edwina yn cydnabod hynny. Mae'n golygu edrych ar bob elfen o'r gyllideb, canfod maint y cynnydd yn Lloegr ar bob un, cymhwyso'r hyn a elwir y ffactor cymharedd—yr addasiad sydd yn ofynnol o safbwynt faint o gyfanswm adrannau Lloegr sydd yn berthnasol i Gymru—a chyfrifo pob un o'r rheini ar sail y pen i gael y ffigur sydd yn berthnasol i Gymru, gan gydgrynhoi'r cyfanswm a'i gymharu â'r hyn a gafodd Cymru mewn gwirionedd yn y setliad. Dyna beth oedd Phil Williams yn ei wneud tan 1 a.m. y bore yma. Yr ydym yn ddiolchgar am ei allu i ymdrin â'r ffigurau hyn. Mae'n atgoffa rhywun o gwestiwn Schleswig Holstein. Dim ond tri pherson oedd yn ei ddeall—yr oedd un wedi marw, un yn orffwyll a'r llall wedi anghofio.

Y Prif Ysgrifennydd: A Phil Williams oedd un ohonynt.

Dafydd Wigley: Yr ydych yn cyffwrdd â'r pwynt, Rhodri. Pe câi swydd Edwina ei had-drefnu a minnau'n ymddeol, mae'n gadael Phil gyda chyfrifoldeb enfawr ar ei ysgwyddau.

Llinell waelod y dadansoddiad hwn yw ein bod yn cael mwy o arian nag y byddem efallai wedi'i ddisgwyl. Fodd bynnag, nid ydym yn cael digon i ddarparu'n llawn ar gyfer y diffyg arian Ewropeaidd a'r gofynion arian cyfatebol yn llawn. Mae gennym ddiffyg o bron i £100 miliwn.

Y Llywydd: A wnewch chi ildio i Huw Lewis?

Dafydd Wigley: Yr wyf wedi ildio digon. Gwn fod Aelodau eraill am siarad.

Os ydym i fanteisio'n llawn ar gronfeydd strwythurol Ewrop dros y tair blynedd nesaf,

years, we will find ourselves spending £100 million less on other programmes than we otherwise would have done. That follows and is consistent with the figures that Edwina quoted earlier, when she said that we have an increase of 5.4 per cent, compared to a 5.25 per cent increase in Government programmes generally for the UK, and 4.4 per cent for Scotland, which, like us, works within a block. We are receiving 1 per cent more than Scotland. One per cent of the £8,000 million that is our base programme at the moment, is about £80 million. That is the increase that we are getting. However, we are not getting the rest of the money, which means that we must find it in existing programmes. We need those additional spending programmes. We need the increase that is coming to England, Scotland, Wales and Northern Ireland in healthcare, education and other sectors. Many issues will be discussed when we return in September, such as hospital waiting lists, the need to upgrade cardiac services, particularly in north Wales, and the need for new teaching hospitals and community hospitals. We cannot afford to have these budgets eroded, compared to the increase that will take place in England and Scotland, or to divert those funds into European structural funds to give us the cover that we need. Neither can we afford not to use the European money to the fullest. We need the jobs, particularly in west and north-west Wales and in the industrial valleys. We will have hard decisions to take. We will have to decide, as an Assembly, what our priorities are. We ask the Government here in Cardiff to be as open, transparent and inclusive as possible in making those decisions.

Other aspects of yesterday's statement will need to be followed up. Tomorrow we will know more about the transport settlement. The railway element is outside the Welsh block and if there is an increase of £1 billion or more in railways, then we should receive between £50 and £100 million more for railways in Wales. We will need to raise our voice on that issue. It is equally important that the police forces in Wales, which are

fe'n cawn ein hunain yn gwario £100 miliwn yn llai ar raglenni eraill nag a fyddem wedi'i wneud fel arall. Mae hynny'n dilyn ac yn gydnaws â'r ffigurau a ddyfynnodd Edwina'n gynharach, pan ddywedodd fod gennym gynnydd o 5.4 y cant, o'i gymharu â chynnydd o 5.25 y cant yn rhaglenni'r Llywodraeth yn gyffredinol i'r DU, a 4.4 y cant i'r Alban, sydd, fel ninnau, yn gweithio o fewn bloc. Yr ydym yn derbyn 1 y cant yn fwy na'r Alban. Mae un y cant o £8,000 miliwn ein rhaglen sylfaenol ar hyn o bryd yn oddeutu £80 miliwn. Dyna'r cynnydd yr ydym yn ei gael. Fodd bynnag, nid ydym yn cael gweddill yr arian, sydd yn golygu bod yn rhaid inni ei ganfod yn y rhaglenni presennol. Mae angen y rhaglenni gwario ychwanegol hynny arnom. Mae angen y cynnydd sydd yn dod i Loegr, yr Alban, Cymru a Gogledd Iwerddon arnom yng ngofal iechyd, addysg a sectorau eraill. Trafodir llawer o faterion pan ddychwelwn ym mis Medi, megis rhestrau aros ysbytai, yr angen i wella'r gwasanaethau cardiaidd, yn enwedig yng ngogledd Cymru, a'r angen am ysbytai dysgu newydd ac ysbytai cymuned. Ni allwn fforddio gweld y cyllidebau hyn yn cael eu herydu, o'u cymharu â'r cynnydd a geir yn Lloegr a'r Alban, nac arallgyfeirio yr arian hwnnw i mewn i'r cronfeydd strwythurol Ewropeaidd i roi inni'r ddarpariaeth sydd ei hangen arnom. Ni allwn fforddio ychwaith peidio â defnyddio'r arian Ewropeaidd i'r eithaf. Mae angen y swyddi arnom, yn enwedig yng ngorllewin a gogledd-orllewin Cymru ac yn y cymoedd diwydiannol. Bydd penderfyniadau anodd o'n blaenau. Bydd yn rhaid inni, fel Cynulliad, benderfynu beth yw ein blaenoriaethau. Gofynnwn i'r Llywodraeth yma yng Nghaerdydd fod mor agored, tryloyw a chynhwysol â phosibl wrth wneud y penderfyniadau hynny.

Bydd angen mynd ar drywydd agweddau eraill o'r datganiad ddoe. Yfory byddwn yn gwybod mwy am y setliad trafnidiaeth. Mae elfen y rheilffyrdd y tu allan i floc Cymru ac os bydd cynnydd o £1 biliwn neu fwy yn y rheilffyrdd, yna dylem dderbyn rhwng £50 a £100 miliwn yn fwy ar gyfer y rheilffyrdd yng Nghymru. Bydd angen inni godi ein llais ar y mater hwnnw. Mae yr un mor bwysig bod heddluoedd Cymru, sydd hefyd yn cael

also funded outside our block grant, get the increase they need to cover problems in areas of deprivation and sparsity as well as new facilities, software and the police radio.

We need clarification on several points. We will perhaps get that in the closing speech, if Edwina is closing this debate. The Chancellor said yesterday that the money will not necessarily be handed over if departments do not fulfil the targets set by public service agreements. Can we have details about any public service agreements with the Assembly or the Welsh Office that are relevant to this and the targets that they include? Are these targets reasonable and achievable? Do the public service agreements that have been drawn up with UK Government departments apply in any way to Wales? I would be grateful if that could be clarified in the closing speech.

We also need clarification on whether what Rhodri Morgan asked for is what we have been given. Did we get everything we asked for or did we ask for more? That point was raised at the beginning of the debate. Perhaps we can have a fuller answer when the Secretary responds.

Nid ein gwaith ni heddiw yw dosbarthu'r cyllid ychwanegol. Daw cyfle wedi'r toriad inni wneud hynny. Ein cyfrifoldeb heddiw yw anfon neges glir o'r Cynulliad y byddwn yn bwrw ymlaen â'r rhaglen Ewropeaidd heb oedi ac yn erfyn ar bawb sydd am hyrwyddo rhaglenni a phrosiectau i'w cyflwyno a'u gweithredu ar unwaith. Yn hyn o beth, yr ydym ni ar feinciau Plaid Cymru a'r Llywodraeth yn un. Mae'n rhaid inni gymryd mantais lawn o'r cyfle.

O'n rhan ni, fel Cynulliad, mae'n rhaid inni hefyd ymrwymo i sicrhau y defnyddir yr arian sydd ar gael yn y modd mwyaf effeithiol a darbodus er mwyn codi safon byw ac ansawdd bywyd ein pobl ym mhob rhan o Gymru. Mae gan bobl Cymru yr hawl

eu cyllido y tu allan i'n grant bloc, yn cael y cynnydd sydd ei angen arnynt i ymdrin â phroblemau mewn ardaloedd difreintiedig ac ardaloedd o deneurwydd yn ogystal â chyfleusterau newydd, meddalwedd a radio'r heddlu.

Mae angen eglurhad arnom ar sawl pwynt. Efallai y cawn ni hynny yn yr araith i gloi, os mai Edwina sydd yn cloi'r ddadl. Dywedodd y Canghellor ddoe na fydd yr arian o reidrwydd yn cael ei drosglwyddo os nad yw'r adrannau yn cyflawni'r targedau a bennir drwy gytundebau gwasanaeth cyhoeddus. A allwn ni gael manylion am unrhyw gytundebau gwasanaeth cyhoeddus gyda'r Cynulliad neu'r Swyddfa Gymreig sydd yn berthnasol i hyn a'r targedau sydd yn gynwysedig ynddynt? A yw'r targedau hyn yn rhesymol a chyraeddadwy? A yw'r cytundebau gwasanaeth cyhoeddus a luniwyd gydag adrannau Llywodraeth y DU yn cael eu cymhwyso mewn unrhyw ffordd i Gymru? Byddwn yn ddiolchgar pe ceid eglurhad ar hynny yn yr araith gloi.

Mae angen eglurhad arnom hefyd ai'r hyn y gofynnodd Rhodri Morgan amdano yw'r hyn a roddwyd inni. A gawsom bopeth y gofynasom amdano neu a ofynnwyd am fwy? Codwyd y pwynt hwnnw ar ddechrau'r ddadl. Efallai y gallwn gael ateb llawnach wrth i'r Ysgrifennydd ymateb.

Our work today is not to distribute the additional funding. Our opportunity to do that will come after the recess. Our responsibility today is to send a clear message from the Assembly that we will go forward with the European programme without delay and entreat everyone who wants to promote programmes and projects to present them and implement them at once. In that, we on the Plaid Cymru benches and the Government are one. We must take full advantage of the opportunity.

On our part, as an Assembly, we must also commit to ensuring that the money that is available is used in the most effective and thrifty way to raise the standards of living and the quality of life of our people in every part of Wales. The people of Wales have the

i ddisgwyl hynny gan y Cynulliad Cenedlaethol, a'n cyfrifoldeb ni oll yw sicrhau ei fod yn digwydd.

Glyn Davies: It gives me great pleasure to follow the leader of the opposition in his last contribution as leader of the opposition and, in doing so, to be associated with a man for whom I have, and always have had, great respect. I wish him well. It is also a pleasure for me to participate in a debate that is more than interesting. In the second half of my speech I will talk about opportunity and how we can perhaps make this Assembly a more successful institution. However, there is a first half to the speech.

The New Labour brand has been contaminated. At least that is what we are hearing from the heart of the Westminster Government, and I am prepared to agree with that. The reason for this contamination is spin, more spin and even more spin. Nothing is ever straightforward with New Labour. Gordon Brown gives the impression to the watching world that full match funding is in place and then we find that it is not. There can no longer be any doubt that we need—

Lorraine Barrett rose—

The Presiding Officer: Will you give way?

Glyn Davies: In a second. As Alun Michael used to say, at the end of this section—indeed, at the end of this sentence. There can no longer be any doubt that we need a straightforward, commonsense Conservative Government in Westminster and in Cardiff. Now I will give way.

Lorraine Barrett: Can you bring yourself to say these words: 'this is a glorious day for Wales'? Can you tell us what Wales would have received if a Tory Government had been in Westminster? You would not have even applied for Objective 1 funding, let alone whinge and gripe about match funding. Will you distance yourself from the comments of David Heathcoat-Amory, your Shadow Chief Secretary to the Treasury, who said that we should not be wasting time scrabbling around trying to increase the level

right to expect that from the National Assembly, and it is the responsibility of us all to ensure that that happens.

Glyn Davies: Rhydd bleser mawr imi ddilyn arweinydd yr wrthblaid yn ei gyfraniad olaf fel arweinydd yr wrthblaid ac, wrth wneud hynny, o gael fy nghysylltu â dyn y mae gennyf, ac y bu gennyf erioed, barch mawr iddo. Dymunaf yn dda iddo. Mae hefyd yn bleser imi gymryd rhan mewn dadl sydd yn fwy na diddorol. Yn ail ran fy araith byddaf yn sôn am gyfle a sut y gallwn efallai wneud y Cynulliad hwn yn sefydliad mwy llwyddiannus. Fodd bynnag, mae rhan gyntaf i'm haraith.

Mae brand Llafur Newydd wedi'i ddifwyno. O leiaf dyna'r hyn a glywn o galon Llywodraeth San Steffan, ac yr wyf yn barod i gytuno â hynny. Y rheswm am y difwyno hwn yw sbin, mwy o sbin a mwy fyth o sbin. Nid oes dim fyth yn syml gyda Llafur Newydd. Rhydd Gordon Brown yr argraff i'r byd sydd yn gwyllo bod arian cyfatebol llawn wedi ei ddarparu ac yna canfyddwn nad yw. Ni all fod unrhyw amheuaeth bellach fod angen—

Lorraine Barrett a gododd—

Y Llywydd: A wnewch chi ildio?

Glyn Davies: Mewn eiliad. Fel yr arferai Alun Michael ddweud, ar ddiwedd y rhan hon—yn wir, ar ddiwedd y frawddeg hon. Ni all fod unrhyw amheuaeth bellach fod angen Llywodraeth Geidwadol blaen â synnwyr cyffredin arnom yn San Steffan ac yng Nghaerdydd. Ildiaf yn awr.

Lorraine Barrett: A fedrwn chi wneud i'ch hun ddweud y geiriau hyn: 'mae hwn yn ddiwrnod gogoneddus i Gymru'? A fedrwn chi ddweud wrthym beth fyddai Cymru wedi'i dderbyn pe bai Llywodraeth Doriaidd wedi bod yn San Steffan? Ni fydddech erioed wedi ymgeisio am gyllid Amcan 1 hyd yn oed, heb sôn am achwyn a chwyno am arian cyfatebol. A wnewch chi ymbellhau oddi wrth sylwadau David Heathcoat-Amory, eich Prif Ysgrifennydd Trysorlys Cysgodol, a ddywedodd na ddylem fod yn gwastraffu

of handouts—handouts, mind you—from the EU budget for these regions? By regions, he means Wales.

amser yn ymbalfalu i geisio cynyddu lefel y cardod—cardod, cofiwch—o gyllideb yr UE i'r rhanbarthau hyn? Wrth ddweud rhanbarthau, mae'n golygu Cymru.

11:50 a.m.

Glyn Davies: There were so many points there that I will just refer to the one furthest from the truth, which is that the Conservative Government would not have applied for Objective 1. I was very much part of the bid in the early 1990s, when I was not a Conservative— [ASSEMBLY MEMBERS: 'More, more!']. I had hoped to come forward with one or two memorable phrases today. I did not want it to be that one. Of course, I was born a Conservative.

Glyn Davies: Yr oedd cynifer o bwyntiau yna fel na chyfeiriai ond at yr un a oedd bellaf oddi wrth y gwirionedd, sef na fyddai Llywodraeth Geidwadol wedi gwneud cais am Amcan 1. Yr oedd imi ran frwd yn y cynnig yn y 1990au cynnar, pan nad oeddwn yn Geidwadwr— [AELODAU'R CYNULLIAD: 'Mwy, mwy!']. Yr oeddwn wedi gobeithio dod ag un neu ddau o ymadroddion cofiadwy gerbron heddiw. Ni fwriadwn i hwnnw fod yn un ohonynt. Wrth gwrs, ganed fi'n Geidwadwr.

Rhodri Glyn Thomas: You just forgot about it.

Rhodri Glyn Thomas: Ond ichi anghofio hynny.

Glyn Davies: That must be true. I will get back to the speech. Life is full of unintended consequences. Yesterday—[*Interruption.*]

Glyn Davies: Rhaid bod hynny'n wir. Af yn ôl at yr araith. Mae bywyd yn llawn canlyniadau nas bwriadwyd. Ddoe—[*Torri ar draws.*]

The Presiding Officer: Order.

Y Llywydd: Trefn.

Glyn Davies: The Secretary for Education and Children—the education minister as you described her—would have great difficulty with this noise, Llywydd. One comment from the floor and she complained.

Glyn Davies: Byddai'r Ysgrifennydd Addysg a Phlant—yr ysgrifennydd addysg fel y disgrifiasoch chi hi—yn cael anhawster mawr gyda'r s^wn hwn, Lywydd. Dim ond un sylw o'r llawr ac yr oedd yn cwyno.

Yesterday we heard about a comprehensive spending review in which, first, we saw the return of traditional tax-and-spend old Labour and, secondly, a Prime Minister letting Wales down. [ASSEMBLY MEMBERS: 'Oh.'] I am prepared to concede that we also saw our National Assembly handed a real opportunity to make its mark on Wales. I will return to that later.

Ddoe, clywsom am yr adolygiad cynhwysfawr o wariant lle, yn gyntaf, y gwelsom ailddyfodiad yr hen Lafur trethu-agwario draddodiadol ac, yn ail, Brif Weinidog yn siomi Cymru. [AELODAU'R CYNULLIAD: 'O.'] Yr wyf yn barod i gydnabod inni hefyd weld ein Cynulliad Cenedlaethol yn cael cyfle gwirioneddol i adael ei ôl ar Gymru. Dychwelaf at hynny eto.

The Chancellor has taken a massive gamble in his management of the UK economy in a misguided attempt to secure victory for his frayed and collapsing Government at the next General Election. If Blairism and New Labour ever existed, then they went down the

Mae'r Canghellor wedi cymryd gambl enfawr yn y modd y mae'n rheoli economi'r DU mewn ymgais annoeth i sicrhau buddugoliaeth i'w Lywodraeth garpiog, sydd yn mynd â'i phen iddi, yn yr Etholiad Cyffredinol nesaf. Os bu'r fath beth â

plughole yesterday. Did anyone notice how peripheral and incidental to the whole proceedings the leader himself, Mr Blair, looked? For three years, Labour has pretended to have adopted a Conservative approach to public spending, but yesterday the old impulse to spend the people's money broke through. Instead of taking a sustainable approach to public spending, the Chancellor of the Exchequer launched one of the greatest pre-election spending splurges in history. However, it will not work. The people of Britain will not be fooled. At least the electorate will now be faced with a clear choice in future elections.

Edwina Hart *rose—*

Glyn Davies: I am happy to take an intervention.

Edwina Hart: Are you seriously trying to tell us that you do not want additional resources allocated to health, education or any other sector, because you do not agree with increasing public expenditure? The people of Wales have the right to know the answer to that.

Glyn Davies: I do not think that I have heard any Conservative or indeed any other politician anywhere say that. I certainly did not. You would have liked me to have said it in order for you to make that spurious intervention, to which I will pay no further attention.

The second issue that I will address is key for Wales: the difficult issue of match funding. This is where the First Secretary has been spinning like Alistair Campbell on speed. I do not want him to get fired up again, but the reality is that he has failed in the important task of securing match funding over and above the difficult-to-calculate match funding figure that is already in the system.

Ann Jones *rose—*

Glyn Davies: I will give way at the end of the section, Ann. It was clear from the Chancellor's speech yesterday that our First

Blairyddiaeth a Llafur Newydd erioed, yna aethant allan gyda'r d^wr ddoe. A wnaeth unrhyw un sylwi mor ymylol a dibwys i'r holl achlysur yr edrychai'r arweinydd ei hun, Mr Blair? Am dair blynedd, mae Llafur wedi esgus mabwysiadu agwedd Geidwadol tuag at wariant cyhoeddus, ond ddoe daeth yr hen reddf i wario arian y bobl i'r wyneb. Yn lle ymdrin â gwariant cyhoeddus mewn modd cynaliadwy, lansiodd Canghellor y Trysorlys un o'r ymgyrchoedd gwario afradlon cynetholiad mwyaf mewn hanes. Fodd bynnag, ni fydd yn gweithio. Ni chaiff pobl Prydain eu twyllo. O leiaf bydd yr etholwyr bellach yn wynebu dewis clir mewn etholiadau i'r dyfodol.

Edwina Hart *a gododd—*

Glyn Davies: Yr wyf yn fodlon derbyn ymyriad.

Edwina Hart: A ydych o ddifrif yn ceisio dweud wrthym nad ydych am gael adnoddau ychwanegol wedi'u dyrannu i iechyd, addysg nac unrhyw sector arall, am nad ydych yn cytuno â chynyddu gwariant cyhoeddus? Mae gan bobl Cymru hawl i wybod yr ateb i hynny.

Glyn Davies: Ni chredaf imi glywed unrhyw Geidwadwr nac yn wir unrhyw wleidydd arall yn unrhyw le yn dweud hynny. Yn sicr, ni wnes i. Byddech chi'n hoffi imi fod wedi ei ddweud er mwyn ichi gael ymyrryd ar gam, ac ni roddaf unrhyw sylw pellach i hynny.

Mae'r ail fater yr wyf am roi sylw iddo yn allweddol i Gymru: mater anodd arian cyfatebol. Yma y bu'r Prif Ysgrifennydd yn creu sbin fel Alistair Campbell ar sbîd. Nid wyf am iddo gynhyrfu eto, ond y realiti yw iddo fethu yn y dasg bwysig o sicrhau arian cyfatebol ar ben y ffigur arian cyfatebol anodd-ei-gyfrifo sydd eisoes yn y system.

Ann Jones *a gododd—*

Glyn Davies: Ildiaf ar ddiwedd y rhan, Ann. Yr oedd yn amlwg o araith y Canghellor ddoe mai dibwys iawn fu dylanwad ein Prif

Secretary's influence has been negligible. In fact, I was surprised to hear the First Secretary say, after the Chancellor's statement, that we had received everything that we had asked for. On the grounds that we did not get all the extra match funding, I can only assume that he did not ask for it. This Assembly kicked out one First Secretary because he could not give us a cast-iron guarantee of the match funding quickly enough. It seems that our current First Secretary did not even bother to ask for it. We have moved away from a First Secretary obsessed with control-freakery to one with no control—from a straitjacket to a vacuum.

Ann Jones: I wonder whether the Welsh Conservative Party has selective amnesia. I remind you that John Redwood, who was supposedly the Secretary of State for Wales at the time, sent thousands of pounds of European money back because he did not think that the people of Wales wanted it. I find it strange that you can stand there and attempt to lecture the First Secretary, the Finance Secretary and Paul Murphy after the good they have done in securing this money. We should now go out into our communities and tell them that the money is there and get the projects up and running.

Glyn Davies: I agree with the last contribution you made, which is that we must all go out and ensure that our programme is as successful as possible. I will return to that in the next part of my speech.

There is always a law of unintended consequences. The Labour Government in Westminster and, in particular, the Secretary of State for Wales have been trying of late to completely sideline this Assembly. What they did yesterday—at least what the Chancellor did yesterday—was give us an opportunity to enhance the standing of our Assembly. The question is whether we will be willing to take it and take the risks that we must.

I have been critical of the cynical electioneering approach adopted by the Chancellor as he tries to buy a second election victory. I have been critical of the

Ysgrifennydd. Yn wir, synnais o glywed y Prif Ysgrifennydd yn dweud, ar ôl datganiad y Canghellor, inni dderbyn popeth y gofynasom amdano. Ar y sail na chawsom yr holl arian cyfatebol ychwanegol, ni allaf ond tybio na ofynnodd amdano. Cafodd un Prif Ysgrifennydd ei gicio allan gan y Cynulliad hwn am na allai addo'r arian cyfatebol inni yn gwbl bendant yn ddigon cyflym. Ymddengys na wnaeth ein Prif Ysgrifennydd presennol drafferthu gofyn amdano hyd yn oed. Yr ydym wedi symud oddi wrth Brif Ysgrifennydd a oedd ag obsesiwn i reoli pob dim at un sydd heb ddim rheolaeth o gwbl—o gaethwasgod i wactod.

Ann Jones: Ys gwn i a yw Plaid Geidwadol Cymru yn colli'i chof pan y myn? Fe'ch atgoffaf i John Redwood, a oedd i fod yn Ysgrifennydd Gwladol Cymru ar y pryd, anfon miloedd o bunnoedd o arian Ewropeaidd yn ôl am na thybiai fod ar bobl Cymru eu heisiau. Mae'n rhyfedd i mi eich bod yn gallu sefyll yna a cheisio pregethu wrth y Prif Ysgrifennydd, yr Ysgrifennydd Cyllid a Paul Murphy ar ôl y lles y maent wedi'i wneud yn sicrhau'r arian hwn. Dylem yn awr fynd allan i'n cymunedau a dweud wrthynt bod yr arian yna a chael y prosiectau ar eu traed.

Glyn Davies: Cytunaf â'ch cyfraniad olaf, sef bod yn rhaid i bawb ohonom fynd allan a sicrhau bod ein rhaglen mor llwyddiannus â phosibl. Dychwelaf at hynny yn rhan nesaf fy araith.

Mae yna bob amser ddeddf canlyniadau nas bwriadwyd. Mae'r Llywodraeth Lafur yn San Steffan ac, yn enwedig, Ysgrifennydd Gwladol Cymru wedi bod yn ceisio gwrthio'r Cynulliad hwn i'r cyrion yn llwyr yn ddiweddar. Yr hyn a wnaethant ddoe—yr hyn a wnaeth y Canghellor, o leiaf—oedd rhoi inni gyfle i wella statws ein Cynulliad. Y cwestiwn yw a fyddwn yn barod i afael yn y cyfle a chymryd y risgiau sydd yn ofynnol.

Bûm yn feirniadol o'r agwedd ymgyrchol sinigaidd a fabwysiadwyd gan y Canghellor wrth iddo geisio prynu ail fuddugoliaeth etholiadol. Bûm yn feirniadol o fethiant y

failure of the First Secretary to deliver full match funding. A consequence of the spending splurge is that the National Assembly for Wales will have much more money to spend. It may be that this is the result of irresponsible economic management. However, it is a rare opportunity to invest substantial sums of money in policies that we believe to be specifically right for Wales. It creates a situation that shows the people of Wales that this Assembly can make a difference to them.

I want to get one thing straight about the Welsh Conservative group in this Assembly. We have said often enough that we were against the Assembly's creation. It was a genuinely principled opposition. We supported the 'Just Say No' campaign—or, at least, most of us did. However, we accepted the democratic result. When we sought election to become Members of this Assembly, we all made our individual commitments to doing what we could to make this place a success. None of us want to be part of a mickey-mouse operation. None of us want to be told that the Assembly is nothing but a talking shop and cannot achieve anything. I feel that today's debate is the beginning of something that I will be able to become excited about. It is the beginning of something that the Finance Secretary and I will be able to get excited about together, perhaps, and that all 60 of us will be able to get excited about together.

As we move through our next budgeting cycle, we will be able to discuss our priorities and put resources alongside these priorities to make them realisable. I believe that the budget process this year has a chance to do a great deal to enhance the status of the National Assembly, more so than any long-drawn-out review of how our National Assembly operates. It is the law of unintended consequences at work. We need the courage to do something different in Wales that will have a real impact and make the rest of Britain stand up and take notice. We need to tell the people of Wales and beyond that we have the determination and the capacity to do things differently because

Prif Ysgrifennydd i wireddu arian cyfatebol llawn. Canlyniad y gwario afradlon yw y bydd gan Gynulliad Cenedlaethol Cymru lawer mwy o arian i'w wario. Efallai mai canlyniad rheolaeth economaidd anghyfrifol yw hyn. Fodd bynnag, mae'n gyfle prin i fuddsoddi symiau sylweddol o arian mewn polisïau y credwn ni eu bod yn iawn i Gymru yn benodol. Mae'n creu sefyllfa sydd yn dangos i bobl Cymru y gall y Cynulliad hwn wneud gwahaniaeth iddynt.

Yr wyf am unioni unrhyw gamargraff ynglŷn â grŵp Ceidwadol Cymru yn y Cynulliad hwn. Yr ydym wedi dweud yn ddigon aml ein bod yn erbyn creu'r Cynulliad. Seiliwyd y gwrthwynebiad ar egwyddorion didwyll. Cefnogasom yr ymgyrch 'Dywedwch Na'—neu, o leiaf, gwnaeth y rhan fwyaf ohonom hynny. Fodd bynnag, derbyniasom y canlyniad democrataidd. Wrth geisio cael ein hethol yn Aelodau o'r Cynulliad hwn, gwnaeth pob un ohonom ein haddewidion unigol i wneud yr hyn a allem i wneud llwyddiant o'r lle hwn. Nid oes yr un ohonom am fod yn rhan o gyfundrefn sydd yn gyff gwawd. Nid oes yr un ohonom am glywed nad yw'r Cynulliad yn ddim ond siop siarad ac na all gyflawni unrhyw beth. Teimlaf fod y ddadl heddiw yn ddechrau rhywbeth y gallaf deimlo cyffro yn ei gylch. Mae'n ddechrau rhywbeth y gall yr Ysgrifennydd Cyllid a minnau gyffroi yn ei gylch gyda'n gilydd, efallai, ac y gall y 60 ohonom gyffroi yn ei gylch gyda'n gilydd.

Wrth inni symud drwy gylch nesaf y gyllideb, gallwn drafod ein blaenoriaethau a rhoi adnoddau wrth ochr y blaenoriaethau hyn i'w gwneud yn ddichonadwy. Credaf fod gan broses y gyllideb eleni gyfle i wneud llawer iawn i wella statws y Cynulliad Cenedlaethol, yn fwy felly nag unrhyw adolygiad hirwyntog o'r ffordd y mae'r Cynulliad Cenedlaethol yn gweithredu. Dyma gyfraith canlyniadau nas bwriedir ar waith. Mae angen y dewrder i wneud rhywbeth gwahanol arnom yng Nghymru a fydd yn cael effaith wirioneddol ac yn gwneud i weddill Prydain sefyll a sylwi. Mae angen inni ddweud wrth bobl Cymru a thu hwnt fod gennym y penderfyniad a'r gallu i

we believe that they are right for Wales. In some ways it does not matter what we actually do—with the obvious proviso that it does not undermine our overall objectives—as long as we do not just replicate what happens in England by rolling out the same percentages in Wales. We must have what I call impact measures. We will have to match the Chancellor's commitments to the health service, which we have always said we will do.

My group, in particular, has been calling for an increase in the capital programme for a long time. We believe that there should be a greater commitment to the rural economy and to taking pressure off council tax increases. We will debate all of these issues later. I have my own preferred impact measures. I look forward to presenting them: Tir Gofal, perhaps, and tourism. We will all have different ideas as part of the process.

12:00 p.m.

Over the next few months, we will be in the position of having a lot of money to spend, without needing to be concerned about the responsibility for raising it. That has already been done in the first three years by the Chancellor—

Delyth Evans: I am confused about what you are saying, Glyn. Can you clarify whether or not the Welsh Conservative Party welcomes the substantial extra funds for services in Wales, which will result from the settlement?

Glyn Davies: The position of the Conservative Party as declared yesterday, and as I declare it now, is that we need a sustainable increase in public sector spending in Britain and Wales. We are concerned that the Chancellor is concentrating everything on a pre-election splurge. The timing is wrong.

Rosemary Butler: Yes or no?

Glyn Davies: It was a straightforward answer. You were not listening.

wneud pethau'n wahanol am ein bod yn credu eu bod yn iawn i Gymru. Mewn rhai ffyrdd nid oes gwahaniaeth beth a wnawn mewn gwirionedd—ar yr amod amlwg nad yw'n tanseilio ein hamcanion cyffredinol—cyn belled nad ydym yn copïo'r hyn sydd yn digwydd yn Lloegr drwy fynnu cadw at yr un canrannau yng Nghymru. Rhaid inni gael yr hyn a alwaf fi yn fesurau effaith. Bydd yn rhaid i ni roi ymrwymadau sydd yn cyfateb i rai'r Canghellor i'r gwasanaeth iechyd, ac yr ydym wedi dweud erioed y byddem yn gwneud hynny.

Mae fy ngrŵp i, yn arbennig, wedi bod yn galw am gynnydd yn y rhaglen gyfalaf ers amser maith. Credwn y dylai fod mwy o ymrwymiad i economi cefn gwlad ac i dynnu'r pwysau oddi ar godiadau treth gyngor. Byddwn yn trafod yr holl faterion hyn yn ddiweddarach. Mae gennyf fesurau effaith yr wyf fi'n eu ffafrio. Edrychaf ymlaen at eu cyflwyno: Tir Gofal, efallai, a thwristiaeth. Bydd gan bawb ohonom syniadau gwahanol fel rhan o'r broses.

Dros y misoedd nesaf, byddwn yn y sefyllfa o fod â llawer o arian i'w wario, heb orfod poeni am y cyfrifoldeb o'i godi. Gwnaethpwyd hynny eisoes yn y tair blynedd gyntaf gan y Canghellor—

Delyth Evans: Yr wyf wedi drysu ynglŷn â'r hyn yr ydych yn ei ddweud, Glyn. A allwch chi egluro a yw Plaid Geidwadol Cymru yn croesawu'r arian ychwanegol sylweddol i wasanaethau yng Nghymru, a fydd yn deillio o'r setliad hwn, ai peidio?

Glyn Davies: Safbwynt y Blaid Geidwadol fel y'i datganwyd ddoe, ac fel yr wyf fi yn ei ddatgan yn awr, yw bod angen cynnydd cynaliadwy arnom yng ngwariant y sector cyhoeddus ym Mhrydain a Chymru. Yr ydym yn bryderus bod y Canghellor yn canolbwyntio popeth ar wario'n afradlon cyn yr etholiad. Nid yw'r amseru'n iawn.

Rosemary Butler: Ydyw ynteu nac ydyw?

Glyn Davies: Yr oedd yn ateb syml. Nid oeddech yn gwrando.

To some extent, we are in a position of power without having the responsibility of raising the money. There was much to criticise in yesterday's statement. We have already heard some of that criticism from Dafydd Wigley. I am sure that we will hear plenty more from others. However, there is a positive side for the Assembly. Over the next few months, I hope that we have the courage to use this one-off opportunity delivered by the electoral cycle with ingenuity, decisiveness and style. It is time for us to deliver for Wales.

Michael German: It is always a pleasure to speak after Glyn Davies. I had not realised the new definition of social engineering, as he describes it. He has re-engineered himself to become a Conservative in this Chamber when he obviously has aspirations that are not wholly Conservative. I hope that others have spotted that in his contribution.

I also pay tribute to Dafydd Wigley. It was his last speech as President of Plaid Cymru and there is no doubt that his concern for Wales has always been at the forefront of everything he has done; sometimes at the expense of his own health. I pay tribute to him for that.

Today is a time for political realism. We need to draw a line in the sand and take a clear, cool look at this settlement. We need to plan what we must do and how we must move forward. I welcome the debate that we will have in September. It will give us the chance to untangle the web and debate our spending priorities in Wales. We do not yet have all the figures and, like many, we are wary of the spin that has been put on them. For example, the European issue alone has been spun around for the last year at high speed. I am grateful that, at last, it has come to a halt. However, we, like others, cannot locate everything that we need to see in this settlement, but we are glad to have come to a point where we have settled and come to a conclusion with our feet still on the ground.

I ryw raddau, yr ydym mewn sefyllfa o rym heb fod â'r cyfrifoldeb o godi'r arian. Yr oedd llawer i'w feirniadu yn y datganiad ddod. Clywsom beth o'r feirniadaeth honno gan Dafydd Wigley yn barod. Yr wyf yn siŵr y clywn lawer mwy gan eraill. Fodd bynnag, mae yna ochr bositif i'r Cynulliad. Dros y misoedd i ddod, gobeithiaf y byddwn yn ddigon dewr i ddefnyddio'r cynnig unwaith-ac-am-byth a geir yn y cylch etholiadol hwn yn ddyfeisgar, yn bendant a chyda steil. Mae'n bryd i ni gyflawni dros Gymru.

Michael German: Mae bob amser yn bleser siarad ar ôl Glyn Davies. Nid oeddwn wedi sylweddoli beth yw'r diffiniad newydd o ddyfeisio cymdeithasol, fel y mae ef yn ei ddisgrifio. Mae wedi ailddyfeisio ei hun i fod yn Geidwadwr yn y Siambr hon pan fo ganddo mae'n amlwg ddyheadau nad ydynt yn gwbl Geidwadol. Gobeithiaf y bydd eraill wedi sylwi ar hynny yn ei gyfraniad.

Talaf finnau hefyd deyrnged i Dafydd Wigley. Hon oedd ei araith olaf fel Llywydd Plaid Cymru ac nid oes amheuaeth mae ei gonsŷrn am Gymru fu flaenaf ym mhopeth a wnaeth; weithiau ar draul ei iechyd ei hun. Talaf deyrnged iddo am hynny.

Heddiw, rhaid wrth realaeth wleidyddol. Mae angen inni dynnu llinell yn y tywod ac edrych yn ofalus, â meddyliau clir, ar y setliad hwn. Mae angen inni gynllunio'r hyn y mae'n rhaid inni ei wneud a sut y mae'n rhaid inni symud ymlaen. Croesawaf y ddadl a gawn ym mis Medi. Rhydd gyfle inni ddatod y we a thrafod ein blaenoriaethau gwario yng Nghymru. Nid yw'r holl ffigurau gennym eto ac, fel llawer o bobl, yr ydym yn gochel rhag y sbin a roddwyd arnynt. Er enghraifft, mae'r mater Ewropeaidd ei hun wedi cael ei sbinio dros y flwyddyn ddiwethaf ar gyflymdra mawr. Diolchaf iddo am ddod i ben o'r diwedd. Fodd bynnag, fel eraill, ni allwn ganfod popeth y mae angen inni ei weld yn y setliad hwn, ond yr ydym yn falch o fod wedi cyrraedd pwynt setlo a dod i gasgliad gyda'n traed yn dal ar y ddaear.

However, the lack of match funding is a key issue for us, because it will lead to some difficult decisions in this Chamber. We have a substantial increase in our block grant, but this increase is in line with the increases in health, education and other Whitehall departments. The Barnett formula has been applied as it always has. Therefore, Wales has only received its share of the increase in funding—which everyone here accepts is unfair—because of how the formula is adopted. It does not properly represent the needs of the Welsh people.

The match funding will be taken from this pot, which is usually reserved for health, education and other service needs. We have already heard that from Edwina today. There will undeniably and inevitably be less money for Welsh public services than for comparable services in England. The one area that we clearly work this out—

Huw Lewis *rose—*

Michael German: Just let me finish this section, Huw, because it clearly explains from where the money comes.

Education is the one area of the settlement where we can calculate the consequence for Wales as a whole. The consequences are given to us in the Treasury's settlement figures. For example, if we were to apportion the missed match funding for next year—which I estimate to be about £75 million according to the proportion that we currently spend on schools—schools in Wales would receive on average about £5,500 less than their English counterparts. That is equivalent to a teacher who works one or two days a week, who could be used to help reduce class sizes and improve standards. It is also equivalent to six or seven computers. That is why it is important.

Huw Lewis: I read a report recently which said that innumeracy had a more damning effect on our country than illiteracy. Are you not presupposing that the New Deal, the

Fodd bynnag, mae'r diffyg arian cyfatebol yn fater allweddol inni, oherwydd bydd yn arwain at benderfyniadau anodd yn y Siambr hon. Mae gennym gynnydd sylweddol yn ein grant bloc, ond mae'r cynnydd hwn yn unol â'r cynnydd ym maes iechyd, addysg ac adrannau eraill Whitehall. Cymhwyswyd fformwla Barnett yn yr un ffordd ag y gwnaethpwyd erioed. Felly, nid yw Cymru ond wedi derbyn ei chyfran o'r cynnydd mewn cyllid—y mae pawb yma yn derbyn sydd yn annheg—oherwydd y ffordd y mabwysiedir y fformwla. Nid yw'n cynrychioli anghenion pobl Cymru yn iawn.

Cymerir yr arian cyfatebol o'r pot hwn, sydd wedi'i neilltuo fel arfer ar gyfer iechyd, addysg ac anghenion gwasanaeth eraill. Yr ydym eisoes wedi clywed gan Edwina heddiw. Mae'n anochel a diymwad y bydd llai o arian i wasanaethau cyhoeddus Cymru nag i wasanaethau cymharol yn Lloegr. Yr un maes lle gallwn ni fwrw cyfrif o hyn yn glir—

Huw Lewis *a gododd—*

Michael German: Gadewch imi orffen y rhan hon, Huw, oherwydd mae'n egluro'n amlwg o ble y daw'r arian.

Addysg yw'r un maes o'r setliad lle gallwn fwrw cyfrif o'r canlyniad i Gymru gyfan. Rhoddir y canlyniadau inni yn ffigurau setliad y Trysorlys. Er enghraifft, pe baem i ddosrannu'r arian cyfatebol sydd ar goll ar gyfer y flwyddyn nesaf—amcangyfrifaf fod hynny oddeutu £75 miliwn yn ôl y gyfran a wariwn ar ysgolion ar hyn o bryd—byddai ysgolion yng Nghymru ar gyfartaledd yn derbyn tua £5,500 yn llai nag ysgolion cyfatebol yn Lloegr. Mae hynny'n cyfateb i athro sydd yn gweithio ddiwrnod neu ddau yr wythnos, y gellid ei ddefnyddio i leihau maint dosbarthiadau a gwella safonau. Mae hefyd yn cyfateb i chwech neu saith cyfrifiadur. Dyna pam y mae'n bwysig.

Huw Lewis: Darllenais adroddiad yn ddiweddar a ddywedai bod diffyg rhifedd yn cael effaith lawer mwy damniol ar ein gwlad nag anllythrennedd. Onid ydych yn

Lottery, the Welsh Development Agency, the Wales Tourist Board, and, crucially, the private sector are being excluded from the match funding round? Is not that the only way that you can make your figures add up by excluding those agencies from match funding?

Michael German: Of course not. That is not true at all. We are not asking for complete public sector match funding, which must be provided. We ask for the additional match funding, which Wales will have to provide because of the concentration of European resources being applied to it due to Wales's extra needs. As a consequence of that, we should have a formula that recognises and is based upon the needs of Wales. That is what we do not have.

Of course, the Assembly, as I said, may choose to apportion—

Brian Gibbons *rose—*

Michael German: I will come to you in a minute, Brian.

Of course, the Assembly may choose to apportion its block so that schools do not lose out. I want to be clear about that. We have heard already that one of our budgets will lose out. In other words, one of the budgets that we already had in our budget line was bound to lose out. Therefore, without the additional match funding—and it is additional to what we already provide in the system—and because of the concentration of resources, we will have no choice but to take the funding from our current budget.

Val Feld: Can I queue for intervening?

The Presiding Officer: Order. There is no such thing.

Brian Gibbons: Can we take it from that that Mike German's party in Scotland will support a reduction in the Barnett allocation on the basis of need?

Michael German: I am glad that you made

rhagdybio fod y Fargen Newydd, y Loteri, Awdurdod Datblygu Cymru, Bwrdd Croeso Cymru ac, yn holl bwysig, y sector preifat yn cael eu cau allan o'r cylch ariannu cyfatebol? Onid dyna'r unig ffordd y gallwch wneud i'ch ffigurau adio'n gywir drwy gau'r asiantaethau hynny allan o'r arian cyfatebol?

Michael German: Nage wir. Nid yw hynny'n wir o gwbl. Nid ydym yn gofyn am arian cyfatebol llawn, y mae'n rhaid ei ddarparu, o'r sector cyhoeddus. Gofyn a wnawn am yr arian cyfatebol ychwanegol, y bydd yn rhaid i Gymru ei ddarparu am fod cymaint o adnoddau Ewropeaidd yn cael eu cynnig iddi oherwydd anghenion ychwanegol Cymru. O ganlyniad, dylai fod gennym fformwla sydd yn cydnabod hynny ac wedi'i seilio ar anghenion Cymru. Dyna'r hyn sydd ar goll.

Wrth gwrs, gall y Cynulliad, fel a ddywedais, ddewis dosrannu—

Brian Gibbons *a gododd—*

Michael German: Dof atoch mewn munud. Brian.

Wrth gwrs, gall y Cynulliad ddewis dosrannu ei floc fel nad yw ysgolion ar eu colled. Yr wyf am fod yn glir ynglŷn â hynny. Yr ydym eisoes wedi clywed y bydd un o'n cyllidebau ar ei cholled. Mewn geiriau eraill, yr oedd un o'r cyllidebau a oedd gennym eisoes yn llinell y gyllideb yn si'wr o fod ar ei cholled. Felly, heb yr arian cyfatebol ychwanegol—ac y mae'n ychwanegol i'r hyn a ddarparwn ni eisoes yn y system—ac oherwydd y crynhoad adnoddau, ni fydd gennym unrhyw ddewis ond cymryd yr arian o'n cyllideb gyfredol.

Val Feld: A gaf fi giwio i ymyrryd?

Llywydd: Trefn. Nid oes y fath beth.

Brian Gibbons: A gawn ni gymryd o hynny y bydd plaid Michael German yn yr Alban yn cefnogi gostyngiad yn nyroniad Barnett ar sail angen?

Michael German: Yr wyf yn falch ichi

that point because I will refer to the Barnett formula later and the fact that we are the only UK party that has proposed a review of it, as Charles Kennedy announced last Friday. I will provide you with that information later, which I am sure you will be pleased to hear.

Val Feld: I heard you, Mike, yesterday and today, expounding this view of the need for the pot of match funding to be separate and additional to the block grant. I am puzzled. You have run the European social fund programmes and you chair the Objective 3 programme monitoring committee, therefore you know that in education, in particular, the programmes will expand on our current work. The whole notion of European regional development funding and of these kinds of programmes is to seek ways to make the good programmes go much further and be more comprehensive. They must get down to the grass roots and we must find ways of building on them to try out new things. I do not understand why it is a problem that the new money coming in—particularly into further and higher education and additional community education—cannot be used to draw down European money. It is clean and new money. Why is this such a problem?

Michael German: The main problem is that you cannot use European money to fund core baseline services. You cannot fund teachers in schools nor nurses, doctors and hospitals. There is match funding in the system, but the concentration of European resources, which is more powerful in Wales than ever before, must be match funded to make it work. Therefore, there is pressure on our existing budget. I gave the figure of £5,500 for education, because if we applied figures in the range that they were announced in the CSR debate yesterday, that is what we would have to do. We may make alternative choices, but that is the sort of choice that we will have to make to find that sort of match funding.

wneud y pwynt hwnnw oherwydd byddaf yn cyfeirio at fformwla Barnett yn ddiweddarach a'r ffaith mai ni yw'r unig blaid i'r DU gyfan sydd wedi cynnig ei hadolygu, fel y cyhoeddodd Charles Kennedy ddydd Gwener diwethaf. Rhof yr wybodaeth honno'n ddiweddarach ichi, rhywbeth yr wyf yn siŵr y byddwch yn falch o'i glywed.

Val Feld: Clywais chi, Mike, ddoe a heddiw, yn esbonio'r farn bod angen i'r pot hwn o arian cyfatebol fod ar wahân i ac yn ychwanegol at y grant bloc. Yr wyf mewn penbleth. Chi sydd wedi rhedeg rhaglenni cronfa gymdeithasol Ewrop a chi yw cadeirydd pwyllgor monitro'r rhaglen Amcan 3, felly gwyddoch y bydd y rhaglenni, ym maes addysg yn arbennig, yn ehangu ein gwaith presennol. Yr holl syniad wrth wraidd arian datblygu rhanbarthol Ewropeaidd a'r mathau hyn o raglenni yw ceisio ffyrdd o wneud i'r rhaglenni da fynd lawer ymhellach a bod yn fwy cynhwysfawr. Rhaid iddynt gyrraedd llawr gwlad a rhaid inni ganfod ffyrdd o adeiladu arnynt i roi cynnig ar bethau newydd. Nid wyf yn deall pam ei bod yn broblem na ellir defnyddio'r arian newydd sydd yn dod i mewn—yn enwedig i addysg bellach ac uwch ac addysg gymunedol ychwanegol—i dynnu arian Ewropeaidd i lawr. Mae'n arian glân a newydd. Pam fod hyn yn gymaint o broblem?

Michael German: Y broblem bennaf yw na allwch ddefnyddio arian Ewropeaidd i ariannu gwasanaethau gwaelodlin craidd. Ni allwch ariannu athrawon mewn ysgolion nac ychwaith nyrsys, meddygon ac ysbytai. Mae arian cyfatebol yn y system, ond rhaid darparu arian cyfatebol ar gyfer y crynhoad o adnoddau Ewropeaidd, sydd yn fwy grymus yng Nghymru nag erioed o'r blaen, i wneud iddo weithio. Felly, mae pwysau ar ein cyllideb bresennol. Rhoddais y ffigur o £5,500 ar gyfer addysg, oherwydd pe baem yn cymhwyso'r ffigurau yn yr ystod a gyhoeddwyd yn y ddadl ar yr Adolygiad Gwariant ddoe, dyna'r hyn y byddai'n rhaid inni ei wneud. Gallwn wneud dewisiadau amgen, ond dyna'r math o ddewis y bydd yn rhaid inni ei wneud i ganfod arian cyfatebol o'r math yna.

We have already heard of money coming out of budgets. These are Assembly budget lines and we are taking money from them. You may say that that is part of the same purpose. The core of our money is spent on frontline services.

12:10 p.m.

Jane Davidson *rose—*

Michael German: Llywydd, may I continue and come back to take—

The Presiding Officer: I am entirely in your hands.

Michael German: May I make another point and then return to Jane?

The Presiding Officer: Interventions are at the discretion of the speaker. I am only here to keep order.

Michael German: I am being kind and gentle. I would like to take Jane's intervention but I will wait a little longer. Perhaps she would like to intervene when I address the Barnett formula review, which the Liberal Democrats propose.

The first point was about match funding. We recognise that this is a victory for the Assembly. This settlement contains substantially more money. It gives us the ability to spend European money and it breaches the Barnett formula. That is the size of the victory for Rhodri and for the Assembly. The Assembly has opened up this issue for debate. I wonder how many people in Wales would have known what the words 'Objective 1' meant 12 months ago. I do not think that there is a journalist in this land who would have reported it. I wonder whether the mysteries of match funding would have remained a mystery if it had not been for the Assembly. We have managed to raise that issue beyond the parapet and use it.

Transparency may be an aesthetic issue, but it lies at the core of what the Assembly is about. Labour could not have delivered

Clywsom eisoes am arian yn dod allan o gyllidebau. Llinellau cyllideb y Cynulliad yw'r rhain ac yr ydym yn cymryd arian ohonynt. Gallech ddweud bod hynny'n rhan o'r un diben. Gwarir craidd ein harian ar wasanaethau rheng flaen.

Jane Davidson *a gododd—*

Michael German: Lywydd, a gaf i gario ymlaen a dod yn ôl i gymryd—

Y Llywydd: Yr wyf yn eich dwylo chi yn llwyr.

Michael German: A gaf i wneud pwynt arall ac yna ddychwelyd at Jane?

Y Llywydd: Mater i'r siaradwr yw derbyn ymyriadau neu beidio. Nid wyf fi yma ond i gadw trefn.

Michael German: Yr wyf yn bod yn garedig ac addfwyn. Hoffwn gymryd ymyriad Jane ond disgwyliaf ychydig yn hwy. Hwyrach yr hoffai ymyrryd pan gyfeiriaf at adolygu fformwla Barnett, rhywbeth y mae'r Democratiaid Rhyddfrydol yn ei awgrymu.

Yr oedd a wnelo'r pwynt cyntaf ag arian cyfatebol. Cydnabyddwn fod hon yn fuddugoliaeth i'r Cynulliad. Mae'r setliad yn cynnwys cryn lawer mwy o arian. Rhydd inni'r gallu i wario arian Ewropeaidd ac mae'n torri fformwla Barnett. Dyna faint y fuddugoliaeth i Rhodri a'r Cynulliad. Mae'r Cynulliad wedi gwneud y mater hwn yn destun dadl agored. Ys gwn i faint o bobl yng Nghymru fyddai wedi gwybod ystyr y geiriau 'Amcan 1' 12 mis yn ôl. Ni chredaf fod yna newyddiadurwr yn y wlad a fyddai wedi llunio adroddiadau arno. Ys gwn i a fyddai dirgelion arian cyfatebol wedi aros yn ddirgelwch pe na bai am y Cynulliad. Yr ydym wedi llwyddo i godi'r mater uwchlaw'r parapet a'i ddefnyddio.

Efallai mai mater esthetig yw tryloywder, ond mae wrth graidd hanfod y Cynulliad. Ni allai Llafur fod wedi llwyddo heb bwysau o du'r

without pressure from the Assembly as a whole. Perhaps—and Rhodri might like to respond to this—Labour with an overall majority would have been a quiet Labour, with its head down in Wales. We do not know the answer to that. Would Gordon Brown have relegated Wales to back of the queue in his negotiations with spending Ministers? It was inconceivable two years ago that the people of Wales would get the public expenditure survey cover for the European money and breach the Barnett block grant. That is a victory.

Jane Davidson: I want to come in on that point. I thank Mike for welcoming the statement. It is important that the Assembly welcomes large amounts of new money to Wales. We must use the opportunity given to us today. Over the summer while the number crunching continues, and again in the debate on 12 September, we will all have a chance to examine how we use it.

Do you agree that this is the first time in the history of the British Government that the settlement has gone beyond Barnett for structural funds? Do you therefore agree that this is unprecedented and an enormous victory for devolution; for our First Secretary, Rhodri Morgan; for our Finance Secretary, Edwina Hart; and for the Secretary of State for Wales, Paul Murphy, who have argued Wales's case in Government? Do you also agree that this money is extra, over and above the block grant? It gives us a new formula for Wales, which we might wish to call 'Barnett plus' and look to in future years?

Michael German: The Barnett breach is significant and welcome. The pressure is down to the Assembly, because it prioritised this matter. We have treated this as a serious issue at all levels in the Assembly and I welcome it throughout.

Several Assembly Members *rose—*

Michael German: I will give way in a moment. I cannot remember whether I gave way to Brian earlier. I will take interventions in order.

Cynulliad cyfan. Efallai—a hwyrach yr hoffai Rhodri ymateb i hyn—y byddai Llafur gyda mwyafrif drwyddo draw wedi bod yn Llafur dawel, gyda'i phen i lawr yng Nghymru. Ni wyddom yr ateb i hynny. A fyddai Gordon Brown wedi gwthio Cymru i gefn y ciw yn ei negodiadau gyda Gweinidogion sydd yn gwario? Ni ellid bod wedi dychmygu ddwy flynedd yn ôl y byddai pobl Cymru yn cael y ddarpariaeth arolwg gwariant cyhoeddus ar gyfer yr arian Ewropeaidd ac yn torri grant bloc Barnett. Mae hynny yn fuddugoliaeth.

Jane Davidson: Yr wyf am ddod i mewn ar y pwynt hwnnw. Diolchaf i Mike am groesawu'r datganiad. Mae'n bwysig bod y Cynulliad yn croesawu symiau mawr o arian newydd i Gymru. Rhaid inni ddefnyddio'r cyfle a roddir inni heddiw. Dros yr haf tra bydd y crensian rhifau yn parhau, ac eto yn y ddadl ar 12 Medi, bydd cyfle gan bawb ohonom i ystyried sut i'w ddefnyddio.

A ydych yn cytuno mai dyma'r tro cyntaf yn hanes Llywodraeth Prydain i'r setliad fynd y tu hwnt i Barnett ar gyfer cronfeydd strwythurol? A ydych felly'n cytuno bod hon yn fuddugoliaeth hollol newydd ac enfawr i ddatganoli; i'n Prif Ysgrifennydd, Rhodri Morgan; i'n Hysgrifennydd Cyllid, Edwina Hart; ac i Ysgrifennydd Gwladol Cymru, Paul Murphy, sydd wedi dadlau achos Cymru yn y Llywodraeth? A ydych yn cytuno hefyd bod yr arian hwn yn ychwanegol, ar ben y grant bloc? Rhydd inni fformwla newydd i Gymru, y byddem efallai am ei galw'n 'Barnett a mwy' gan droi ati yn y dyfodol?

Michael German: Mae torri fformwla Barnett yn arwyddocaol ac i'w groesawu. O du'r Cynulliad y daeth y pwysau, am iddo roi blaenoriaeth i'r mater hwn. Yr ydym wedi ei drin fel mater difrifol ar bob lefel yn y Cynulliad a chroesawaf ef drwyddo draw.

Sawl Aelod o'r Cynulliad *a gododd—*

Michael German: Ildiaf mewn munud. Ni allaf gofio a ildiais i Brian yn gynharach. Cymeraf yr ymyriadau yn eu trefn.

David Davies: I have a quick intervention.

David Davies: Mae gennyf ymyriad cyflym.

Michael German: I will continue to the end of the paragraph, then perhaps you would like to intervene when I get to the point about the Liberal Democrats being the only UK party that has a proposal for dealing with the Barnett formula.

Michael German: Af ymlaen i ddiwedd y paragraff, yna efallai yr hoffech ymyrryd pan ddof at y pwynt mai'r Democratiaid Rhyddfrydol yw'r unig blaid i'r DU gyfan sydd â chynnig ar gyfer delio â fformwla Barnett.

No region or nation in the UK has ever—and this supplements Jane's point—received its complete European Union grant outside its usual funding sources. That is one of the reasons why the United Kingdom has had such a poor record on structural funds and spending European moneys. By admitting the principle of additionality in this case, Gordon Brown has recognised that there can, and should, be a needs-based augmentation to the Barnett block for Wales.

Nid oes unrhyw ranbarth na chenedl yn y DU erioed—ac mae hyn yn ategu pwynt Jane—wedi derbyn ei grant llawn oddi wrth yr Undeb Ewropeaidd y tu allan i'w ffynonellau cyllido arferol. Dyna un o'r rhesymau pam fod gan y Deyrnas Unedig record mor wael ar gronfeydd strwythurol a gwario arian Ewropeaidd. Drwy addef egwyddor ychwanegedd yn yr achos hwn, mae Gordon Brown wedi cydnabod y gall, ac y dylai, fod ychwanegiad ar sail anghenion at floc Barnett i Gymru.

That is undoubtedly a first step towards reform. I invite you all to read the Liberal Democrats' document that was published last Friday. It notes how to take that reform forward. No other political party in the United Kingdom, which represents the whole of the United Kingdom and not only parts of it, has been able to bring forward a structure that will allow that formula to be put in place. I will now take an intervention by Conservatives and learn how they propose to do it.

Mae hwn yn sicr yn gam cyntaf tuag at ddiwygio. Gwahoddaf bawb ohonoch i ddarllen dogfen y Democratiaid Rhyddfrydol a gyhoeddwyd ddydd Gwener diwethaf. Mae'n nodi sut i fwrw ymlaen â'r diwygio hwnnw. Nid oes unrhyw blaid wleidyddol arall yn y Deyrnas Unedig, sydd yn cynrychioli'r Deyrnas Unedig gyfan yn hytrach na rhannau yn unig ohoni, wedi gallu dod â strwythur ymlaen a fydd yn caniatáu i'r fformwla honno gael ei sefydlu. Yn awr derbyniaf ymyriadau gan y Ceidwadwyr a chlywed sut y maent hwy'n bwriadu gwneud hynny.

David Davies: Do you share my disappointment that so many Labour Members are putting forward interventions that were sent to them in an e-mail this morning from the Office of the Secretary of State for Wales? Do you share my concern that Labour Party Members are reading comments rather than making genuine ones? The Office of the Secretary of State for Wales is putting out propaganda for Labour Members to put forward. Is that not a source of disappointment to you, as it is to me?

David Davies: A ydych yn rhannu fy siom bod cynifer o'r Aelodau Llafur yn cyflwyno ymyriadau a anfonwyd atynt mewn e-bost y bore yma o Swyddfa Ysgrifennydd Gwladol Cymru? A ydych yn rhannu fy mhryder bod Aelodau'r Blaid Lafur yn darllen sylwadau yn hytrach na gwneud rhai diffuant? Mae Swyddfa Ysgrifennydd Gwladol Cymru yn cynhyrchu propaganda i'r Aelodau Llafur ei gyflwyno. Onid yw hynny'n destun siom i chi, fel ag yw i minnau?

Michael German: I note that it has been distributed around the Assembly so

Michael German: Nodaf ei fod wedi'i ddosbarthu o amgylch y Cynulliad fel bod

everybody is looking at copies of it. I can take it on the chin and I can take all kinds of questions that you might want to throw at me. The Conservatives did not answer the principal question of how they as a party, which represents the United Kingdom without any seats in Parliament in Scotland or Wales, propose to change the Barnett formula. How do they propose to take it forward? They are silent on that issue.

We must not forget that this Assembly has achieved a significant victory in squeezing what it has out of Gordon Brown. The Treasury is a net loser in this matter. Having transferred the European grant to us, it loses its right under the Fontainebleau agreement put in place by Mrs Thatcher. That is an enormous incentive to them to hold on to most of it claiming that in reality it is UK taxpayers' money—and I have heard that before—and that it should be spent on UK taxpayers' priorities.

Let us face it. Gordon Brown has come to a decision. Nothing substantive will change now. We can argue about how we share the cake but the likelihood is that the size of the cake is all but fixed for the lifetime of this Assembly. We are in the midst of the Objective 1 period and it is important that we get on with the job and make the best of the settlement that we have won rather than harping from the sidelines.

Now is the time to draw a line in the sand. All the anger, shouting and blame must end as we set about the task of using the additional European resources to make a difference to the economic lives of the people we represent. While we have been sitting here for the last year, the prosperity gap in Wales has been getting worse not better. The gap between England and Wales has grown and not contracted. In the end, if we do not take action to address that now, the National Assembly will be blamed. The reality is that we have not got all the cake that we wanted. However, we have got a substantial slice and we must now work with what we have. We must make it work otherwise we will never convince the people

pawb yn edrych ar gopiâu ohono. Gallaf gymryd hynny'n ddi-gŵyn a gallaf gymryd pob math o gwestiynau yr ydych am eu taflu ataf. Nid atebodd y Ceidwadwyr y prif gwestiwn sef sut y maent hwy fel plaid, sydd yn cynrychioli'r Deyrnas Unedig ond heb unrhyw seddau yn y Senedd yn yr Alban na Chymru, yn bwriadu newid fformwla Barnett. Sut y maent yn bwriadu ei symud yn ei blaen? Maent yn ddistaw ar hynny.

Rhaid inni beidio ag anghofio i'r Cynulliad hwn ennill buddugoliaeth sylweddol yn gwasgu'r hyn a wnaeth allan o Gordon Brown. Mae'r Trysorlys yn colli'n glir yn y mater hwn. Ar ôl trosglwyddo'r grant Ewropeaidd inni, mae'n colli ei hawl o dan gytundeb Fontainebleau a sefydlwyd gan Mrs Thatcher. Mae hynny'n gymhelliad enfawr iddynt i ddal eu gafael ar y rhan fwyaf ohono gan hawlio mai arian trethdalwyr y DU ydyw mewn gwirionedd—ac yr wyf wedi clywed hynny o'r blaen—ac y dylid ei wario ar flaenoriaethau trethdalwyr y DU.

Gadewch inni wynebu hyn. Mae Gordon Brown wedi dod i benderfyniad. Ni fydd dim o sylwedd yn newid eto. Gallwn ddadlau sut i rannu'r gacen ond y tebygrwydd yw bod maint y gacen wedi'i bennu fwy neu lai am oes y Cynulliad hwn. Yr ydym yng nghanol y cyfnod Amcan 1 ac mae'n bwysig ein bod yn bwrw ymlaen â'r gwaith ac yn gwneud y gorau o'r setliad yr ydym wedi'i ennill yn hytrach na rhygnu ymlaen o'r cyron.

Nawr yw'r amser i dynnu llinell yn y tywod. Rhaid i'r holl ddieter, y gweiddi a'r beio ddod i ben wrth inni fwrw ati gyda'r dasg o ddefnyddio'r adnoddau Ewropeaidd ychwanegol i wneud gwahaniaeth i fywydau economaidd y bobl a gynrychiolwn. Tra buom ni'n eistedd yma am y flwyddyn ddiwethaf, bu'r blwch ffyniant yng Nghymru yn gwaethygu, nid gwella. Mae'r bwlch rhwng Lloegr a Chymru wedi tyfu, nid crebachu. Yn y diwedd, os na weithredwn ni i roi sylw i hynny yn awr, y Cynulliad Cenedlaethol gaiff y bai. Y realiti yw na chawsom y gacen gyfan yr oeddem yn ei dymuno. Fodd bynnag, yr ydym wedi cael darn sylweddol a rhaid bellach inni weithio gyda'r hyn sydd gennym. Rhaid inni wneud iddo weithio neu nid

of Wales outside this Assembly that the Assembly was worth having in the first place.

Ron Davies: It is always a great pleasure to follow Mike. We have some interesting discussions in the Economic Development Committee. I listened with great interest to the case that he made for the reform of the Barnett formula. Unfortunately, he has been pre-empted by the actions of the Labour Government. We have now reformed the Barnett formula. We have, as Jane rightly said, 'Barnett plus'. It seems to me that we have the best of both worlds. We now have the security of an agreed population-based formula and we have reached the principle of being able to argue for money on top of that to reflect the particular needs of Wales. I hope that the significant development that we heard yesterday and the principle of additionality to Barnett is something that the Assembly will be able to exploit in the coming years. The settlement—

Peter Black: You expound the virtues of 'Barnett plus'. However, it is not a formula as such. This is a breach on a one-off basis for the Objective 1 money. The Barnett formula is still based on population and not on the actual needs of Wales.

Ron Davies: I understand Peter's point but that is not strictly true. The Barnett formula provides the base expenditure, but the fact that the Treasury has now acknowledged the need for the additional £421 million means that the total allocation that we have in Wales is not now population based. It is 'Barnett plus'.

Yesterday saw a remarkable statement in the House of Commons. I offer my unreserved congratulations to Rhodri and Edwina for their achievements. It is an excellent settlement. When we set down the negotiating limits that we expected them to deliver, nobody seriously expected that we would have a record spending settlement for Wales. We breached the principle. We have extra cover for the European regional development fund expenditure and we have

argyhoeddwn bobl Cymru y tu allan i'r Cynulliad hwn fyth fod y Cynulliad yn werth ei gael yn y lle cyntaf.

Ron Davies: Mae bob amser yn bleser mawr dilyn Mike. Cawn drafodaethau diddorol yn y Pwyllgor Datblygu Economaidd. Gwrandewais gyda diddordeb mawr ar yr achos a wnaeth o blaid diwygio fformwla Barnett. Yn anffodus, mae'r Llywodraeth Lafur wedi achub y blaen arno. Yr ydym bellach wedi diwygio fformwla Barnett. Mae gennym, fel y dywedodd Jane yn gwbl gywir, 'Barnett a mwy'. Mae'n ymddangos i mi fod gennym y gorau o'r ddau fyd. Erbyn hyn mae gennym sicrwydd fformwla seiliedig-ar-boblogaeth y cytunwyd arni ac yr ydym wedi cyrraedd yr egwyddor o allu dadlau o blaid arian ar ben hynny i adlewyrchu anghenion neilltuol Cymru. Gobeithiaf fod y datblygiad arwyddocaol a glywsom ddoe a'r egwyddor o ychwanegedd at Barnett yn rhywbeth y gall y Cynulliad fanteisio arno dros y blynnyddoedd i ddod. Mae'r setliad—

Peter Black: Yr ydych yn traethu ar rinweddau 'Barnett a mwy'. Fodd bynnag, nid fformwla ydyw fel y cyfryw. Mae'n doriad ar sail unwaith-yn-unig ar gyfer arian Amcan 1. Mae fformwla Barnett yn dal wedi'i seilio ar boblogaeth ac nid ar anghenion gwirioneddol Cymru.

Ron Davies: Deallaf bwynt Peter ond nid yw'n hollol gywir. Rhydd fformwla Barnett y gwariant sylfaenol, ond mae'r ffaith fod y Trysorlys wedi cydnabod yr angen am y £421 miliwn ychwanegol yn golygu nad yw'r dyraniad llawn sydd gennym yng Nghymru bellach wedi'i seilio ar y boblogaeth. Mae'n 'Barnett a mwy'.

Ddoe cafwyd datganiad hynod yn Nh[^]y'r Cyffredin. Cynigiaf fy llongyfarchiadau llwyr i Rhodri ac Edwina ar eu llwyddiant. Mae'n setliad rhagorol. Pan osodasom y terfynau negodi y disgwyliem iddynt eu gwireddu, nid oedd neb o ddifrif yn disgwyl y caem setliad gwariant i Gymru na welwyd mo'i debyg o'r blaen. Yr ydym wedi torri'r egwyddor. Mae gennym ddarpariaeth ychwanegol ar gyfer gwariant cronfa datblygu rhanbarthol Ewrop ac mae gennym ddigon o le i symud o fewn y

sufficient room for manoeuvre in the block to meet the match funding requirements. It is a substantial achievement that we should recognise in the context of this highest-ever public spending settlement.

12:20 p.m.

Alun Cairns: Thank you for clarifying a number of uncertainties to many Assembly Members as well as members of the public. However, in your statement you underlined that there is no match funding in addition to the Barnett block grant.

Ron Davies: I did not underline that there is no match funding but I am prepared to debate that point later Alun, if you can contain yourself. *[Laughter.]* I did not mean that pejoratively. If I were being nasty, you would have noticed.

There has been a period of sustained economic growth over the last years and we must pay tribute, at least in part, to the success of the previous Conservative Government in its latter years and the actions of the present Chancellor for steering the economy in the way that he has. Based on Labour in action—which is a drive towards full employment—we have a prospering economy, which means that we have rising tax revenues and falling expenditure on social security. We can reap the benefits from that.

There has been a sustainable improvement. We have low interest rates and we are repaying debts. I acknowledge Dafydd Wigley's point, but it is a question of balance and it seems that the Chancellor yesterday was able to announce debt repayment and record increases in public expenditure. That is a reasonable balance with which most sensible people would concur. In addition to that, there is low inflation, the highest rates of employment that we have ever had, falling rates of economic inactivity, a strong pound and a growing and dynamic economy. All of those things are sustainable. In that context, who can criticise a settlement that gives Wales the security of knowing that we have high and growing levels of public expenditure for three years?

bloc i ateb y gofynion am arian cyfatebol. Mae'n llwyddiant sylweddol y dylem ei gydnabod yng nghyd-destun y setliad gwariant cyhoeddus uchaf-erioed hwn.

Alun Cairns: Diolch ichi am egluro nifer o bethau yr oedd llawer o Aelodau'r Cynulliad yn ogystal ag aelodau'r cyhoedd yn ansicr yn eu cylch. Fodd bynnag, yn eich datganiad tanlinelloch nad oes unrhyw arian cyfatebol yn ychwanegol at grant bloc Barnett.

Ron Davies: Ni thanlinellais nad oes unrhyw arian cyfatebol ond yr wyf yn barod i drafod y pwynt hwnnw'n ddiweddarach, Alun, os gallwch ymatal. *[Chwerthin.]* Ni fwriadwn hynny yn ddifrifol. Pe bawn yn bod yn gas, byddech wedi sylwi.

Cafwyd cyfnod o dwf economaidd cyson dros y blynyddoedd diwethaf a rhaid inni dalu teyrnged, o leiaf yn rhannol, i lwyddiant y Llywodraeth Geidwadol flaenorol yn ei blynyddoedd olaf a gweithredoedd y Canghellor presennol yn llywio'r economi yn y ffordd a wnaeth. O gael Llafur ar waith—sef ymgyrch i sicrhau cyflogaeth lawn—mae gennym economi sydd yn ffynnu, sydd yn golygu bod refeniw treth yn codi a gwariant ar nawdd cymdeithasol yn gostwng. Gallwn fedi manteision hynny.

Cafwyd gwelliant cynaliadwy. Erbyn hyn mae gennym gyfraddau llog isel ac yr ydym yn ad-dalu dyledion. Cydnabyddaf bwynt Dafydd Wigley, ond cwestiwn o gydbwysedd ydyw ac mae'n ymddangos bod y Canghellor ddoe yn gallu cyhoeddi ad-dalu dyledion a chodiadau na welwyd eu bath mewn gwariant cyhoeddus. Mae hynny'n gydbwysedd rhesymol y byddai'r rhan fwyaf o bobl synhwyrol yn cytuno ag ef. Yn ychwanegol at hynny, mae gennym chwyddiant isel, y cyfraddau cyflogaeth uchaf inni eu cael erioed, cyfraddau segurddod economaidd sydd yn disgyn, a phunt gref ac economi deinamig sydd yn tyfu. Mae'r rheiny i gyd yn gynaliadwy. Yn y cyd-destun hwnnw, pwy all feirniadu setliad sydd yn rhoi i Gymru y sicrwydd o wybod bod gennym lefelau uchel

a chynyddol o wariant cyhoeddus am dair blynedd?

The problem in the UK is that not everyone is sharing in the economic prosperity that was generated by this growing economy. For that reason, the developments in yesterday's public spending announcements are particularly relevant. I have not yet seen the detailed figures for the settlement, but I am sure that Edwina will produce them for us unless Phil Williams manages to beat her to it with his little computer. The settlement seems to favour Wales. It is good that wherever there was discretion to be exercised in the application of the Barnett formula, it was exercised in Wales's favour. In addition to that, there is a welcome breaching of the Barnett rules so that the question of the European regional development fund is covered.

Unfortunately, there is some confusion and doubt about the figures. I accept Alun Cairns's point. The existence of that doubt means that there will be questions about confidence and our determination to be able to press ahead with the programmes that we have established. As an Assembly, and a Labour Party, we must acknowledge that some of the insecurities, doubts and lack of certainty have been self-induced. That is hardly surprising in a new institution. We have been insufficiently transparent over the last 12 months, especially on the question of calculating the Barnett formula and how it was applied as well as on the question of European funds. However, we now have such a good case that we do not have to rely on spin nor do we have to rely on obfuscation or the withholding of figures.

I hope, that over the next months, we can have full, detailed and honest figures. I put three points to Edwina or Rhodri Morgan. First, can we now have a detailed table showing how the Barnett formula has been applied in this settlement, showing the comparability factors, demonstrating, as I am sure is the case, that there has been no change from last year to this? If we can have those tables and changes, if there are any, it will resolve many doubts about the merit of

Y broblem yn y DU yw nad yw pawb yn rhannu yn y ffyniant economaidd a grewyd gan yr economi hwn sydd yn tyfu. Am y rheswm hwnnw, mae'r datblygiadau yng nghyhoeddiadau gwariant cyhoeddus ddoe yn neilltuoel o berthnasol. Nid wyf eto wedi gweld ffigurau manwl y setliad, ond yr wyf yn si[^]wr y bydd Edwina yn eu rhoi inni oni lwydda Phil Williams i'w churo gyda'i gyfrifiadur bach. Mae'n ymddangos bod y setliad yn ffafrio Cymru. Pa le bynnag yr oedd disgresiwn i'w gael wrth roi fformwla Barnett ar waith, da yw gweld iddo gael ei arddel o blaid Cymru. Yn ychwanegol at hynny, croesewir y ffaith bod rheolau Barnett wedi'u torri fel bod darpariaeth ar gyfer cwestiwn cronfa datblygu rhanbarthol Ewrop.

Yn anffodus, mae peth dryswch ac ansicrwydd ynglŷn â'r ffigurau. Derbyniat bwynt Alun Cairns. Mae bodolaeth yr ansicrwydd hwnnw yn golygu y bydd cwestiynau ynglŷn â hyder a'n penderfyniad i allu bwrw ymlaen â'r rhaglenni yr ydym wedi'u sefydlu. Fel Cynulliad, a Phlaid Lafur, rhaid inni gydnabod peth o'r ansicrwydd, yr amheuron a'r diffyg pendantrwydd yr ydym wedi eu dwyn arnom ein hunain. Prin fod hynny'n syndod mewn sefydliad newydd. Ni fuom yn ddigon tryloyw dros y 12 mis diwethaf, yn enwedig ar gwestiwn cyfrifo fformwla Barnett a'r ffordd y câi ei defnyddio yn ogystal ag ar gwestiwn y cronfeydd Ewropeaidd. Fodd bynnag, mae gennym bellach y fath achos da fel nad oes raid inni ddibynnu ar sbin nac ychwaith ar gymylu ffigurau na'u dal yn ôl.

Gobeithiaf, dros y misoedd nesaf, y gallwn gael ffigurau llawn, manwl a gonest. Holaf dri phwynt i Edwina neu Rhodri Morgan. Yn gyntaf, a allwn yn awr gael tabl manwl yn dangos sut y defnyddiwyd fformwla Barnett yn y setliad hwn, yn dangos y ffactorau cymharedd, gan amlygu, fel sydd yn wir yr wyf yn si[^]wr, na fu unrhyw newid o'r llynedd i'r flwyddyn hon? Os gallwn ni gael y tablau a'r newidiadau hynny, os oes rhai, bydd yn datrys llawer o'r amheuron yngl[^]yn â

the Barnett settlement.

Second, we need greater clarification on the statement of the £421 million made available to cover European expenditure. We need to know how that money was calculated, where the figure of £421 million came from, and what it covers. We need to know how much overhang exists from the European social fund, which is now our responsibility. This is a very welcome transfer of responsibility. I hope, Edwina, that we have the funds to administer it. I say that because, two years ago, I was not prepared to accept the transfer of ESF unless we were able to have that money. We need to know what the effect of the ESF transfer will be on our existing European regional development fund programmes. We also need to know what the shortfall will be, that is the European expenditure that will not be met as a result of this £421 million.

I am sure that if this information is put into the public domain it will not give any grounds for further criticism, but it will give us clarity. We will know exactly what we have to do. We will be able to move on confidently to the third question, which is the question of match funding. I accept that there is no separate pot for match funding; I do not think that anybody has argued that. Certainly we all had that aspiration. I shared it with Rhodri, Edwina and everybody else, because we all voted for it when we debated it earlier this year. I am sure that that was the basis of the submission that was made to the Treasury.

However, everybody realises that you must pitch as high as possible when negotiating, and you must be content if you get 75 or 80 per cent in those negotiations. If we are honest, that is our position now. We pitched as high as possible. I assume that Rhodri and Edwina pitched for full public expenditure survey cover, for European expenditure, and for full match funding. They came back with two out of three objectives, with a very good settlement—which breaches Barnett for the first time—as a cover for that European

rhinweddau setliad Barnett.

Yn ail, mae angen mwy o eglurhad arnom ar y datganiad am y £421 miliwn sydd ar gael fel darpariaeth ar gyfer gwariant Ewropeaidd. Mae angen inni wybod sut y cafodd yr arian hwnnw ei gyfrifo, o ble y daeth y ffigur o £421 miliwn, a darpariaeth ar gyfer beth ydyw. Mae angen inni wybod faint yw'r trosgrog o gronfa gymdeithasol Ewrop, sydd yn gyfrifoldeb arnom ni erbyn hyn. Mae'n drosoglwyddo cyfrifoldeb sydd i'w groesawu'n fawr. Gobeithiaf, Edwina, fod gennym yr arian i'w weinyddu. Dywedaf hynny oherwydd, ddwy flynedd yn ôl, nid oeddwn yn barod i dderbyn trosglwyddo cronfa gymdeithasol Ewrop oni allem gael yr arian hwnnw. Mae angen inni wybod beth fydd effaith y trosglwyddiad ar ein rhaglenni presennol o dan gronfa datblygu rhanbarthol Ewrop. Mae angen hefyd inni wybod faint fydd y diffyg, hynny yw y gwariant Ewropeaidd nas telir o ganlyniad i'r £421 miliwn hwn.

Pe câi'r wybodaeth hon ei gwneud yn eiddo cyhoeddus, yr wyf yn siŵr na fydd yn rhoi sail i unrhyw feirniadaeth bellach, ond fe rydd eglurder inni. Fe wyddom yn union beth y mae'n rhaid inni ei wneud. Gallwn symud yn hyderus at y trydydd cwestiwn, sef cwestiwn arian cyfatebol. Derbyniaf nad oes pot ar wahân o arian cyfatebol; ni chredaf fod unrhyw un wedi dadlau hynny. Yn sicr, dyna oedd dyhead pawb ohonom. Rhannwn hynny â Rhodri, Edwina a phawb arall, oherwydd pleidleisiodd pawb ohonom o blaid hynny yn ein dadl ar y pwnc yn gynharach eleni. Yr wyf yn siŵr mai dyna sail y cais a wnaethpwyd i'r Trysorlys.

Fodd bynnag, mae pawb yn sylweddoli bod yn rhaid anelu cyn uchod â phosibl wrth negodi, a bod yn rhaid bodloni os cewch chi 75 neu 80 y cant yn y negodiadau hynny. Os ydym yn onest, dyna ein sefyllfa yn awr. Anelsom cyn uchod â phosibl. Yr wyf yn cymryd i Rhodri ac Edwina anelu am ddarpariaeth arolwg gwariant cyhoeddus lawn, am wariant Ewropeaidd, ac arian cyfatebol llawn. Daethant yn ôl gyda dau o'r tri amcan, gyda setliad da iawn—sydd yn torri fformwla Barnett am y tro cyntaf—fel

expenditure, and a record public-sector settlement. This is better than anybody could have reasonably hoped.

Within this settlement we have sufficient flexibility to deal with the question of match funding. I am sure that everybody is dissatisfied that we did not get 100 per cent of what we wanted, but we should not be churlish and criticise people for achieving 80 or 90 per cent of what we sent them to achieve.

The third point is that you need to deal with the matter of match funding. You gave us useful information, earlier today. However, I hope now that you can negotiate with your colleagues in the Cabinet and indicate where you see that match funding coming from over the next three years. In particular it would be helpful if you could identify where match funding is already in the system, because I hope that if we can deal with those matters over the coming two or three years, we can then concentrate on the real issues.

I will mention my namesake, Glyn Davies, briefly. I am grateful for the period of light entertainment that you gave us, Glyn, in your remarks. I was not sure whether you were castigating the Labour Party for extravagant expenditure, or whether you were chiding us for not spending enough. However, you mentioned Tir Gofal, tourism, the rural economy, public services and match funding for Europe in the same breath as you were castigating us for being profligate.

I think that the Conservative Party has a difficulty on this issue. They refused to make a submission for Objective 1 in 1992. In that year the Conservative Party reached an agreement with Europe, which the Chancellor of the Exchequer broke yesterday. That agreement—made by the Conservative Government with Europe in 1992—refused to acknowledge the need for additional money for Wales to meet the

darpariaeth ar gyfer y gwariant Ewropeaidd hwnnw, a setliad sector cyhoeddus na welwyd mo'i debyg. Mae hynny'n well nag y gallai neb fod wedi gobeithio amdano yn rhesymol.

O fewn y setliad hwn mae gennym ddigon o hyblygrwydd i ddelio â'r cwestiwn o arian cyfatebol. Yr wyf yn siŵr bod pawb yn anfonlon na chawsom yr hyn yr oeddem yn ei ddymuno 100 y cant, ond ni ddylem fod yn grintachlyd a beirniadu pobl am gyflawni 80 neu 90 y cant o'r hyn yr anfonasom hwy i'w gyflawni.

Y trydydd pwynt yw bod angen ichi ddelio â mater arian cyfatebol. Rhoddasoch wybodaeth ddefnyddiol inni, yn gynharach heddiw. Fodd bynnag, gobeithiaf yn awr y gallwch drafod gyda'ch cyd-Aelodau yn y Cabinet a nodi o ble y gwelwch chi'r arian cyfatebol hwnnw yn dod dros y tair blynedd nesaf. Yn arbennig, byddai'n ddefnyddiol pe gallech ddangos ym mhle y mae arian cyfatebol yn y system yn barod, oherwydd fy ngobaith i yw os gallwn ddelio â'r materion hynny dros y ddwy i dair blynedd i ddod, y gallwn wedyn ganolbwyntio ar yr ystyriaethau go iawn.

Soniaf yn fyr am yr Aelod sydd â'r un cyfenw â mi, Glyn Davies. Yr wyf yn ddiolchgar am y cyfnod o adloniant ysgafn a roddasoch inni, Glyn, yn eich sylwadau. Nid oeddw'n yn siŵr a oeddech yn ceryddu'r Blaid Lafur am wariant gwastraffus, ynteu yn ein dwrdio am beidio â gwario digon. Fodd bynnag, soniasoch am Tir Gofal, twristiaeth, economi cefn gwlad, gwasanaethau cyhoeddus ac arian cyfatebol Ewropeaidd yn yr un gwynt ag yr oeddech yn ein ceryddu am fod yn wastraffus.

Credaf fod gan y Blaid Geidwadol anhawster ar y mater hwn. Gwrthodasant wneud cais am Amcan 1 yn 1992. Y flwyddyn honno lluniodd y Blaid Geidwadol gytundeb gydag Ewrop, a dorrwyd gan Ganghellor y Trysorlys ddod. Yr oedd y cytundeb hwnnw—a wnaethpwyd gan y Llywodraeth Geidwadol gydag Ewrop yn 1992—yn gwrthod cydnabod yr angen am arian ychwanegol i Gymru i gyflawni gofynion

requirements of European funding. The Labour Party has righted that injustice. Everyone rejoices when sinners repent, but I hoped for a little more humility and modesty from you, Glyn, in your speech and an acknowledgement of this great achievement on the part of the Labour Party. Even if it was not sufficient for you, you could have acknowledged the achievement and then urged us to go a little further. Your difficulty, as a party, is that you are unable to reconcile the freedom that you have in Wales to ask for the moon, with the constraints that are placed on you by your leadership in London who are saying that the expenditure is unwarranted and unjustified.

As a Conservative Party, if you hope to come to terms with this new form of government that we have with devolution, and if you aspire to continue to be a party of the United Kingdom, you must learn to reconcile your needs here in Wales with the disciplines imposed on you in London. That is a New Labour message, and I am always happy—as you know—to pass on the New Labour message.

Glyn Davies: I want to clarify the position for Ron, because he was clearly sufficiently entertained not to listen to everything I said. The Conservative Party's position, which is perfectly clear at Westminster and as clear here, is that we believe that there should be an increase in public spending. That has been our view all along. We are concerned about how the current Labour Government is focusing all its public spending in one splurge just before a general election and that it will not be spent wisely.

12:30 p.m.

Ron Davies: Your message is that public expenditure increases under the Conservative Party are good but such increases under the Labour Party are bad. I do not think that we can approach this debate on that basis. Unfortunately, Plaid Cymru does not have the difficulty of resolving the needs of London and Cardiff. It is easy for it. It can set its own policy. I have been thinking how

arian Ewropeaidd. Mae'r Blaid Lafur wedi unioni'r anghyfiawnder hwnnw. Mae pawb yn llawenhau pan fo pechaduriaid yn edifarhau, ond gobeithiwn am ychydig mwy o ostyngeddrwydd a gwyleidd-dra gennych, Glyn, yn eich araith a chydabyddiaeth o'r cam mawr hwn a gyflawnwyd gan y Blaid Lafur. Hyd yn oed os nad oedd yn ddigonol ichi, gallech fod wedi cydnabod yr hyn a gyflawnwyd a'n hannog wedyn i fynd ychydig ymhellach. Eich anhawster, fel plaid, yw na allwch gysoni'r rhyddid sydd gennych yng Nghymru i ofyn am y lleud, gyda'r cyfyngiadau a roddir arnoch gan eich arweinyddiaeth yn Llundain sydd yn dweud na ellir amddiffyn na chyfiawnhau'r gwariant.

Fel Plaid Geidwadol, os ydych yn gobeithio dod i delerau â'r math newydd hwn o lywodraeth sydd gennym yn sgîl datganoli, ac os ydych am barhau i fod yn blaid i'r Deyrnas Unedig, rhaid ichi ddysgu cysoni eich anghenion yma yng Nghymru gyda'r ddisgyblaeth a orfodir arnoch yn Llundain. Un o negeseuon Llafur Newydd yw hon, ac yr wyf bob amser yn falch—fel y gwyddoch—o drosglwyddo neges Llafur Newydd.

Glyn Davies: Hoffwn egluro'r sefyllfa er mwyn Ron, oherwydd yr oedd yn amlwg wedi'i ddifyrru ddigon i beidio â gwrando ar bopeth a ddywedais. Safbwynt y Blaid Geidwadol, sydd yn gwbl glir yn San Steffan ac yr un mor glir yma, yw ein bod ni'n credu y dylai fod cynnydd mewn gwariant cyhoeddus. Dyna fu ein barn ar hyd yr amser. Yr ydym yn pryderu at y ffordd y mae'r Llywodraeth Lafur bresennol yn canolbwyntio ei holl wariant cyhoeddus ar un ymgyrch wario afradlon cyn etholiad cyffredinol ac na chaiff ei wario'n ddoeth.

Ron Davies: Eich neges yw bod codiadau mewn gwariant cyhoeddus o dan y Blaid Geidwadol yn dda ond bod codiadau felly o dan y Blaid Lafur yn ddrwg. Ni chredaf y gallwn ymdrin â'r ddadl hon ar y sail honno. Yn anffodus, nid oes gan Blaid Cymru yr anhawster o ddatrys anghenion Llundain a Chaerdydd. Mae'n hawdd iddi. Gall osod ei pholisi ei hun. Bûm yn meddwl am y ffordd

best to describe that policy. It seems that it is arguing for higher levels of public expenditure in Wales, funded by tax increases in England. That has the virtue of simplicity, I will grant you that, but it lacks credibility. I do not want to intrude on private grief, particularly when the party is trying to resolve whether it actually believes, not in independence—it has never believed in independence—but on whether it wants full national status, self-determination or European state status. I would be delighted if somebody could explain how you reconcile the policy of high levels of public expenditure in Wales funded by England with a relationship with the rest of the UK, which somewhat divorces—

orau o ddisgrifio'r polisi hwnnw. Ymddengys ei bod yn dadlau o blaid lefelau uwch o wariant cyhoeddus yng Nghymru, wedi'u cyllido gan godiadau treth yn Lloegr. Mae i hynny'r rhinwedd o fod yn syml, yr wyf yn cyfaddef, ond nid oes iddo hygrededd. Nid wyf am ymyrryd mewn galar preifat, yn enwedig pan fo'r blaid yn ceisio penderfynu a yw mewn gwirionedd yn credu, nid mewn annibyniaeth—nid yw erioed wedi credu mewn annibyniaeth—ond a yw am gael statws cenedlaethol llawn, hunanbenderfyniad ynteu statws gwladwriaeth Ewropeaidd. Byddwn wrth fy modd pe gallai rhywun egluro sut mae cysoni'r polisi o lefelau gwariant cyhoeddus uchel yng Nghymru wedi'u cyllido gan Lloegr gyda pherthynas gyda gweddill y DU, sydd rywsut yn ysgaru—

Cynog Dafis: A ddywed Ron, felly, bod Cymru yn ei hanfod yn wlad dlawd a dibynnol ac na all fyth fod mewn sefyllfa lle y gall sefyll ar ei thraed ei hun yn ariannol?

Cynog Dafis: Is Ron saying, therefore, that Wales in essence is a poor and dependent country and that it will never be in a position where it could stand on its own two feet financially?

Ron Davies: I am not saying that at all. I understand the approach that Cynog brings to this debate. A genuine debate will be held over the years on how the relationship between Wales and the rest of the United Kingdom develops. That will take place in the context of a developing Europe. I understand that. I have no hesitation in agreeing with Cynog that in 10 years' time the relationship that exists within the United Kingdom and within Europe will be different to the relationship that existed on Tuesday this week. I would go as far as to say that the relationships that exist today with the rest of the United Kingdom are different to what they were on Wednesday by virtue of the decisions taken yesterday in breaking the Barnett formula. That is all part of the process of devolution. It is a process not an event, as you know.

Ron Davies: Nid wyf yn dweud hynny o gwbl. Yr wyf yn deall yr ymdriniaeth y mae Cynog yn ei thywys i'r ddadl. Caiff dadl ddifffuant ei chynnal dros y blynyddoedd ar sut y mae'r berthynas rhwng Cymru a gweddill y Deyrnas Unedig yn datblygu. Fe'i cynhelir yng nghyd-destun Ewrop sydd yn datblygu. Deallaf hynny. Nid wyf yn petruso rhag cytuno â Cynog y bydd y berthynas sydd yn bodoli o fewn y Deyrnas Unedig ac o fewn Ewrop ym mhen 10 mlynedd yn wahanol i'r berthynas a fodolai ddydd Mawrth yr wythnos hon. Byddwn yn mynd cyn belled â dweud bod y perthnasau sydd yn bodoli heddiw gyda gweddill y Deyrnas Unedig yn wahanol i'r hyn oeddynt ddydd Mercher yn sgîl y penderfyniadau a wnaethpwyd ddoe wrth dorri fformwla Barnett. Mae hynny i gyd yn rhan o broses datganoli. Proses ydyw nid digwyddiad, fel y gwyddoch.

The point that I want to make as I move toward my conclusion is that Plaid Cymru has a long and honourable record of arguing for fairness and social justice for Wales, but you cannot have fairness and social justice

Y pwynt yr wyf am ei wneud wrth ddirwyn i ben yw bod gan Blaid Cymru hanes hir ac anrhydeddus o ddadlau o blaid tegwch a chyfiawnder cymdeithasol i Gymru, ond na allwch gael tegwch a chyfiawnder

for Wales if Wales is not part of the UK. We must try to resolve this matter within the Assembly.

My conclusion is that this is a very good settlement for Wales. We must now get on with the task of using these resources. I think that the fact that we have breached Barnett and that we now have 'Barnett plus' and this exceptional settlement is a significant step in this Assembly's development. We now have a settlement that gives us the basis of ensuring a fairer distribution of resources within the context of the United Kingdom. Fairness and social justice being extended to Wales is what the Labour Party is all about in the context of Wales in the United Kingdom. It gives us the opportunity for greater economic prosperity and a greater measure of social justice. Those are objectives that all of us in the Assembly wish to share.

Phil Williams: I have come to the front of the Chamber to speak because there might be interventions. I do not know whether, as a member of Plaid Cymru—The Party of Wales, I should add my tribute to Dafydd Wigley, but I will say this. In many ways—more than I can possibly describe—if it were not for Dafydd I would not be here today. I am eternally grateful to him for one of the greatest privileges in my life.

I will start with a paradox. The most surprising thing about the spending review statement yesterday is that it did not come as a surprise. The announcement followed exactly the proposals contained in a letter that I received from Rhodri a month ago. At the time, I worried that this might be a leak preparing us for Gordon Brown's announcements, but Rhodri assured us that he was as much in the dark as we were. The alternative, rather worrying explanation is that we got all that we asked for. If that is less than we need, perhaps the problem was poverty of aspiration.

I will give the background. Six weeks ago, I prepared a paper for the Economic Development Committee on what I thought

cymdeithasol i Gymru onid yw Cymru yn rhan o'r DU. Rhaid inni geisio datrys y mater hwn o fewn y Cynulliad.

Deuthum i'r casgliad bod hwn yn setliad da iawn i Gymru. Rhaid inni yn awr fwrw ymlaen â'r dasg o ddefnyddio'r adnoddau hyn. Credaf fod y ffaith inni dorri Barnett a bod gennym bellach 'Barnett a mwy' a'r setliad eithriadol hwn yn gam o bwys yn natblygiad y Cynulliad. Mae gennym bellach setliad sydd yn rhoi inni sylfaen ar gyfer sicrhau dosbarthiad tecach o adnoddau yng nghyd-destun y Deyrnas Unedig. Estyn tegwch a chyfiawnder cymdeithasol i Gymru yw hanfod y Blaid Lafur yng nghyd-destun Cymru o fewn y Deyrnas Unedig. Rhydd gyfle inni i gael mwy o ffyniant economaidd a mwy o gyfiawnder cymdeithasol. Dyna'r amcanion y mae pawb ohonom yn y Cynulliad am eu rhannu.

Phil Williams: Yr wyf wedi dod i flaen y Siambr i siarad am y gallai fod ymyriadau. Ni wn a ddylwn i, fel aelod o Blaid Cymru—The Party of Wales, ychwanegu fy nheyrnged innau i Dafydd Wigley, ond yr wyf am ddweud hyn. Mewn llawer ffordd—mwy nag y mae'n bosibl i mi eu disgrifio—pe na bai am Dafydd ni fyddwn yma heddiw. Yr wyf yn fythol ddiolchgar iddo am un o freintiau mwyaf fy mywyd.

Dechreuaf gyda pharadocs. Y peth mwyaf annisgwyl am y datganiad ar yr adolygiad gwariant ddoe yw nad oedd yn annisgwyl. Yr oedd y cyhoeddiad yn dilyn yn union y cynigion a gynhwyswyd mewn llythyr a dderbyniais oddi wrth Rhodri fis yn ôl. Ar y pryd, yr oeddwn yn poeni mai gwybodaeth wedi'i rhyddhau'n fwriadol i'n paratoi ar gyfer cyhoeddiadau Gordon Brown oedd, ond rhoddodd Rhodri ei air inni ei fod gymaint yn y tywyllwch â ninnau. Yr esboniad arall, sydd yn peri dipyn o bryder, yw inni gael popeth y gofynasom amdano. Os yw hynny'n llai na'r hyn sydd ei angen arnom, efallai mai'r broblem yw tloedi o ran dyhead.

Rhoddaf y cefndir. Chwe wythnos yn ôl, paratois bapur i'r Pwyllgor Datblygu Economaidd ar yr hyn a dybiwn i oedd y

was the extra budget that the Assembly needed to support Objectives 1, 2 and 3 and the community initiatives. This was not rocket science, just simple addition. I added up the figures from the financial tables in the single programming document. I calculated that we needed an average of £250 million a year on top of the Barnett block to support the full European programme—£190 million of European money and £60 million to cover extra match funding. That figure was not a first bid designed to be bargained down in the style of a merchant in a souk. The bargaining was to be done in London. It was a careful estimate of the supplement required for full implementation of the European funds without taking money from other budgets. Rhodri gave a detailed response to my paper with an alternative calculation that estimated that we needed £86 million a year to cover the European component and that there was no need for a substantial component of extra match funding. That was very close to yesterday's announcement.

The real difference between £250 million a year and Rhodri's £86 million is not as great as that. I assumed that the European social fund money would be transferred from the Department for Education and Employment and Rhodri did not include it in his initial calculations.

Huw Lewis: Thank you, Phil. We are already thrilling to your detailed statistics. I want to ask you a simple question. In a self-governing, semi-independent, European nation state type Wales, modelled on Denmark, how would you, as the economic spokesperson for Plaid Cymru, have matched the European funding?

Phil Williams: I am glad that Huw asked that. He is working on my behalf. Had we been in that position, with full national status, we would have had cohesion funds, which are considerable. Also, the formula-driven way of giving European funding, which is based not only on population and the GDP of the area, but also on the GDP of the nation state, would have given us a much larger sum. We would have had about the

gyllideb ychwanegol yr oedd ei hangen ar y Cynulliad i gefnogi Amcan 1, 2 a 3 a'r cynlluniau cymunedol. Nid gwyddoniaeth rocedi mo hynny, ond adio syml. Adiais y ffigurau o'r tablau ariannol yn y ddogfen rhaglennu sengl. Cyfrifais fod angen £250 miliwn y flwyddyn arnom ar gyfartaledd ar ben y bloc Barnett i gynnal y rhaglen Ewropeaidd lawn—£190 miliwn o arian Ewropeaidd a £60 miliwn fel arian cyfatebol ychwanegol. Nid cais cyntaf i gael ei fargeinio i lawr fel y byddai masnachwr mewn souk yn ei wneud oedd y ffigur hwnnw. Yn Llundain y câi'r bargeinio ei wneud. Yr oedd yn amcangyfrif gofalus o'r atodiad a oedd yn ofynnol er mwyn defnyddio'r arian Ewropeaidd yn llawn heb gymryd arian o gyllidebau eraill. Rhoddodd Rhodri ymateb manwl i'm papur gyda chyfrifiad amgen fod angen £86 miliwn y flwyddyn arnom gogyfer â'r elfen Ewropeaidd ac nad oedd unrhyw angen elfen sylweddol o arian cyfatebol ychwanegol. Yr oedd hynny'n agos iawn i'r cyhoeddiad ddoe.

Nid yw'r gwir wahaniaeth rhwng £250 miliwn y flwyddyn ac £86 miliwn Rhodri mor fawr â hynny. Rhagdybiais y câi arian cronfa gymdeithasol Ewrop ei drosglwyddo o'r Adran Addysg a Chyflogaeth ac ni chynhwysodd Rhodri ef yn ei gyfrifiadau cychwynnol.

Huw Lewis: Diolch, Phil. Mae eich ystadegau manwl yn ein gwefreiddio'n barod. Hoffwn ofyn cwestiwn syml ichi. Mewn Cymru ymreolus, led-annibynnol ar ffurf cenedl-wladwriaeth Ewropeaidd, wedi'i modelu ar Ddenmarc, sut y byddech chi, fel llefarydd economaidd Plaid Cymru, wedi darparu arian cyfatebol ar gyfer yr arian Ewropeaidd?

Phil Williams: Yr wyf yn falch i Huw ofyn hynny. Mae'n gweithio ar fy rhan. Pe baem wedi bod yn y sefyllfa honno, gyda statws cenedlaethol llawn, byddai gennym gronfeydd cydlynad, sydd yn sylweddol. Hefyd, byddai'r ffordd y rhoddir arian Ewropeaidd, sydd yn cael ei gyrru gan fformwlâu wedi'u seilio nid yn unig ar boblogaeth a chynnyrch mewnwladol crynswth yr ardal, ond hefyd ar gynnyrch

same amount as Ireland. Therefore, the total European funding would have been about three times as much.

Brian Gibbons: The question still remains, except that you would probably have to have two to three times as much match funding. Where will that 200 or 300 per cent increase come from? We are talking about approximately £15 billion.

Phil Williams: Ireland decided that in order to have the most remarkable economic growth that Europe has ever seen, it would have a period of higher taxation. It did that as a community in order to achieve a faster growth rate and to bring in the extra money.

Brian Gibbons: Why did the trade union movement mass on the streets in hundreds of thousands throughout most of the 1980s, to protest against these massive tax increases? If your message is that you are going to do the same in Wales, what has happened to the trade union movement in Ireland?

Phil Williams: If, at the end of a programme of full national status, Wales had a GDP per head well above the European average, we would feel that it had been a success.

Let us return to the transfer of the European social fund. Gordon Brown would have been foolish not to transfer the money because it boosts the Welsh budget by £50 million a year without costing the Treasury a penny. It is desirable and it was originally agreed in principle in 1997. I welcome it. I assumed that this money would be transferred and it has. Therefore, Rhodri's £86 million was really £136 million, which is close to the £142 million a year that Gordon Brown has allocated to cover the European component to structural funds for 2001-04.

mewnwladol crynswth y genedl-wladwriaeth, wedi rhoi swm llawer mwy inni. Byddem wedi cael yr un swm ag Iwerddon yn fras. Felly, byddai cyfanswm y cyllid Ewropeaidd wedi bod tua thair gwaith yn fwy.

Brian Gibbons: Mae'r cwestiwn yn dal i sefyll, dim ond y byddai'n rhaid ichi mae'n debyg gael dwy i dair gwaith cymaint o arian cyfatebol. O ble y daw'r cynnydd hwnnw o 200 neu 300 y cant? Yr ydym yn sôn am oddeutu £15 biliwn.

Phil Williams: Er mwyn cael y cyfnod mwyaf hynod o dwf economaidd a welodd Ewrop erioed, penderfynodd Iwerddon gael cyfnod o drethi uwch. Gwnaeth hynny fel cymuned er mwyn cyflawni cyfradd twf gyflymach a dod â'r arian ychwanegol i mewn.

Brian Gibbons: Pam y bu mudiad yr undebau llafur yn ymgasglu ar y strydoedd mewn cannoedd o filoedd drwy'r rhan fwyaf o'r 1980au, i brotestio yn erbyn y codiadau treth enfawr hyn? Os mai eich neges yw eich bod yn mynd i wneud yr un fath yng Nghymru, beth sydd wedi digwydd i fudiad yr undebau llafur yn Iwerddon?

Phil Williams: Pe bai gan Gymru, ar ddiwedd rhaglen o statws cenedlaethol llawn, gynnyrch mewnwladol crynswth y pen sydd gryn dipyn yn uwch na'r cyfartaledd Ewropeaidd, byddem yn teimlo iddo fod yn llwyddiant.

Gadewch inni ddod yn ôl at drosglwyddo cronfa gymdeithasol Ewrop. Byddai Gordon Brown wedi bod yn ffôl i beidio â throsglwyddo'r arian oherwydd mae'n rhoi hwb o £50 miliwn y flwyddyn i gyllideb Cymru heb gostio ceiniog i'r Trysorlys. Mae i'w ddymuno a chytunwyd ar yr egwyddor yn wreiddiol yn 1997. Croesawaf ef. Yr oeddwn wedi cymryd y câi'r arian hwn ei drosglwyddo ac y mae. Felly, yr oedd £86 miliwn Rhodri yn £136 miliwn mewn gwirionedd, sydd yn agos at y £142 miliwn y flwyddyn y mae Gordon Brown wedi'i ddarparu i ddarparu ar gyfer elfen Ewropeaidd y cronfeydd strwythurol yn 2001-04.

Alun Cairns: In relation to your comments on the ESF, do you agree that all Gordon Brown did yesterday was follow through William Hague's commitment when he was Secretary of State for Wales?

12:40 p.m.

Phil Williams: It was in January 1997, and yes, I have forgotten his name. Hague: that was the man. To return to the statistics, Rhodri calculated his figure over the whole nine years of Objective 1, including the present year of 2000-01. However, in the present settlement, we get nothing for the first year. Over the period of four and a quarter years of Objective 1 covered by the comprehensive spending review, we get an average of £105 million a year. I stick to my figure of £190 million to cover the European component. There will be some rocket science now. If you add the figures to the period, it is a much higher figure. If we add the annual budgets of Objective 1, 2 and 3 up to March 2004, the total is £800 million. Adding the £175 million of overhang from previous Objective programmes, the total is £975 million and that is to be compared with the £420 million we have been allocated for that period. Once again—[*Interruption.*]

The Presiding Officer: Order. We heard the Finance Secretary in comparative peace.

Phil Williams: The difference is not quite as large as it appears because spending is allowed to be spread over the two years following the commitment. I have created a year-by-year profile. My assumption—and this is important—is that once a project in Objective 1, 2 or 3 has been approved, the spending starts fairly soon and is spread evenly over the whole period. If that is done, the total required for the period up to March 2004 is £770 million, which is £190 million a year. I stick to that figure. I was at the briefing with Edwina and her officials this morning and they gave me their calculations, which showed how they assumed the spending would proceed. The average for

Alun Cairns: Ynglŷn â'ch sylwadau ar gronfa gymdeithasol Ewrop, a ydych yn cytuno mai'r cyfan a wnaeth Gordon Brown ddoe oedd cadw at ymrwymiad William Hague pan oedd yn Ysgrifennydd Gwladol Cymru?

Phil Williams: Yn oedd hynny yn Ionawr 1997, ac ydwyf, yr wyf wedi anghofio'i enw. Hague: hwnnw oedd y dyn. I ddychwelyd at yr ystadegau, cyfrifodd Rhodri ei ffigur dros naw mlynedd gyfan Amcan 1, gan gynnwys y flwyddyn bresennol 2000-01. Fodd bynnag, yn y setliad presennol, nid ydym yn cael unrhyw beth am y flwyddyn gyntaf. Dros gyfnod y pedair blynedd a chwarter o Amcan 1 sydd yn destun yr adolygiad cynhwysfawr o wariant, yr ydym yn cael £105 miliwn y flwyddyn ar gyfartaledd. Cadwaf at fy ffigur o £190 miliwn i ddarparu ar gyfer yr elfen Ewropeaidd. Yn awr dyma ychydig o wyddoniaeth gymhleth. Os adiwch chi'r ffigurau at y cyfnod, mae'n ffigur yn llawer uwch. Os adiwn ni gyllidebau blynyddol Amcan 1, 2 a 3 hyd at Fawrth 2004, mae'r cyfanswm yn £800 miliwn. Gan ychwanegu'r bargodiad o £175 miliwn o'r rhaglenni Amcan blaenorol, mae'r cyfanswm yn £975 miliwn ac mae hynny i'w gymharu â'r £420 miliwn a ddyrannwyd am y cyfnod hwnnw. Unwaith eto—[*Torri ar draws.*]

Y Llywydd: Trefn. Clywsom yr Ysgrifennydd Cyllid mewn tawelwch cymharol.

Phil Williams: Nid yw'r gwahaniaeth lawn cymaint ag yr ymddengys oherwydd caniateir lledaenu gwariant dros y ddwy flynedd sydd yn dilyn yr ymrwymiad. Yr wyf wedi creu proffil blwyddyn-i-flwyddyn. Fy rhagdybiaeth—ac y mae'n bwysig—yw, unwaith y bydd prosiect o fewn Amcan 1, 2 neu 3 wedi'i gymeradwyo, y dechreuir gwario yn weddol fuan ac y caiff y gwariant ei wasgaru'n wastad drwy gydol y cyfnod. Os gwneir hynny, y cyfanswm sydd yn ofynnol ar gyfer y cyfnod hyd at Fawrth 2004 yw £770 miliwn, sef £190 miliwn y flwyddyn. Cadwaf at y ffigur hwnnw. Yr oeddwn yn y cyfarfod briffio gydag Edwina a'i swyddogion y bore yma a rhoddasant eu

these new European programmes in the first four years and three months was just under £100 million a year. In the fourth year, the total was only £145 million. That compares with commitments of £210 million in the first year, £205 million in the second year, £195 million in the third year, £190 million in year four and £175 million of overhang. If you carry on with that, by 2004-05, which is the year after the review in order to avoid decommitment, we will have an obligation to spend £320 million. By postponing the calculations, as has been done in this figure, there is a huge overhang. The £190 million is the realistic value for the proper utilisation of the funds over the next four years. That must be compared with the £105 million a year average for the same period.

cyfrifiadau imi, a ddangosai sut y rhagdybient y byddai'r gwariant yn mynd rhagddo. Yr oedd y cyfartaledd i'r rhaglenni Ewropeaidd newydd hyn yn y pedair blynedd a'r tri mis cyntaf ychydig llai na £100 miliwn y flwyddyn. Yn y bedwaredd flwyddyn, nid oedd y cyfanswm ond £145 miliwn. Mae hynny'n cymharu ag ymrwymadau o £210 miliwn yn y flwyddyn gyntaf, £205 miliwn yn yr ail flwyddyn, £195 miliwn yn y drydedd flwyddyn, £190 miliwn ym mlwyddyn pedwar a £175 miliwn o fargodiad. O fynd ymlaen felly, erbyn 2004-05, sef y flwyddyn ar ôl yr adolygiad er mwyn osgoi dadymrwymo, bydd rhwymedigaeth arnom i wario £320 miliwn. Drwy ohirio'r cyfrifiadau, fel a wnaethpwyd yn y ffigur hwn, ceir bargodiad enfawr. Mae'r £190 miliwn yn werth realistig er mwyn defnyddio'r cronfeydd yn iawn dros y pedair blynedd nesaf. Rhaid cymharu hynny a'r £105 miliwn y flwyddyn ar gyfartaledd dros yr un cyfnod.

I welcome the principle that we are now having money from Europe allocated to us in addition to the Barnett block. However, it is not full additionality. We must find something of the order of £80 million a year from our normal budget if the Objective programmes—

Croesawaf yr egwyddor ein bod bellach yn cael arian o Ewrop wedi'i ddyrannu inni yn ychwanegol at floc Barnett. Fodd bynnag, nid yw'n ychwanegedd llawn. Rhaid inni ganfod oddeutu £80 miliwn y flwyddyn o'n cyllideb arferol os yw'r rhaglenni Amcan—

Richard Edwards: I have listened with great fascination to your thesis. I was wondering which of the Schleswig Holstein trio you were. Are you the mad one, the dead one or the one with the bad memory?

Richard Edwards: Yr wyf wedi gwrando gyda diddordeb mawr ar eich ymchwil. Yr oeddwn yn dyfalu pa un tybed o driawd Schleswig Holstein ydych chi. Ai chi yw'r un gorffwyll, yr un sydd wedi marw ynteu'r un â'r cof gwael?

Phil Williams: I do not rely on memory. I take figures presented by the Labour administration. The only assumption—and these figures have been open and available for some time—is that once a commitment is made in the year that it has to be made, the people backing the projects will want to spend money uniformly over the period that is required. The level of commitment is of the order of £200 million and we need to have that as the European component. The calculations are that that is the level we would need in full additionality.

Phil Williams: Nid wyf yn dibynnu ar gof. Cymeraf y ffigurau a gyflwynwyd gan y weinyddiaeth Lafur. Yr unig ragdybiaeth—ac mae'r ffigurau hyn wedi bod yn agored ac ar gael ers peth amser—yw y bydd y bobl sydd yn cefnogi prosiectau, cyn gynted ag y gwneir ymrwymiad yn y flwyddyn y mae'n rhaid ei wneud, am wario'r arian yn wastad dros y cyfnod sydd yn ofynnol. Mae lefel yr ymrwymiad oddeutu £200 miliwn ac mae angen inni gael hynny fel yr elfen Ewropeaidd. Dengys y cyfrifiadau mai dyna'r lefel y byddai ei hangen arnom mewn ychwanegedd llawn.

If I were to speak as a party politician rather than as someone looking at statistics, I would say that what is obvious is because in the past we have had to fund European money out of our normal budget, the assumption is that we continue to do so. It is clear from the tables that I have received that at least £30 million a year will come directly out of our existing Barnett budget to cover ERDF. That is well known and it was in Rhodri's letter. Therefore, we have had additionality but not full additionality. We would not have received the extra money—and it is extra money and we welcome it—were it not for the role of this Assembly, through the administration, in exerting maximum pressure. However, in terms of the figures it is not enough. Even in the fourth year, at the end of the period, where we are promised an extra £160 million a year, it still falls short of the £190 million we require for the duration of the programme.

I turn to the question of match funding. It is difficult to be exact on this issue. I think that if Richard did the same calculations that I have done he would have the same answers. Match funding is difficult because all we have agreed is that we should get the necessary, extra match funding. The total public sector match funding required over the next four years averages £150 million a year. Plaid Cymru and, I think, other parties, have never asked for every penny of match funding in addition to the Barnett block. We recognise that if you have a budget in the public sector you are prepared to spend £1 if you get £3 back. The problem only arises if you do not have £1 and must forego the chance to have an enhanced programme.

We argued that in the past, the level of match funding was straining the public sector budget to breaking point. The report in the SPD on previous structural funds indicated that some projects were failing because of a

Pe bawn yn siarad fel gwleidydd plaid yn hytrach na rhywun sydd yn edrych ar ystadegau, byddwn yn dweud mai'r hyn sydd yn amlwg yw, am inni orfod cyllido arian Ewropeaidd o'n cyllideb arferol yn y gorffennol, ein bod yn rhagdybio bod yn rhaid inni barhau i wneud hynny. Mae'n amlwg o'r tablau a dderbyniais y bydd o leiaf £30 miliwn y flwyddyn yn dod yn uniongyrchol allan o'n cyllideb Barnett bresennol i ddarparu ar gyfer cronfa datblygu rhanbarthol Ewrop. Yr oedd hynny'n hysbys ac wedi'i gynnwys yn llythyr Rhodri. Felly, cawsom ychwanegedd ond nid ychwanegedd llawn. Ni fyddem wedi derbyn yr arian ychwanegol—ac y mae'n arian ychwanegol yr ydym yn ei groesawu—oni bai am rôl y Cynulliad hwn, drwy'r weinyddiaeth, yn dwyn y pwysau mwyaf. Fodd bynnag, yn nhermau'r ffigurau, nid yw'n ddigon. Hyd yn oed yn y bedwaredd flwyddyn, ar ddiwedd y cyfnod, lle'r addewir £160 miliwn ychwanegol y flwyddyn inni, mae'n dal yn brin o'r £190 miliwn y mae ei angen arnom gydol y rhaglen.

Trof at gwestiwn arian cyfatebol. Mae'n anodd bod yn fanwl gywir ar y mater hwn. Pe bai Richard yn gwneud yr un cyfrifiadau ag y gwneuthum i tybiaf y byddai'n cael yr un atebion. Mae arian cyfatebol yn anodd oherwydd y cyfan yr ydym wedi cytuno arno yw y dylem gael yr arian cyfatebol angenrheidiol, ychwanegol. Mae cyfanswm yr arian cyfatebol sydd yn ofynnol o'r sector cyhoeddus dros y pedair blynedd nesaf yn £150 miliwn y flwyddyn ar gyfartaledd. Tybiaf nad yw Plaid Cymru na'r pleidiau eraill erioed wedi gofyn am i bob ceiniog o'r arian cyfatebol fod yn ychwanegol at bloc Barnett. Cydnabyddwn, os oes gennych gyllideb yn y sector cyhoeddus, eich bod yn barod i wario £1 os cewch £3 yn ôl. Nid yw'r broblem ond yn codi os nad oes gennych £1 a bod yn rhaid ichi hepgor y cyfle i gael rhaglen ragorach.

Yr ydym wedi dadlau bod lefel yr arian cyfatebol yn y gorffennol yn rhoi straen hyd at dorri ar gyllideb y sector cyhoeddus. Nodai'r adroddiad yn y ddogfen rhaglennu sengl ar gronfeydd strwythurol blaenorol fod

shortage of public sector match funding. Therefore, we argued that any increase in the level of match funding should come from the Treasury in addition to the Barnett block. That is a specific problem to Wales because a large proportion of Wales is covered by the structural funds. In England, match funding will probably be available through the departmental funds. However, it is a much smaller problem for each Ministry. I estimated that there was between £80 million and £90 million a year match funding in the system and we needed to increase that to £150 million. Rhodri and the officials estimated about £100 million. Therefore, that explains the additional £50 million to £60 million needed for match funding.

Alun Cairns: The level of current match funding within the system has been questioned many times in the Chamber. The answer that we have received from the former First Secretary and the current First Secretary is that it is impossible to calculate. Therefore, on what basis have you, Phil, and the existing First Secretary made that estimate?

Phil Williams: The estimate was based on reports from the Wales European Programme Executive, public sets of budgets put together, the size of the whole programme and the level of European funds drawn down. I am surprised that in the public domain there is not a way of identifying that considerable sum of money. We are assured that in the future, through the Wales European Funding Office, that the public sector component will be fully recorded.

Brian Gibbons: Plaid Cymru's Assembly manifesto says that Plaid Cymru did not ask for complete match funding. However, in this document you call on the Labour Government to provide the necessary co-financing. Are you saying that that is not complete match funding?

Phil Williams: People recognise that there are sources of match funding and they should

rhai prosiectau yn methu oherwydd prinder arian cyfatebol yn y sector cyhoeddus. Felly, dadleusom y dylai unrhyw gynnydd yn lefel yr arian cyfatebol ddod o'r Trysorlys yn ychwanegol at floc Barnett. Mae hon yn broblem benodol i Gymru am fod cyfran helaeth o Gymru yn destun cronfeydd strwythurol. Yn Lloegr, mae'n debyg y bydd arian cyfatebol ar gael drwy'r cronfeydd adrannol. Fodd bynnag, mae'n broblem llawer llai i bob Gweinyddiaeth. Amcangyfrifais fod rhwng £80 miliwn a £90 miliwn y flwyddyn o arian cyfatebol yn y system a bod angen inni gynyddu hynny i £150 miliwn. Amcangyfrifodd Rhodri a'r swyddogion tua £100 miliwn. Felly, mae hynny'n egluro'r £50 miliwn i £60 miliwn ychwanegol sydd ei angen ar gyfer arian cyfatebol.

Alun Cairns: Mae lefel yr arian cyfatebol yn y system ar hyn o bryd wedi'i chwestiynu droeon yn y Siambr. Yr ateb a gawsom gan y cyn Brif Ysgrifennydd a'r Prif Ysgrifennydd presennol yw ei bod yn amhosibl bwrw cyfrif ohoni. Felly, ar ba sail yr ydych chi, Phil, a'r Prif Ysgrifennydd presennol wedi gwneud yr amcangyfrif hwnnw?

Phil Williams: Seiliwyd yr amcangyfrif ar adroddiadau oddi wrth Weithrediaeth Rhaglenni Ewropeaidd Cymru, setiau cyhoeddus o gyllidebau wedi'u rhoi at ei gilydd, maint y rhaglen yn ei chyfanrwydd a lefel yr arian Ewropeaidd a dynnir i lawr. Yr wyf yn synnu nad oes ffordd o ganfod y swm sylweddol hwnnw o arian yn y maes cyhoeddus. Sicrheir ni y bydd elfen y sector cyhoeddus, drwy Swyddfa Cyllid Ewropeaidd Cymru, yn cael ei chofnodi'n llawn yn y dyfodol.

Brian Gibbons: Dywed manifestio Plaid Cymru ar gyfer y Cynulliad nad oedd Plaid Cymru yn gofyn am arian cyfatebol llawn. Fodd bynnag, yn y ddogfen hon yr ydych yn galw ar y Llywodraeth Lafur i ddarparu'r cyd-gyllid angenrheidiol. A ydych yn dweud nad yw hynny yn arian cyfatebol llawn?

Phil Williams: Mae pobl yn cydnabod bod ffynonellau arian cyfatebol ac y dylid eu

be used. Our estimate of the budget for the last year was that taking another £60 million out of the public sector, would risk projects failing because different organisations could not access it. The Economic Development Committee must fund the Wales Tourist Board and the Welsh Development Agency. We have kept one at a steady budget and cut the budget of the other. These organisations will be involved in this and may provide funding.

defnyddio. Ein hamcangyfrif ni o'r gyllideb am y flwyddyn ddiwethaf oedd y byddai cymryd £60 miliwn arall allan o'r sector cyhoeddus yn peryglu llwyddiant prosiectau fethu oherwydd na allai gwahanol gyrff fanteisio arno. Rhaid i'r Pwyllgor Datblygu Economaidd ariannu Bwrdd Croeso Cymru ac Awdurdod Datblygu Cymru. Yr ydym wedi cadw un ar gyllideb sefydlog ac wedi torri cyllideb y llall. Bydd y cyrff hyn â rhan yn hyn a gallent ddarparu cyllid.

12:50 p.m.

I will now come to my good point. The question is whether our considerably increased new budget will allow us to make the same increases in health, education and local government expenditure as in England and still provide extra match funding. We can calculate the total increase per head in England in the spending departments that were announced yesterday. However, that does not easily give us the Barnett settlement due to the comparability factors that range from 19 per cent in the Department of Trade and Industry to 99 per cent in the Department of Health.

Dof yn awr at fy mhwynt da. Y cwestiwn ydyw a fydd ein cyllideb newydd a gynyddwyd yn sylweddol yn caniatáu inni wneud yr un cynnydd ag yn Lloegr mewn gwariant llywodraeth leol, iechyd, addysg ynghyd â darparu arian cyfatebol ychwanegol. Gallwn gyfrifo cyfanswm y cynnydd y pen yn Lloegr yn yr adrannau gwariant a gyhoeddwyd ddoe. Fodd bynnag, ni rydd hynny setliad Barnett inni yn hawdd oherwydd y ffactorau cymharu sydd yn amrywio o 19 y cant yn yr Adran Masnach a Diwydiant i 99 y cant yn yr Adran Iechyd.

I used the latest factors to estimate the increase that we would expect in the Assembly budget in order to keep in line with England. If I had found that there was a shortfall I would have told you, therefore I must say in all honesty that I concluded that there was a small margin to cover some of the increase in match funding. I must go through this in detail and for once I may be wrong, as I have used provisional figures but, as Ron said, it seems that the settlement is relatively generous in terms of the Barnett formula. There is a margin to cover some of the increase in match funding, but it falls short of the total required even to cover the increase in public sector match funding. During the summer, we must consider initiatives such as the New Deal, which will be another important source. I do not have the full figures on that.

Defnyddiais y ffigurau diweddaraf i amcangyfrif y cynnydd y byddem yn ei ddisgwyl yng nghyllideb y Cynulliad er mwyn bod yn unol â Lloegr. Pe byddwn wedi darganfod prinder buaswn wedi dweud wrthyf, felly rhaid imi ddweud, yn gwbl onest, y deuthum i'r casgliad bod lwfans bychan ar gyfer peth o'r cynnydd mewn arian cyfatebol. Rhaid imi fynd dros hyn yn fanwl ac am unwaith efallai fy mod yn anghywir, gan fy mod wedi defnyddio ffigurau dros dro ond, fel y dywedodd Ron, ymddengys bod y setliad yn gymharol hael o safbwynt fformwla Barnett. Ceir lwfans ar gyfer peth o'r cynnydd mewn arian cyfatebol, ond y mae'n brin o'r cyfanswm sydd yn ofynnol hyd yn oed ar gyfer y cynnydd yn arian cyfatebol y sector cyhoeddus. Yn ystod yr haf, rhaid inni ystyried cynlluniau megis y Fargen Newydd, a fydd yn ffynhonnell bwysig arall. Nid oes gennyf y ffigurau llawn am hwnnw.

As has been previously mentioned, and I will

Fel a grybwyllwyd eisoes, ac nid af ymlaen

not go on at length about this—

The Presiding Officer: Order. It would be out of order to go on at length about something that has already been said.

Phil Williams: Although we must look forward to the next comprehensive spending review for the review of the Barnett formula, we must ask whether the formula is just. It only gives a proportion of the increase per head of every spending department in England to Wales. The formula is designed to converge to equal spending and does not take into account the estimate of need that the Assembly is building into its local government settlement. Some things must be considered but, given the existing Barnett formula, we must welcome the addition that it is generating for real money.

I do not want to be churlish. I said that the surprise was that the announcement was not a surprise. I thought that we would either get all the match funding in addition to the block grant, in which case we would welcome it 100 per cent, or that the settlement would be exceedingly disappointing. This settlement deserves half a cheer. However, it falls short of our demand and we will have to take money out of other budgets to implement the full programme of European projects. With all the budgets rising rapidly in real terms, the Assembly must face this choice. That is important, and we will start to do it in the meeting of the Economic Development Committee tomorrow, which Plaid Cymru insisted be held. Economic development must have the highest priority. Full employment in west Wales and the Valleys will do much to improve general health. I support Edwina and Rhodri in the determination that we ensure the full implementation of all European programmes at all cost.

It is a fair judgment that the settlement does not allow us to implement all European programmes as quickly as possible, but that it does allow us to do it without sacrifice. It

yn hir am hyn—

Y Llywydd: Trefn. Byddai allan o drefn pe byddech yn mynd ymlaen yn hir am rywbeth a ddywedwyd eisoes.

Phil Williams: Er bod yn rhaid inni edrych ymlaen at yr adolygiad cynhwysfawr o wariant nesaf ar gyfer adolygu fformwla Barnett, rhaid inni ofyn a yw'r fformwla yn deg. Ni rydd ond cyfran o'r cynnydd y pen ar gyfer pob adran wariant yn Lloegr i Gymru. Bwriedir i'r fformwla sicrhau gwariant cyfartal ac ni rydd ystyriaeth i'r amcangyfrif o angen y mae'r Cynulliad yn cynnwys yn ei setliad i lywodraeth leol. Rhaid ystyried rhai pethau ond, o gofio fformwla Barnett, rhaid inni groesawu'r ychwanegiad y mae'n ei gynhyrchu ar gyfer arian real.

Nid wyf am fod yn anfoesgar. Dywedais mai'r syndod ydoedd nad oedd y cyhoeddiad yn syndod. Credais y byddem un ai'n cael yr holl arian cyfatebol yn ychwanegol at y grant bloc, pe bai hynny'n wir byddem yn ei groesawu 100 y cant, neu y byddai'r setliad yn hynod o siomedig. Mae'r setliad hwn yn haeddu hanner cymeradwyaeth. Fodd bynnag, mae'n brin o'r hyn y gofynasom amdano a bydd yn rhaid inni gymryd arian o gyllidebau eraill er mwyn gweithredu'r rhaglen lawn o brosiectau Ewropeaidd. Gyda'r holl gyllidebau yn codi yn gyflym mewn termau real, rhaid i'r Cynulliad wynebu'r dewis hwn. Mae hynny'n bwysig, a byddwn yn dechrau gwneud hyn yng nghyfarfod y Pwyllgor Datblygu Economaidd yfory, pwyllgor y mynnodd Plaid Cymru ei fod yn cael ei gynnal. Rhaid rhoi'r flaenoriaeth fwyaf i ddatblygu economaidd. Bydd cyflogaeth lawn yng ngorllewin Cymru a'r Cymoedd yn gwneud llawer i wella iechyd yn gyffredinol. Cefnogaf Edwina a Rhodri yn eu penderfyniad ein bod yn sicrhau y gweithredir yr holl raglenni Ewropeaidd yn llawn ar bob cyfrif.

Mae'n feirniadaeth deg nad yw'r setliad yn caniatáu inni weithredu'r holl raglenni Ewropeaidd cyn gynted â phosibl, ond ei fod yn caniatáu inni wneud hynny heb aberthu.

could have been better and, statistically, it does not give us additionality. However, it is a much better settlement than we could have achieved without the National Assembly's existence and the unanimity that it showed on this key issue. We should all recognise and celebrate that. I hope that, with the rapid implementation of the Objective schemes, the people of Wales will have cause to appreciate the Assembly's importance in this battle in a year or two. However, the battle for a fair settlement continues.

Nick Bourne: I have some general comments on the comprehensive spending review settlement and some specific comments on what I think we all regard as the litmus test of this settlement: its effect on Objective 1 funding and the European programmes. First, I pay tribute to Dafydd Wigley on his last day as leader of Plaid Cymru. I acknowledge his massive contribution to Welsh public life. I am sure that this contribution will continue. Dafydd, you have a heavy burden to bear in introducing Phil Williams to political life. I am glad that I do not share that burden but I wish you the best. I speak as somebody who has waited to deliver this speech during a long, but interesting, contribution.

The general settlement of course represents an increase in public spending, which I welcome in many ways. This increase is not surprising given the current level of taxation and recent tax increases. I welcome the increase but it has to be seen against the background of the deep-seated problems that we have in Wales. As we have been saying, we need far more money for capital building programmes and hospitals because Labour Party figures show that expenditure is far lower now than when it came into power in 1997. We need more money to deal with the waiting list crisis. Waiting lists are far higher in Wales than when the Labour Party came into power in 1997. Again, these are official figures. One cannot argue with those points. We need more money to deal with the problems confronting rural Wales and the agricultural crisis. Yes, it is welcome. Yes,

Gallasai fod yn well ac, yn ystadegol, nid yw'n rhoi ychwanegedd inni. Fodd bynnag, mae'n setliad llawer gwell nag y byddem wedi gallu ei sicrhau heb fodolaeth y Cynulliad Cenedlaethol a'r unfrydedd a ddangosodd ar y mater allweddol hwn. Dylem oll gydnabod a dathlu hynny. Gobeithiaf, drwy weithredu'r cynlluniau Amcan yn ddi-oed, y bydd gan bobl Cymru achos i werthfawrogi pwysigrwydd y Cynulliad yn y frwydr hon ymhen blwyddyn neu ddwy. Fodd bynnag, mae'r frwydr am setliad teg yn parhau.

Nick Bourne: Mae gennyf rai sylwadau cyffredinol ar yr adolygiad cynhwysfawr o wariant a rhai sylwadau penodol ar yr hyn y credwn oll yw prawf litmws y setliad hwn: yr effaith a gaiff ar gyllid Amcan 1 a'r rhaglenni Ewropeaidd. Yn gyntaf, talaf deyrnged i Dafydd Wigley ar ei ddiwrnod olaf fel arweinydd Plaid Cymru. Cydnabyddaf ei gyfraniad anferth i'r bywyd cyhoeddus yng Nghymru. Yr wyf yn sicr y bydd ei gyfraniad yn parhau. Dafydd, mae gennych faich trwm i'w ysgwyddo yn cyflwyno Phil Williams i'r bywyd gwleidyddol. Yr wyf yn falch na rannaf y baich hwnnw ond hoffwn ddymuno'r gorau ichi. Siaradaf fel rhywun sydd wedi aros i gyflwyno'r araith hon yn ystod cyfraniad maith, ond diddorol.

Mae'r setliad cyffredinol wrth gwrs yn cynrychioli cynnydd mewn gwariant cyhoeddus, ac, mewn sawl ffordd, croesawaf hynny. Nid yw'r cynnydd hwn yn syndod o gofio'r lefel treth gyfredol a'r cynnydd diweddar mewn trethi. Croesawaf y cynnydd ond rhaid edrych ar hyn yn erbyn cefndir y problemau dwfn sydd gennym yng Nghymru. Fel y dywedasom, mae arnom angen llawer iawn mwy o arian ar gyfer rhaglenni adeiladu cyfalaf ac ysbytai oherwydd bod ffigurau'r Blaid Lafur yn dangos bod gwariant yn llawer is na phan ddaeth i rym yn 1997. Mae arnom angen rhagor o arian i ddelio gydag argyfwng y rhestrau aros. Mae rhestrau aros yn uwch yng Nghymru na phan ddaeth y Blaid Lafur i rym yn 1997. Unwaith eto, ffigurau swyddogol yw'r rhain. Nid oes modd dadlau â'r pwyntiau hynny. Mae arnom angen rhagor o arian i ddelio gyda'r

the increase is not surprising. Yes, we can easily use that extra money. However, we must look at the real issue of whether there is sufficient additional money.

Paul Murphy must have sent instructions because we have rarely seen the Labour back-benches so active. Brian Gibbons has been up and down like a jack-in-the-box. We have already heard all those points several times so I hope that Alun Pugh has something new to say. Obviously the instructions went out with the Weetabix to every member of the Labour Party.

Alun Pugh: What is the Conservatives' priority in terms of economic management? You seem to be keen on investing in schools and hospitals. Is that your priority or is it to do what you did while you were in office, which was to make tax cuts for the super rich?

Nick Bourne: I will deal with two of the important points. Alun Pugh will know, as he has attended many of these debates, that we clearly identified the areas where we would focus any increase in public spending. Those areas are health and agriculture. I will say something about the super rich. I was in north Wales yesterday at the Toyota plant, which is not far from your constituency. The workers do not want to work overtime because it takes them into the next tax bracket. I met quite a few who felt the same way. They are not super rich. They are ordinary people on salaries that are not unlike ours. In some cases, their salaries are a little higher than ours. They are not super rich. Before you preach about tax increases, you should speak to some of the people who elected you last time but may not do so next time.

I will move on to the issue that really matters to everybody in the Assembly. There has

problemiau sydd yn wynebu'r Gymru wledig a'r argyfwng amaethyddol. Yn wir, fe'i croesawn. Yn wir, nid yw'r cynnydd yn syndod. Yn wir, gallwn ddefnyddio'r arian ychwanegol hwn yn hawdd. Fodd bynnag, rhaid inni edrych ar yr ystyriaeth wirioneddol, sef a oes digon o arian ychwanegol.

Mae'n rhaid bod Paul Murphy wedi anfon cyfarwyddiadau oherwydd prin y gwelsom feinciau cefn Llafur mor fywiog. Mae Brian Gibbons wedi bod lan a lawr fel jac-yn-y-bocs. Yr ydym eisoes wedi clywed y pwyntiau hynny sawl gwaith felly gobeithiaf fod gan Alun Pugh rywbeth newydd i'w ddweud. Mae'n amlwg i'r cyfarwyddiadau gael eu hanfon gyda'r Weetabix at bob aelod o'r Blaid Lafur.

Alun Pugh: Beth yw blaenoriaeth y Ceidwadwyr o safbwynt rheolaeth economaidd? Yr ydych yn ymddangos yn awyddus i fuddsoddi mewn ysgolion ac ysbytai. Ai dyma yw eich blaenoriaeth neu a yw yn ymwneud â'r hyn a wnaethoch tra'r oeddech mewn grym, sef gostwng treth y trachyfoethog?

Nick Bourne: Ymdriniaf â dau o'r pwyntiau pwysig. Bydd Alun Pugh yn gwybod, gan y mynychodd lawer o'r dadleuon hyn, ein bod wedi dynodi'n glir y meysydd lle byddem yn anelu unrhyw gynnydd mewn gwariant cyhoeddus. Iechyd ac amaethyddiaeth yw'r meysydd hynny. Dywedaf rywbeth am y trachyfoethog. Yr oeddwn yng ngogledd Cymru ddoe yn ffatri Toyota, nid nepell oddi wrth eich etholaeth chi. Nid yw'r gweithwyr eisiau gweithio goramser gan y byddai hynny'n eu gosod yn y braced treth nesaf. Cyfarfûm â llawer a deimlai'r un fath. Nid oeddent yn dra-chyfoethog. Pobl arferol ydynt ar gyflogau nid yn annhebyg i'n rhai ni. Mewn rhai achosion, mae eu cyflogau ychydig yn uwch na'n rhai ni. Nid ydynt yn dra-chyfoethog. Cyn i chi bregethu am gynnydd mewn trethi, dylech siarad â rhai o'r bobl a'ch etholodd y tro diwethaf ond efallai na wnânt hynny'r tro nesaf.

Symudaf ymlaen i'r mater sydd wir yn cyfrif i bawb yn y Cynulliad. Gwelwyd undod gan

been a united front from all parties on the issues of Objective 1 funding, additionality and extra match funds. Of course I welcome the public expenditure survey cover, which we must acknowledge is there. Edwina Hart, who always speaks bluntly, has failed to answer the simple question about whether there are additional match funds. I heard her on the radio last night and again today. She is off on another track, accusing people of being negative and of griping. We must acknowledge the fact that there are no additional match funds here. Well done on the PES. It raises this question when we are told—I take up Ron Davies's point—that we asked for more than we received. That is not what Rhodri Morgan has been saying. He said that he has got everything that he asked for. If that is so, he has not been asking for enough because we have not got the full match funding that we need. I also heard Edwina say that this lives up to her ambitions. If that is the case, her ambitions are modest because we only have a modest amount. We can do far more with full match funding. That crucial issue remains unaddressed. She admitted that she is still number crunching so perhaps her crunching has not yet finished. According to our crunching, there are no additional funds over and above Barnett. The PES cover is there, but there are no additional funds. Perhaps that will be picked up later.

1:00 p.m.

Jenny Randerson: I was interested to hear Nick welcoming the fact that we have received at least part of the European funding cover that we requested. Given that it is more than Wales has received in the past under Labour and Conservative Governments, have you reviewed your ideas about devolution? Do you agree that Wales would never have received such a good settlement had the National Assembly not existed and that we would certainly not have received such a good settlement had Labour gained an overall majority in this Assembly and had the opposition parties not been so lively?

yr holl bleidiau ar fater arian Amcan 1, arian ychwanegol ac arian cyfatebol ychwanegol. Croesawaf, wrth gwrs, arian yr arolwg gwariant cyhoeddus, a rhaid inni gydnabod ei fod yn bodoli. Mae Edwina Hart, sydd wastad yn siarad yn blaen, wedi methu ag ateb y cwestiwn syml am fodolaeth arian cyfatebol ychwanegol. Fe'i clywais ar y radio neithiwr ac eto heddiw. Dilyna drywydd arall, yn cyhuddo pobl o fod yn negyddol ac o rwgnach. Rhaid inni gydnabod y ffaith nad oes unrhyw arian cyfatebol ychwanegol yma. Da iawn chi ar yr arolwg gwariant cyhoeddus. Cyfyd y cwestiwn hwn pan ddywedir wrthym—cydiaf ym mhwynt Ron Davies—ein bod wedi gofyn am fwy nag a gawsom. Nid dyna y bu Rhodri Morgan yn ei ddweud. Dywed ef ei fod wedi cael popeth y gofynnodd amdano. Os yw hynny'n wir, nid yw wedi gofyn am ddigon oherwydd ni chawsom yr arian cyfatebol llawn y mae ei angen arnom. Clywais Edwina yn dweud hefyd fod hyn yn gwireddu ei huchelgais. Os yw hynny'n wir, mae ei huchelgais yn ddinod gan mai dim ond swm dinod sydd gennym. Gallwn wneud llawer mwy gydag arian cyfatebol llawn. Nid aethpwyd fyth i'r afael â'r mater holl bwysig hwnnw. Cyfaddefodd ei bod yn dal i gyfrifo'r ffigurau felly efallai nad yw ei gwaith cyfrifo wedi'i gwblhau. Yn ôl ein cyfrifo ni, nid oes unrhyw arian ychwanegol ar ben Barnett. Mae arian yr arolwg gwariant cyhoeddus ar gael, ond nid oes unrhyw arian ychwanegol. Efallai y cyfeirir at hynny'n ddiweddarach.

Jenny Randerson: Yr oedd o ddiddordeb imi glywed Nick yn croesawu'r ffaith ein bod wedi derbyn o leiaf ran o'r arian Ewropeaidd y gofynasom amdano. O gofio ei fod yn fwy na'r hyn y mae Cymru wedi'i gael yn y gorffennol dan y Llywodraeth Lafur a'r Llywodraeth Geidwadol, a ydych wedi adolygu eich syniadau am ddatganoli? Oni chytunwch na fyddai Cymru fyth wedi derbyn cystal setliad heb fodolaeth y Cynulliad Cenedlaethol ac na fyddem yn sicr wedi cael cystal setliad pe byddai Llafur wedi sicrhau mwyafrif cyffredinol yn y Cynulliad hwn a phe na byddai'r gwrthbleidiau wedi bod mor fywiog?

Nick Bourne: The Liberal Democrats have the rare luxury of always being able to say that Labour and Conservative Parties have always let us down because the Liberal Democrats have not been in Government and long may that continue. Listening to your leader's contribution—in the usual vein of not wanting to attack the Labour Party—the Conservatives wonder whether the Liberal Democrats are being drawn into the Labour administration. There are not many ways of making the Labour front bench worse, but adding Mike German to it would be one of them.

Jenny will know that we accepted the referendum result from day one. I hope that the Labour Party will be as good at accepting close referendums when it comes to Llangollen and the boundary review. Everything that we have done in this Chamber has been directed at making this place a success. We have all travelled back from meetings with businesses in north Wales to be here today. We have been up there on tour and I hope that the contribution of other groups can match that, and that members of the Labour Party's backbenches will continue to make similar contributions to those that they have made today.

John Griffiths: The message that the Conservatives have accepted devolution has not yet reached one of your Westminster colleagues. David Heathcoat-Amory was on the Welsh *Newsnight* opt-out programme last night. He stated that one way that the Conservatives would seek to save future public spending would be by abolishing the regional bodies.

Nick Bourne: I do not think that you can classify the Assembly as a regional body and I am surprised that you do so. It is a national body for Wales; it is the National Assembly for Wales. [ASSEMBLY MEMBERS: 'Hooray.']

The Presiding Officer: Order.

Nick Bourne: I will answer John Griffiths when he thinks of a proper response. It is

Nick Bourne: Mae gan y Democratiaid Rhyddfrydol bob amser y moethusrwydd prin o allu dweud bod y Blaid Lafur a'r Blaid Geidwadol wedi ein siomi oherwydd nad yw'r Democratiaid Rhyddfrydol wedi bod mewn grym a gobeithio y deil hynny'n hir. Wrth wrando ar gyfraniad eich arweinydd—yn y cywair arferol o heb fod eisiau ymosod ar y Blaid Lafur—gofynna'r Ceidwadwyr tybed a yw'r Democratiaid Rhyddfrydol yn cael eu tynnu i mewn i'r weinyddiaeth Lafur. Nid oes llawer o ffyrdd y gallech wneud mainc flaen Lafur yn waeth, ond byddai ychwanegu Mike German ati yn un ffordd o wneud hynny.

Bydd Jenny yn gwybod ein bod wedi derbyn canlyniad y refferendwm o'r diwrnod cyntaf. Gobeithiaf y bydd y Blaid Lafur cystal â derbyn refferenda agos o safbwynt Llangollen a'r adolygiad o'r ffin. Ym mhopeth a wnaethom yn y Siambr hon ein bwriad oedd gwneud y man hwn yn llwyddiant. Yr ydym oll wedi teithio'n ôl o gyfarfodydd gyda busnesau yng ngogledd Cymru i fod yma heddiw. Buom yno ar daith a gobeithiaf y gall cyfraniad y grwpiau fod cystal â hynny, ac y bydd aelodau meinciau cefn y Blaid Lafur yn dal i wneud cyfraniadau tebyg i'r rheini a wnaethant heddiw.

John Griffiths: Nid yw'r neges fod y Ceidwadwyr wedi derbyn datganoli wedi cyrraedd un o'ch cydweithwyr yn San Steffan eto. Yr oedd David Heathcoat-Amory ar y rhaglen *Newsnight* Gymreig ar eithrio neithiwr. Dywedodd mai un ffordd y byddai'r Ceidwadwyr yn ceisio arbed gwariant cyhoeddus i'r dyfodol fyddai dileu'r cyrff rhanbarthol.

Nick Bourne: Ni chredaf y gallwch alw'r Cynulliad yn gorff rhanbarthol ac mae'n syndod gennyf eich clywed yn gwneud hynny. Corff cenedlaethol Cymru ydyw; Cynulliad Cenedlaethol Cymru. [AELODAU'R CYNULLIAD: 'Hwre.']

Y Llywydd: Trefn.

Nick Bourne: Atebaf John Griffiths pan fydd yn meddwl am ymateb priodol. Mae'n

obvious that the Labour Party tries to scare people by using David Heathcoat-Amory in the same way that it used to mention John Redwood, indeed Ann Jones continues to do so. We obviously have not received the third sheet of the memo stating that Labour Party members should mention John Redwood and David Heathcoat-Amory as much as possible.

I had the opportunity to speak to Michael Portillo, the Shadow Chancellor. He said that having promised full match funding, this Government should have delivered it. He is on record as having said so recently during our national Welsh conference in Llandudno.

Ron Davies: Nick makes a case that full match funding should have been provided. Can he tell us precisely what sum he has in mind?

Nick Bourne: That is a fair point. [*Laughter.*] I will give an exact figure. However, Ron Davies and others will recognise that if you pitch in with a figure, you will sometimes accept a little less than that figure. The full amount that is needed for match funding in any one year is £180 million. Some of that can be made up out of private sources or the New Opportunities Fund, but only a limited amount. I am surprised that Edwina has not said that some can be made up out of the collection tin in the Mumbles post office.

The great bulk of this money will have to come from the public sector. It would be interesting if Edwina, as the number cruncher, produced the type of figure that she expects to come from the private sector and the New Opportunities Fund. The public sector should supply the deficit. We have not been given a figure. It is good to see Ron Davies being rehabilitated. I suspect that that is part of a process not an event, but, no doubt, in due course the event will happen.

It is important to focus on the major issue, which is full match funding. The Finance

amlwg bod y Blaid Lafur yn ceisio dychryn pobl drwy ddefnyddio David Heathcoat-Amory yn yr un modd ag yr arferai grybwyll John Redwood, yn wir mae Ann Jones yn dal i wneud hynny. Mae'n amlwg nad ydym wedi derbyn trydedd dudalen y memo sydd yn nodi y dylai aelodau'r Blaid Lafur grybwyll John Redwood a David Heathcoat-Amory gymaint â phosibl.

Cefais gyfle i siarad gyda Michael Portillo, Canghellor yr Wrthblaid. Dywedodd y dylai'r Llywodraeth hon, ar ôl addo arian cyfatebol llawn, fod wedi cyflwyno hynny. Fe'i cofnodwyd yn dweud hynny yn ddiweddar yn ystod ein cynhadledd Gymreig yn Llandudno.

Ron Davies: Mae Nick yn cyflwyno'r achos y dylid bod wedi cyflwyno'r arian cyfatebol llawn. A all ddweud wrthym yr union swm sydd ganddo mewn golwg?

Nick Bourne: Mae hwn yn bwynt teg. [*Chwerthin.*] Rhoddaf ffigur union. Fodd bynnag, bydd Ron Davies ac eraill yn cydnabod, os ydych yn bwrw i mewn gyda ffigur, y byddwch weithiau yn derbyn ychydig yn llai na'r ffigur hwnnw. Y swm cyflawn sydd yn angenrheidiol ar gyfer arian cyfatebol mewn unrhyw un flwyddyn yw £180 miliwn. Gellir defnyddio ffynonellau preifat neu'r Gronfa Cyfleoedd Newydd ar gyfer peth ohono, ond swm cyfyngedig yn unig. Fe'm synnwyd na ddywedodd Edwina y gellir defnyddio'r tun casglu yn swyddfa bost y Mwmbwls ar gyfer peth ohono.

Bydd yn rhaid i gyfran fawr o'r arian hwn ddod o'r sector cyhoeddus. Byddai'n ddiddorol pe byddai Edwina, fel y cyfrifydd, yn cynhyrchu'r math o ffigur y mae'n ei ddisgwyl oddi wrth y sector preifat a'r Gronfa Cyfleoedd Newydd. Dylai'r sector cyhoeddus gyflenwi'r diffyg. Ni roddwyd y ffigur inni. Mae'n braf gweld Ron Davies yn cael ei ailsefydlu. Amheuaif fod hyn yn rhan o broses nid digwyddiad ond, nid oes amheuaeth, y gwelwn y digwyddiad maes o law.

Mae'n bwysig canolbwyntio ar y prif fater, sef arian cyfatebol llawn. Nid yw'r

Secretary, who has dodged and ducked on this issue, has not yet told us what figure the Labour Party requested and what figure we have got. However, it is clearly insufficient.

Val Feld: Like everyone else in this room today, I share the feeling that this is an important occasion for us all. It is important in terms of the size of the settlement that we have received and in what the breaching of the Barnett formula means for devolution and will mean for us in the future. It is also important because it is clear that, without this Assembly, we would not have had the acknowledgement from Westminster of Wales's needs and the importance of making specific reference to Wales. Those of us—probably the majority here—who sat by the television yesterday and finally heard a Chancellor of the Exchequer talk specifically about Wales and settlements for Wales, will know how important that is.

This means a great deal to all of us. However, it is vital that we do not forget what it means to people outside this building. I make a plea that we should now take the politics out of these programmes. Over the past year, we have succeeded in what is, I think, a unique achievement in the European Union, and made Objective 1 a household word. However, the vast majority of people do not know what that word means. They do not know whether they can continue with programmes with or without match funding. People throughout Wales have worked over the last 18 months to put together the plans and the single programme documents for the three Objective programmes and, at our request, have worked to put together projects to engage the private, voluntary and public sector. It is vital that from now on we give the signal that these programmes are now ready to roll, that we have the resources and that, across all parties in the Assembly, we are united in making this work.

A senior official in the Welsh European Programme Executive said to me yesterday that many officials spend more time on progress reports for us than on ensuring that

Ysgrifennydd Cyllid, sydd wedi osgoi a gwyro oddi ar y mater hwn, wedi dweud eto beth oedd y ffigur y gofynnodd y Blaid Lafur amdano a'r ffigur a gawsom. Fodd bynnag, mae'n amlwg yn annigonol.

Val Feld: Fel pawb arall yn yr ystafell hon heddiw, rhannaf y teimlad bod hwn yn achlysur pwysig inni oll. Mae'n bwysig o safbwynt maint y setliad a gawsom ac o safbwynt yr hyn y mae mynd yn groes i fformwla Barnett yn ei olygu i ddatganoli ac y bydd yn ei olygu inni i'r dyfodol. Mae hefyd yn bwysig oherwydd y mae'n amlwg na fyddem, heb y Cynulliad hwn, wedi cael y gydnabyddiaeth gan San Steffan o anghenion Cymru a'r pwysigrwydd o gyfeirio'n benodol at Gymru. Bydd y rheini ohonom—y mwyafrif ohonom yma mae'n debyg—a eisteddodd ger y teledu ddoe a chlywed o'r diwedd Ganghellor y Trysorlys yn siarad yn benodol am Gymru a'r setliadau ar gyfer Cymru, yn gwybod pa mor bwysig yw hynny.

Mae hyn yn golygu llawer iawn inni i gyd. Fodd bynnag, mae'n holl bwysig nad ydym yn anghofio'r hyn y mae'n ei olygu i bobl y tu allan i'r adeilad hwn. Erfyniaf yn awr ar inni dynnu'r wleidyddiaeth allan o'r rhaglenni hyn. Dros y flwyddyn ddiwethaf, yr ydym wedi llwyddo i wneud rhywbeth sydd, fe gredaf, yn unigryw yn yr Undeb Ewropeaidd, sef gwneud Amcan 1 yn air bob dydd. Fodd bynnag, nid yw'r mwyafrif llethol o bobl yn gwybod ystyr y gair. Ni wyddant a allant fwrw ymlaen â rhaglenni gyda neu heb arian cyfatebol. Mae pobl ledled Cymru wedi gweithio dros y 18 mis diwethaf i lunio'r cynlluniau a'r dogfennau rhaglennu sengl ar gyfer rhaglenni'r tri Amcan ac, ar ein cais, maent wedi gweithio i lunio prosiectau i gynnwys y sector preifat, gwirfoddol a chyhoeddus. Mae'n holl bwysig ein bod o hyn ymlaen yn rhoi'r arwydd bod y rhaglenni hyn yn awr yn barod i'w cynnal, bod yr adnoddau gennym a'n bod, ar draws holl bleidiau'r Cynulliad, wedi uno i wneud i hyn weithio.

Dywedodd un o uwch swyddogion Gweithrediaeth Rhaglenni Ewropeaidd Cymru wrthyf ddoe fod llawer o swyddogion yn treulio mwy o amser ar adroddiadau

the mechanism to deliver these projects on the ground is working. It has been vital for us to have this debate and to tease out the figures. I agree with Ron that we need to know them and I hope that we can, as far as is possible, get a clear picture of what this means in the Economic Development Committee meeting tomorrow. However, we now have a large amount of money that we must begin to spend in order to make a difference on the ground in Wales. People in regional and local partnerships are waiting to get these programmes up and running. There are people in our council estates, inner city areas and rural communities who have waited years for some real change in their lifestyles, communities and access to services.

Geraint Davies: You mentioned council estates. Do you agree that a main objective of the Objective 1 programme is to lessen the divide between the rich and poor areas of Europe and that, by not giving the match funding, we are undermining that objective? Will you explain to me, and to people in Rhondda Cynon Taff who are waiting for new school buildings and repairs to school buildings of about £100 million, whether an equivalent area in England would get those repairs done sooner as a result of the settlement that we have received?

Val Feld: I agree with your remark that this is about tackling poverty and redistributing wealth. That is why we in the Labour Party have worked and fought so long for this. I disagree with any suggestion that schools in Wales will lose out because money will be diverted from their resources into some other fund, perhaps to set up businesses. It is possible for us to allocate exactly the same money as will be allocated in England. I hope that we might even be able to allocate more money. We will also, by making better use of our schools and community facilities through the European programmes, be able to draw down European money on top of that.

cynnydd ar ein cyfer ni nag ar sicrhau bod y peirianwaith i gynnal y prosiectau hyn ar lawr gwlad yn gweithio. Bu'n holl bwysig inni gael y ddadl hon a mynd at wraidd y ffigurau hyn. Cytunaf â Ron fod yn rhaid inni wybod beth ydynt a gobeithiaf y cawn, cyn belled ag y bo modd, ddarlun clir o'r hyn y mae hyn yn ei olygu yng nghyfarfod y Pwyllgor Datblygu Economaidd yfory. Fodd bynnag, mae gennym yn awr swm mawr o arian y mae'n rhaid inni ddechrau ei wario er mwyn gwneud gwahaniaeth ar lawr gwlad yng Nghymru. Mae pobl mewn partneriaethau lleol a rhanbarthol yn aros i roi'r rhaglenni hyn ar waith. Mae pobl yn ein hystadau cyngor, yng nghanol dinasoedd ac mewn cymunedau gwledig sydd wedi aros blynnyddoedd am newid gwirioneddol yn eu ffordd o fyw, eu cymunedau a'u gallu i fanteisio ar wasanaethau.

Geraint Davies: Crybwyllasoch ystadau cyngor. A gytunwch mai un o brif amcanion y rhaglen Amcan 1 yw lleihau'r rhaniad rhwng ardaloedd cyfoethog ac ardaloedd tlawd Ewrop a, thrwy beidio â rhoi arian cyfatebol, ein bod yn tanseilio'r amcan hwnnw? A esboniwch imi, ac i bobl yn Rhondda Cynon Taf sydd yn aros am adeiladau ysgolion newydd ac atgyweiriadau i adeiladau ysgolion gwerth oddeutu £100 miliwn, a fyddai ardal debyg yn Lloegr yn cael y gwaith atgyweirio wedi'i wneud ynghynt o ganlyniad i'r setliad a gawsom ni?

Val Feld: Cytunaf â'ch sylwadau bod hyn yn ymwneud â mynd i'r afael â thlodi ac aildosbarthu cyfoeth. Dyna paham yr ydym ni yn y Blaid Lafur wedi gweithio a brwydro cyhyd am hyn. Anghytunaf ag unrhyw awgrym y bydd ysgolion yng Nghymru ar eu colled oherwydd y bydd arian yn cael ei gyfeirio o'u hadnoddau hwy i ryw gronfa arall, i sefydlu busnesau efallai. Mae'n bosibl inni neilltuo'r union swm o arian ag a neilltuir yn Lloegr. Gobeithio y gallwn efallai neilltuo rhagor o arian hyd yn oed. Byddwn hefyd, drwy ddefnyddio ein cyfleusterau cymunedol a'n hysgolion yn well drwy'r rhaglenni Ewropeaidd, yn gallu denu arian Ewropeaidd yn ychwanegol at hynny.

1:10 p.m.

It seems to me, Geraint, that we can trade figures; we can ask 'what if' and 'will it or will it not be' until we are blue in the face in this Chamber. Some of that is good fun, some of it is sharp and some of it sometimes moves our debates forward. However, it is what we deliver on the ground that will make a difference to the people of Wales. In just over two and a half years, we will go before them and they will judge whether or not we have made this work. My real fear is that if we keep trading 'what if' and 'it cannot work' in this Chamber—and that is the message that goes outside—people will not enter the partnerships as we need them to do. They will not do the groundwork that we need them to do to build those projects, to address the problems in their communities and to build the confidence that says 'we can tackle those problems in Wales'.

If Plaid Cymru really wants the people of Wales to aspire to self-government, the first stage is knowing that we can create this change and build this economy without endlessly going cap in hand to England to say 'you have not given us enough'. We must make this work. Let us continue to debate this in our Committees and examine the programmes as they develop, but let us also send out the message that I heard clearly from Dafydd, Mike, Glyn, and I think from Nick, that we can make these programmes work. We have enough money. Devolution is delivering for us. Let us help people to get on with the job. In the long run, that is what we will all be judged on, not only the individual political parties. This Assembly and its future will be judged by how we make this work.

Richard Edwards: I add my congratulations to Rhodri, Edwina and Paul Murphy for their part in what, by any reckoning, is an excellent settlement for Wales. We have waited a long time for it. There is a substantial increase of nearly £2 billion over

Ymddengys imi, Geraint, y gallwn drin a thrafod ffigurau; gallwn ofyn 'beth petai' ac 'a fydd hyn yn digwydd ai peidio' tan ddydd Sul y Pys yn y Siambr hon. Mae rhyw gymaint o hyn yn hwyl, mae rhyw gymaint ohono yn frathog ac mae rhyw gymaint ohono weithiau yn bwrw ein dadleuon ymlaen. Fodd bynnag, yr hyn y byddwn yn ei sicrhau ar lawr gwlad a fydd yn gwneud y gwahaniaeth i bobl Cymru. Mewn ychydig dros ddwy flynedd a hanner, awn ger eu bron a byddant yn barnu a lwyddasom ai peidio i wneud i hyn weithio. Fy ofn gwirioneddol yw, os byddwn yn dal i drin a thrafod 'beth petai' ac 'ni all weithio' yn y Siambr hon—a hon yw'r neges a gyfleir—ni fydd pobl yn ymroi i'r partneriaethau hyn fel y mae arnom angen iddynt ei wneud. Ni fyddant yn gwneud y gwaith sylfaenol y mae arnom angen iddynt ei wneud i adeiladu'r prosiectau hynny, i roi sylw i'r problemau yn eu cymunedau ac i fagu'r hyder sydd yn dweud 'gallwn fynd i'r afael â'r problemau hyn yng Nghymru'.

Os yw Plaid Cymru mewn difrif eisiau i bobl Cymru geisio hunanlywodraeth, y cam cyntaf yw gwybod y gallwn greu'r newid hwn ac adeiladu'r economi hwn heb orfod mynd â'n cap yn ein llaw byth a beunydd at Loegr i ddweud 'ni roesoch ddigon inni'. Rhaid inni wneud i hyn weithio. Gadewch inni barhau i ddadlau hyn yn ein Pwyllgorau ac archwilio'r rhaglenni wrth iddynt ddatblygu, ond gadewch inni hefyd anfon y neges a glywsom yn glir gan Dafydd, Mike, Glyn, a chan Nick yr wyf yn meddwl, y gallwn wneud i'r rhaglenni hyn weithio. Mae gennym ddigon o arian. Mae datganoli yn darparu ar ein cyfer. Gadewch inni helpu pobl i fwrw ymlaen â'r gwaith. Yn y tymor hir, ar hynny y cawn i gyd ein barnu, nid y gwahanol bleidiau gwleidyddol yn unig. Caiff y Cynulliad hwn a'i ddyfodol ei farnu yn ôl y modd y gwnawn i hyn weithio.

Richard Edwards: Ychwanegaf fy llongyfarchiadau i Rhodri, Edwina a Paul Murphy am eu rhan yn yr hyn sydd, ar unrhyw gyfrif, yn setliad ardderchog i Gymru. Yr ydym wedi aros yn hir amdano. Ceir cynnydd sylweddol o bron i £2 biliwn

the next three years in baseline spending. As a Member for an Objective 1 constituency, the fact that Objective 1 cash is being passed on in full, outside and over and above Barnett, is wonderful news and unprecedented.

Phil Williams: Will you be prepared to examine the figures when I claim that, over the first four-and-a-quarter years, it is not in full? It is a substantial part but not in full.

Richard Edwards: I will examine your figures, Phil, but please stop whingeing.

Now the real work begins. Getting the money was easy, for all the carping and whingeing. The challenge that lies ahead is teasing out the projects that will make a difference for the poorest parts of Wales. Those projects will effect the step change that we all want to see in Welsh economic life and develop abilities, attract enterprise, generate jobs and expand opportunities. The sheer scale of the challenge is, to some extent, indicated by the amount of pre-Objective 1 structural funds that go unspent for want of quality projects. That is the real problem. We need quality projects to draw down the funds, and we need many of them if we are to truly transform the most deprived areas of our country. Potential sponsors have been actively discouraged from developing projects because of wholesale whingeing from the also-rans in this Chamber—the opposition parties, that have managed—

Alun Cairns: Do you accept that the private sector felt excluded because of the lack of information and direction from the Government of Wales?

Richard Edwards: Thank you for carping and whingeing on cue, Alun.

The opposition parties, as Alun demonstrated, have majored in little but sniping from the sidelines ever since this National Assembly was elected. To be fair to Alun, his party created the mess that

dros y tair blynedd nesaf mewn gwariant sylfaenol. Fel Aelod dros etholaeth Amcan 1, mae'r ffaith fod arian Amcan 1 yn cael ei drosglwyddo yn llawn, y tu allan ac yn ychwanegol at Barnett, yn newyddion gwyh nas cafwyd o'r blaen.

Phil Williams: A fyddwch yn barod i archwilio'r ffigurau pan honnaf, dros y pedair blynedd a hanner gyntaf, nad ydyw'n llawn? Mae yn rhan sylweddol ond nid yw'n llawn.

Richard Edwards: Archwiliaf eich ffigurau, Phil, ond os gwelwch yn dda peidiwch â swnian.

Yn awr y mae'r gwaith go iawn yn dechrau. Yr oedd cael yr arian yn hawdd, er yr holl gwyno a swnian. Yr her sydd o'n blaenau yw canfod y prosiectau a fydd yn gwneud gwahaniaeth i rannau tlotaf Cymru. Bydd y prosiectau hyn yn cyflawni'r newid mawr yr ydym oll am ei weld ym mywyd economaidd Cymru ac yn meithrin galluoedd, denu busnesau, cynhyrchu swyddi ac ymestyn cyfleoedd. Dynodir maint yr her, i ryw raddau, gan y swm o arian strwythurol cyn-Amcan 1 sydd yn mynd heb ei wario oherwydd prinder prosiectau o safon. Dyma yw'r broblem wirioneddol. Rhaid inni gael prosiectau o safon i sicrhau'r arian, ac mae arnom angen llawer ohonynt os ydym am wir drawsnewid ardaloedd mwyaf amddifadus ein gwlad. Mae noddwyr posibl yn cael eu rhybuddio rhag cyfrannu at brosiectau posibl oherwydd y swnian diymatal a glywir gan y cloffion yn y Siambr hon—y gwrthbleidiau, sydd wedi llwyddo i—

Alun Cairns: A dderbyniwch fod y sector preifat yn teimlo yn eithriedig oherwydd y diffyg gwybodaeth a chyfarwyddyd gan Lywodraeth Cymru?

Richard Edwards: Diolch ichi am gwyno a swnian yn y man iawn, Alun.

Nid yw'r gwrthbleidiau, fel y dangosodd Alun, wedi gwneud llawer mwy na beirniadu o'r cyrion ers ethol y Cynulliad Cenedlaethol hwn. I fod yn deg i Alun, ei blaid ef a greodd y llanastr a wnaeth y rhan fwyaf o'r wlad yn

originally qualified most of the country for Objective 1. For example, in the early 1980s, Pembrokeshire enjoyed a GDP per head that was equal to the UK average, but now, in some parts of the county GDP is under 60 per cent of the UK average. Having done the spadework in creating the conditions of economic blight, the Conservatives failed to make an application for Objective 1 when they were in Government. Whatever Nick says, scrapping Objective 1 is high on the list of spending cuts guaranteed by Michael Portillo. We all heard him yesterday lambasting the level of public spending.

The Tories would not fund Objective 1 and the nationalists could not do so. All that they have done is attack every stage of the Objective 1 process. They said that we would not achieve Objective 1 status, they refused to support the Objective 1 single programming document when the Assembly sent it to Brussels for approval and they said that the Treasury would not pass on the Objective 1 cash. They were wrong on all counts. What is more, when their leadership contenders are not busy telling ex-miners in Valley communities how left wing they are and farmers in rural areas of north and west Wales how right wing they are, they are contemplating the prospect of Wales free from the shackles of the UK, standing alone in Europe like Denmark.

I do not know about shackles, but a nationalist Government in Wales would be free of £5 billion to £6 billion per annum, which is the difference between what Wales raises in revenue and what we spend. Therefore, a nationalist Government would be hard pressed to find the money to keep schools and hospitals open, let alone money for Objective 1. The time for whingeing is over, and time is also up on the politics of resentment and always blaming someone else—preferably across Offa's Dyke—for our predicaments. It is time to accept responsibilities, stand up in the big world, act like grown-ups and use the ample opportunities we now have to further the

gymwys am Amcan 1 i ddechrau. Er enghraifft, ddechrau'r 1980au, yr oedd gan Sir Benfro gynnyrch mewnwladol crynswth y pen a oedd yn gyfartal â ffigur cyfartalog y DU, ond yn awr, mewn rhannau o'r sir y mae'r cynnyrch mewnwladol crynswth dan 60 y cant o ffigur cyfartalog y DU. Ar ôl gwneud y gwaith rhaw yn creu'r amodau o falltodd economaidd, methodd y Ceidwadwyr â chyflwyno cais am Amcan 1 pan oeddent mewn grym. Beth bynnag y dywed Nick, mae cael gwared ag Amcan 1 yn uchel ar y rhestr o doriadau gwariant y mae Michael Portillo wedi ei haddo. Clywsom oll ef yn lambastio'r lefel gwariant cyhoeddus ddoe.

Gwrthododd y Torïaid ag ariannu Amcan 1 ac ni allai'r cenedlaetholwyr wneud hynny. Yr oll y maent wedi'i wneud yw ymosod ar bob cam o'r broses Amcan 1. Dywedasant na fyddem yn sicrhau statws Amcan 1, gwrthodasant gefnogi dogfen rhaglennu sengl Amcan 1 pan anfonwyd hi gan y Cynulliad i Frwsel i'w chymeradwyo, a dywedasant na fyddai'r Trysorlys yn trosglwyddo'r arian Amcan 1. Yr oeddent yn anghywir ym mhob achos. At hynny, pan nad yw'r cystadleuwyr am yr arweinyddiaeth yn brysur yn dweud wrth gyn-lowyr yng nghymunedau'r Cymoedd pa mor adain chwith ydynt, ac wrth ffermwyr mewn ardaloedd gwledig yng ngogledd a gorllewin Cymru pa mor adain dde ydynt, maent yn ystyried y posibilrwydd o Gymru yn rhydd o hualau'r DU, yn sefyll yn annibynnol yn Ewrop yn yr un modd â Denmarc.

Ni wn am hualau, ond byddai Llywodraeth genedlaetholaidd yng Nghymru yn rhydd o £5 biliwn i £6 biliwn y flwyddyn, sef y gwahaniaeth rhwng yr hyn y mae Cymru yn ei godi mewn refeniw a'r hyn a wariwn. Felly, byddai Llywodraeth genedlaetholaidd yn cael anhawster i ddod o hyd i'r arian i gadw ysgolion ac ysbytai ar agor, heb sôn am arian ar gyfer Amcan 1. Mae'r amser i swnian ar ben, ac mae'r amser ar ben hefyd ar wleidyddiaeth chwerw ac ar roi'r bai ar rywun arall bob amser—gorau oll os yw hwnnw dros Glawdd Offa—am ein helyntion. Mae'n bryd derbyn cyfrifoldebau, sefyll ar ein traed yn y byd mawr, ymddwyn fel oedolion a defnyddio'r holl gyfleoedd

politics, not of resentment, but of fairness, justice and opportunity for all. The other parties do not like it, but Labour has delivered devolution, Objective 1 and the greatest ever hike in public spending in Wales.

The task now is to get the message across to businesses, partnerships and communities working together, that there are opportunities to create the jobs and the new wealth that our country desperately needs. For goodness sake, let us get down and do it.

Helen Mary Jones: Colleagues will know that I am not a whinger by nature. However, I reserve the right not to have to slavishly follow the right wing views of London New Labour, Tony Blair and Gordon Brown. Unfortunately, that is a right that is not free to my colleagues in other parties such as Richard's. In the context of not whingeing, we must welcome the fact that there is to be more public spending, not only in Wales but across the UK. That must be good news. However, I am glad that the Labour Party here and in Westminster has finally decided to reject Tory spending plans and some aspects of Tory policy. About time too.

We must put the debate about how good or bad this settlement is in the context of Wales and what it needs. We know, colleagues, that Wales is poorer, sicker and worse housed than England. This is a result of decades of neglect by successive Westminster Governments and not just blue ones. Hence, we qualify for Objective 1. We should be proud that we have the resources, but we need not be proud that we need them.

Val Feld and others have referred to the fact that, in the past, we have been able to match European spending out of the block that comes to Wales as a matter of course. I have one question about that. How sustainable was it and is that why our waiting lists are longer and our schools are falling down? We have

sydd gennym yn awr i hybu, nid gwleidyddiaeth chwerw, ond gwleidyddiaeth deg, gyda chyfiawnder a chyfle i bawb. Nid yw'r pleidiau eraill yn ei hoffi, ond mae Llafur wedi sicrhau datganoli, Amcan 1 a'r codiad mwyaf erioed mewn gwariant cyhoeddus yng Nghymru.

Y dasg yn awr yw cyfleu'r neges wrth fusnesau, partneriaethau a chymunedau sydd yn gweithio gyda'i gilydd, fod cyfleoedd i greu'r swyddi a'r cyfoeth newydd y mae ar ein gwlad eu gwir angen. Er mwyn popeth, gadewch inni fwrw iddi.

Helen Mary Jones: Bydd fy nghyd-Aelodau yn gwybod nad wyf yn swnen wrth natur. Fodd bynnag, cadwaf yr hawl i beidio â gorfod dilyn yn slafaidd safbwyntiau adain dde Llafur Newydd Llundain, Tony Blair a Gordon Brown. Yn anffodus, mae'n hawl nad yw ar gael i'm cyd-Aelodau mewn pleidiau eraill megis plaid Richard. Yng nghyd-destun peidio â swnian, rhaid inni groesawu'r ffaith y ceir rhagor o wariant cyhoeddus, nid yn unig yng Nghymru ond ar draws y DU. Rhaid fod hynny'n newyddion da. Fodd bynnag, yr wyf yn falch fod y Blaid Lafur yma ac yn San Steffan, o'r diwedd, wedi penderfynu gwrthod y cynlluniau gwariant Toriaidd a rhai agweddau ar y polisi Toriaidd. Mae'n hen bryd hefyd.

Rhaid inni roi'r ddadl am ba mor dda neu wael yw'r setliad hwn yng nghyd-destun Cymru a'r hyn y mae arni ei angen. Gwyddwn, gyd-Aelodau, fod Cymru yn dlotach, yn waelach a bod ynddi dai gwaeth nag yn Lloegr. Digwyddodd hyn o ganlyniad i ddegawdau o esgeulustod gan Lywodraethau olynol yn San Steffan ac nid rhai glas yn unig. O'r herwydd, yr ydym yn gymwys ar gyfer Amcan 1. Dylem fod yn falch fod yr adnoddau gennym, ond ni ddylem fod yn falch fod arnom eu hangen.

Cyfeiriodd Val Feld ac eraill at y ffaith ein bod, yn y gorffennol, wedi gallu defnyddio arian o'r bloc a ddaw i Gymru fel arian cyfatebol i wariant Ewropeaidd yn naturiol. Mae gennyf un cwestiwn am hynny. Pa mor gynaliadwy ydoedd ac ai dyna paham y mae ein rhestrau aros yn hwy a phaham y mae ein

not had sufficient money to match the existing European programmes and meet basic needs.

The last thing we need is the same policies as those pursued in England. Our needs are different and our problems are more serious. However, in terms of basic services, we need the resources to put things right. If we have to match most of the Objective 1 money and other European programmes out of the block, the extra money will not be available to invest in schools, social services and hospitals. It is as simple as that. It is a block of money and we cannot spend it twice.

1:20 p.m.

The National Assembly for Wales has won an important concession from the Chancellor in getting some European money into Wales. We all welcome that. We need to be clear that not a single euro of that would be coming our way were it not for the existence of the National Assembly. However, the European money is not enough. It is not all the money that we are entitled to and we have to ask the question again—

Huw Lewis *rose—*

Helen Mary Jones: I am sorry, Huw. We have heard more than enough from you this afternoon. You will no doubt have an opportunity to intervene later. This is not what the National Assembly asked the Government of Wales to ask for. The National Assembly asked the Government of Wales to ask for the whole lot. We need some clarity from Rhodri Morgan as to whether or not that is what he asked for, because it is certainly not what he said last night.

I have been heartened to hear references this afternoon to the idea of ‘Barnett plus’ coming from the Labour Party. I hope that this is a beginning of a recognition that the Barnett formula is not fair to Wales and does not deliver. This spending settlement, for Wales and for the rest of the UK, is better

hysgolion yn dymchwel? Ni chawsom arian digonol i’w ddefnyddio fel arian cyfatebol ar gyfer rhaglenni Ewropeaidd cyfredol a bodloni anghenion sylfaenol.

Y peth olaf y mae arnom ei angen yw’r un polisïau â’r rheini a ddilynir yn Lloegr. Mae ein hanghenion yn wahanol a’n problemau yn fwy difrifol. Fodd bynnag, o safbwynt gwasanaethau sylfaenol, mae arnom angen yr adnoddau i unioni pethau. Os bydd yn rhaid inni ddefnyddio arian o’r bloc fel arian cyfatebol ar gyfer y rhan fwyaf o’r arian Amcan 1 a rhaglenni Ewropeaidd eraill, ni fydd arian ychwanegol ar gael i’w fuddsoddi mewn ysgolion, gwasanaethau cymdeithasol ac ysbytai. Mae mor syml â hynny. Mae’n floc o arian ac ni allwn ei wario ddwywaith.

Mae Cynulliad Cenedlaethol Cymru wedi ennill consesiwn pwysig gan y Canghellor o ran cael peth arian Ewropeaidd i Gymru. Yr ydym oll yn croesawu hynny. Rhaid inni fod yn glir na fyddem wedi gweld yr un ewro o hwnnw heb fodolaeth y Cynulliad Cenedlaethol. Fodd bynnag, nid yw arian Ewropeaidd yn ddigon. Nid hwn yw’r holl arian y mae gennym yr hawl iddo a rhaid inni ofyn y cwestiwn eto—

Huw Lewis *a gododd—*

Helen Mary Jones: Mae’n ddrwg gennyf, Huw. Yr ydym wedi clywed mwy na digon gennych y prynhawn hwn. Mae’n sicr y cewch gyfle i ymyrryd yn ddiweddarach. Nid hyn y gofynnodd y Cynulliad Cenedlaethol i Lywodraeth Cymru ofyn amdano. Gofynnodd y Cynulliad Cenedlaethol i Lywodraeth Cymru ofyn am y cyfan. Mae angen i Rhodri Morgan esbonio ai dyna y gofynnodd amdano ai peidio, oherwydd yn sicr nid hynny a ddywedodd neithiwr.

Cefais fy nghalonogi o glywed y prynhawn hwn gyfeiriadau at y syniad o ‘Barnett a mwy’ yn dod oddi wrth y Blaid Lafur. Gobeithiaf fod hyn yn gychwyn cydnabyddiaeth nad yw fformwla Barnett yn deg i Gymru ac nad yw’n darparu ar ei chyfer. Mae’r setliad gwariant hwn, i Gymru

than nothing. It is better than what we might have had. It is much better for Wales than the settlement that we would have had without the National Assembly. This is the fruit of work that has been done by Plaid Cymru—The Party of Wales over the last 10 years.

Gwenda Thomas *rose*—

Helen Mary Jones: Mae'n ddrwg gennyf, Gwenda, nid oes digon o amser gennyf. Gallwch ymyrryd yn ystod araith un o'ch pobl eich hun yn nes ymlaen.

Brian Gibbons: You cannot take the heat.

Helen Mary Jones: It is not that I cannot take it; I am just deeply bored with it.

The Presiding Officer: Order. I request Members not to intervene from a sedentary position, as they call it at Westminster.

Helen Mary Jones: This settlement is better than we might have had. However, we do not have a penny piece extra for our pensioners at an UK level; nothing except the chance to apply for what little they can get on the internet. That is extremely useful for my father, who is 90, and for many pensioners throughout Wales. While we do not have a penny piece extra for our pensioners and while we have insufficient extra funds to match Objective 1, it seems to me that this settlement is not something to get excited about. I have been touched and rather moved by the passionate enthusiasm of some colleagues in the Labour Party, but I cannot help feeling that it is misplaced. This is not so much something to get excited about as something that the Government of Wales and the National Assembly must simply get on with. Let us start spending the European money. Heaven only knows how badly it is needed. In the longer term, while Wales remains part of the UK as it is, let us demand a funding system within that settlement that acknowledges Wales's needs and enables them to be met. This settlement does not do that.

a gweddill y DU, yn well na dim. Mae'n well na'r hyn y gallasem fod wedi'i gael. Mae'n llawer gwell i Gymru na'r setliad y byddem wedi'i gael heb y Cynulliad Cenedlaethol. Dyma ffrwyth llafur Plaid Cymru—The Party of Wales dros y 10 mlynedd diwethaf.

Gwenda Thomas *a gododd*—

Helen Mary Jones: I am sorry, Gwenda, I do not have enough time. You can intervene during the speech of one of your own people later.

Brian Gibbons: Ni allwch ddal y pwysau.

Helen Mary Jones: Nid mater o fethu â'i ddal ydyw; fy niflasu yn llwyr y mae.

Y Llywydd: Trefn. Gofynnaf i'r Aelodau beidio ag ymyrryd pan fyddant ar eu heistedd, ys dywedir yn San Steffan.

Helen Mary Jones: Mae'r setliad hwn yn well na'r hyn y gallasem fod wedi'i gael. Fodd bynnag, nid oes gennym geiniog yn ychwanegol ar gyfer ein pensïynwyr ar lefel y DU; dim heblaw'r cyfle i ymgeisio am yr ychydig y gallant ei gael ar y rhynggrwyd. Mae hyn yn hynod ddefnyddiol i'm tad, sydd yn 90, ac i lawer o bensiynwyr ledled Cymru. Tra nad oes gennym geiniog yn ychwanegol ar gyfer ein pensïynwyr a thra nad oes gennym ddigon o arian ychwanegol i gyfateb i Amcan 1, ymddengys imi nad yw'r setliad hwn yn rhywbeth y dylem gyffroi yn ei gylch. Fe'm cyffyrddwyd gan frwdfrydedd tanbaid rhai o Aelodau'r Blaid Lafur, ond teimlaf er fy ngwaethaf ei fod yn anaddas. Nid rhywbeth i gyffroi yn ei gylch yw hyn yn gymaint â rhywbeth y mae'n rhaid i Lywodraeth Cymru a'r Cynulliad Cenedlaethol geisio bwrw ymlaen ag ef. Gadewch inni ddechrau gwario'r arian Ewropeaidd. Y nef yn unig a wŷr pa mor ddirfawr yw'r angen amdano. Yn y tymor hwy, tra erys Cymru yn rhan o'r DU fel ag y mae, gadewch inni fynnu system gyllid o fewn y setliad hwnnw sydd yn cydnabod anghenion Cymru ac sydd yn ein galluogi i fodloni'r anghenion hynny. Nid yw'r setliad hwn yn gwneud hynny.

Huw Lewis: I am glad that you do not think that the Assembly has heard enough from me today, Llywydd. Now that I can say something about Helen Mary's contribution, I will agree with her on one matter. I do not think that we would be here today, celebrating a marvellous financial settlement for Wales, had devolution not happened. However, I also put to her, and I will return to this later in my contribution, that we would not be where we are today if Britain did not exist and if the Labour Party was not in power. Those three things together—devolution, Labour in power and the existence of Britain—have led us to this point today. As a Welsh Labour Member, I welcome the opportunity to contribute to a debate on the announcement by a Labour Government of the largest investment in public services since the great reforming administration of Clement Attlee in 1945-51. That is the scale of change that we are talking about: a step change in the quality and continued viability of our public services. Yesterday was simply about the delivery of social justice and the redistribution of wealth. It was left-wing redistribution; socialism in action. How we allocate this colossal increase in public spending over the next three years in Wales will be for later debate, but I will seek to ensure that the values and principles of Welsh Labour are brought to the fore in those discussions.

In education, that means ensuring that, in return for this huge new investment, we achieve modernisation of our schools, our colleges, and of the way in which we teach and learn, as well as a renewed determination to raise standards at all ages. We must urgently consider innovative ways of integrating information technology skills and training at all levels in the school curriculum, for pupils and teachers. We have more than enough resources to address that now.

In higher education we need the resources to transform the currently unacceptable position of inequality of access within Wales. Too many people of all ages in my constituency have no prospect of the transformation in life

Huw Lewis: Yr wyf yn falch na chredwch chi fod y Cynulliad wedi clywed digon gennyf heddiw, Lywydd. Yn awr y caf ddweud rhywbeth am gyfraniad Helen Mary, cytunaf gyda hi ar un mater. Ni chredaf y byddem yma heddiw, yn dathlu setliad ariannol ardderchog i Gymru, pe na byddai datganoli wedi digwydd. Fodd bynnag, dywedaf wrthi hefyd, a dychwelaf at hyn yn ddiweddarach yn fy nghyfraniad, na fyddem yn y sefyllfa yr ydym ynddi heddiw pe na byddai Prydain yn bodoli a phe na byddai'r Blaid Lafur mewn grym. Y tri pheth hyn gyda'i gilydd—datganoli, Llafur mewn grym a bodolaeth Prydain—sydd wedi ein harwain i'r fan hon heddiw. Fel Aelod o Blaid Lafur Cymru, croesawaf y cyfle i gyfrannu at ddadl ar gyhoeddiad gan Lywodraeth Lafur am y buddsoddiad mwyaf mewn gwasanaethau cyhoeddus ers gweinyddiaeth ddiwygio fawr Clement Attlee ym 1945-51. Dyna faint y newid y soniwn amdano: newid mawr yn safon ac ymarferoldeb parhaol ein gwasanaethau cyhoeddus. Y cyfan a welwyd ddoe oedd cyflwyno cyfiawnder cymdeithasol ac ailddosbarthu cyfoeth. Ailddosbarthiad adain chwith ydoedd; sosialaeth ar waith. Rhaid trafod sut y byddwn yn dyrannu'r cynnydd anferth hwn dros y tair blynedd nesaf yng Nghymru mewn dadl ddiweddarach, ond ceisïaf sicrhau y dygir gwerthoedd ac egwyddorion Llafur Cymru i flaen y trafodaethau hynny.

Ym myd addysg, golyga hyn ein bod, yn gyfnewid am y buddsoddiad newydd anferth hwn, yn llwyddo i foderneiddio ein hysgolion, ein colegau, a'r modd yr addysgwn ac y dysgwn, yn ogystal â sicrhau penderfyniad o'r newydd i godi safonau ym mhob oedran. Rhaid inni ystyried yn ddi-oed ffyrdd arloesol o integreiddio sgiliau a hyfforddiant technoleg gwybodaeth ar bob lefel yn y cwricwlwm ysgol, ar gyfer disgyblion ac athrawon. Mae gennym fwy na digon o adnoddau i fynd i'r afael â hynny yn awr.

Mewn addysg uwch mae arnom angen yr adnoddau i drawsnewid y sefyllfa annerbyniol bresennol o anghydraddoldeb o safbwynt mynediad yng Nghymru. Mae gormod o bobl o bob oedran yn fy etholaeth

chances that higher education brings either in circumstance or aspiration. We have the resources to end that now with measures tailored to Wales.

David Davies: Can the Member tell me how those pupils who are suffering from a poor standard of education in his constituency will benefit from the tuition charges brought in by his Government?

Huw Lewis: It has escaped the Conservative Party's notice in the debates on higher education that we are undergoing an historic and massive increase in student numbers in higher and further education in Wales. There will be over 36,000 extra places in the next three years, which will do more for access for people from lower-income backgrounds than any Tory administration has ever dreamed of.

Jenny Randerson: Do you accept that the massive increase to which you referred is actually taking place in Scotland, where applications have gone up by 18 per cent? Unfortunately, they are stagnant or slightly falling in the rest of the UK, undoubtedly due to tuition fees.

Huw Lewis: Your statistics are new to me, Jenny, I must admit. The statistics that I have seen involve higher and further education institutions frantically planning for 36,000 extra places, which I think—if we look at access issues—we will have no problem whatsoever in filling. It is important that we look at that.

For the national health service, this package is nothing less than a commitment to a quality health service that can survive in the climate of change generated by changes in medical technology. With the health inequalities faced by our poorest communities at the top of our agenda, we can move forward with that debate, and we have the resources. This new investment offers the NHS not only a lifeline, but the turning of a

nad oes ganddynt unrhyw obaith o fanteisio ar y newid bywyd a geir gyda'r cyfleoedd a ddaw yn sgîl addysg uwch, un ai o safbwynt amgylchiadau neu ddyheadau. Mae'r adnoddau gennym yn awr i roi terfyn ar hynny, a mesurau wedi'u teilwra ar gyfer Cymru.

David Davies: A all yr Aelod ddweud wrthyf sut y bydd y disgyblion hynny sydd yn dioddef o addysg o safon wael yn ei etholaeth yn elwa o'r taliadau hyfforddi a gyflwynwyd gan ei Lywodraeth ef?

Huw Lewis: Nid yw'r Blaid Geidwadol wedi sylwi, yn y dadleuon ar addysg uwch, fod cynnydd aruthrol a hanesyddol ar droed yn nifer y myfyrwyr sydd mewn addysg uwch a phellach yng Nghymru. Bydd dros 36,000 o leoedd ychwanegol ar gael yn y tair blynedd nesaf, a bydd hyn yn gwneud mwy ar gyfer mynediad i bobl o gefndiroedd incwm is nag a freuddwydiodd unrhyw weinyddiaeth Doriaidd erioed.

Jenny Randerson: A dderbyniwch fod y cynnydd aruthrol y cyfeiriasoch ato wrthi'n digwydd mewn gwirionedd yn yr Alban, lle mae nifer yr ymgeiswyr wedi codi 18 y cant? Yn anffodus, maent yn llonydd neu'n cwympo ychydig yng ngweddill y DU, oherwydd ffioedd hyfforddi yn ddi-os.

Huw Lewis: Mae eich ystadegau yn newydd i mi, Jenny, rhaid imi gyfaddef. Mae'r ystadegau a welais i yn cynnwys sefydliadau addysg uwch a phellach yn cynllunio'n wyllt ar gyfer 36,000 o leoedd ychwanegol, lleoedd—os edrychwn ar faterion mynediad—na chawn unrhyw broblem i'w llanw. Mae'n bwysig ein bod yn edrych ar hynny.

I'r gwasanaeth iechyd gwladol, nid yw'r pecyn hwn yn ddim llai nag ymrwymiad i wasanaeth iechyd o safon a all oroesi yn yr hinsawdd o newid a grëir gan newidiadau mewn technoleg feddygol. Mae'r anghydraddoldebau iechyd y mae'r cymunedau tlotaf yn eu hwynebu ar frig ein hagenda ac, o'r herwydd, gallwn fwrw ymlaen gyda'r ddadl hon, ac mae'r adnoddau gennym. O ran yr NHS, cynigia'r

corner away from the alternative futures offered by the opponents of the Labour Party. The NHS will be saved from being dismantled into the collection of competing, semi-private health ples that is proposed by the Conservatives.

The NHS will survive and thrive because it is enjoying the benefits of a Labour Government that recognises that the health service is the single greatest contribution to the achievement of social justice and sheer human decency that has ever been delivered in the UK.

Alun Cairns: Are you saying that you regret the capital expenditure cuts that the Labour Government has made over the last three years?

Huw Lewis: I have referred to that before. We are where we are because of a Labour Government. It is because of the financial prudence of a Labour Government—

David Davies *rose—*

The Presiding Officer: Order. Huw Lewis has not finished responding to the intervention. I do not think that he has even uttered one complete sentence yet.

Huw Lewis: Give me a chance, David. We are where we are because of the actions of a Labour Government: prudent economic management and a war on unemployment and child poverty. Those two years were necessary, and we are now at an historic turning point in public investment.

David Davies: Are we where we are as regards health waiting lists because of a Labour Government? They have soared to record levels under your Government; is that also because of Labour?

Huw Lewis: We have made no secret of the fact that it will take time to put right the damage that your party did, David, but we

buddsoddiad newydd hwn nid yn unig achubiaeth, ond newid cyfeiriad oddi wrth y gwahanol fathau o ddyfodol a gynigir gan wrthwynebwyr y Blaid Lafur. Caiff yr NHS ei achub rhag cael ei ddatgymalu yn gasgliad o gwmnïau iechyd cyfyngedig cyhoeddus lled-breifat, cystadleuol fel a gynigir gan y Ceidwadwyr.

Bydd yr NHS yn goroesi ac yn ffynnu gan ei fod yn mwynhau manteision Llywodraeth Lafur sydd yn cydnabod mai'r gwasanaeth iechyd yw'r cyfraniad unigol mwyaf at gyflawni cyfiawnder cymdeithasol a pharch dynol llwyr a ddarparwyd erioed yn y DU.

Alun Cairns: A ddywedwch ei bod yn resyn gennych am y toriadau mewn gwariant cyfalaf y mae'r Llywodraeth Lafur wedi eu gwneud dros y tair blynedd ddiwethaf?

Huw Lewis: Cyfeiriais at hynny eisoes. Yr ydym yn y sefyllfa hon oherwydd Llywodraeth Lafur. Oherwydd doethineb ariannol Llywodraeth Lafur—

David Davies *a gododd—*

Y Llywydd: Trefn. Nid yw Huw Lewis wedi gorffen ymateb i'r ymyriad. Ni chredaf ei fod wedi yngan un frawddeg gyflawn eto.

Huw Lewis: Rhowch gyfle imi, David. Yr ydym yn y sefyllfa hon oherwydd gweithredoedd Llywodraeth Lafur: rheolaeth economaidd ddoeth a brwydr yn erbyn diweithdra a thlodi ymysg plant. Yr oedd y ddwy flynedd hynny yn angenrheidiol, ac yr ydym yn awr ar drobwynt hanesyddol mewn gwariant cyhoeddus.

David Davies: A ydym yn y sefyllfa hon o safbwynt rhestrau aros iechyd oherwydd y Llywodraeth Lafur? Maent wedi codi i lefelau uwch nag erioed dan eich Llywodraeth chi; ai Llafur yw'r rheswm am hynny hefyd?

Huw Lewis: Nid ydym wedi cuddio'r ffaith y bydd yn rhaid inni gael amser i gywiro'r niwed a wnaeth eich plaid chi, David, ond fe

will do it. It is a party that is on the verge of suffering some kind of multiple personality disorder. It does not know whether to criticise public expenditure in Wales or praise it up in Westminster. It is completely confused on this issue and I, and Labour, will take no lessons from it on the management of the health service.

To turn to Objective 1, and I want to talk about Plaid Cymru's attitude on this issue—

1:30 p.m.

Jonathan Morgan: Its Members are not here.

Brian Gibbons: They have gone to London or have gone home with their tails between their legs.

Huw Lewis: They are on the M4 with a begging bowl. It is disappointing that they are absent. We have seen today another example from the nationalists of how to handle devolution and a lesson in their own politics. We see a pattern developing in Welsh nationalist thinking, if that is not a contradiction in terms. It should be a familiar tale by now. They start with a whinge, follow up with a quick U-turn and then end up trying to find an ingenious way—I take my hat off to you, Phil—of claiming credit for something they previously failed to support. That has been the story of this process from the start, from the debate on the single programming document and now to the £421 million outside the Welsh block. This is an unprecedented move, incidentally—outside the Welsh block. Northern Ireland did not get it, the Scots did not get it, and the English regions do not get it. Now, the only people who do not get it are the Welsh nationalists. We saw this when they claimed that we could not even secure Objective 1 status. They then hurriedly despatched a delegation to the Commission when it became apparent that we would. We saw it when they refused to endorse the single programming document—

Phil Williams: Do you accept that the first recorded instance of anyone saying that the proper change of boundaries would win Objective 1 was a Plaid Cymru MP and that

wnawn hynny. Mae'n blaid sydd ar fin dioddef anhwylder aml-bersonoliaeth o ryw fath. Ni ŵyr a ddylai feirniadu gwariant cyhoeddus yng Nghymru ynteu ei ganmol yn San Steffan. Mae'n gwbl ddryslyd ynglŷn â'r mater hwn ac ni wnaif fi, na Llafur, gymryd unrhyw wersi ganddi am reoli'r gwasanaeth iechyd.

I droi at Amcan 1, hoffwn siarad am agwedd Plaid Cymru at y mater hwn—

Jonathan Morgan: Nid yw ei Haelodau yma.

Brian Gibbons: Maent wedi mynd i Lundain neu wedi mynd gartref â'u cynffonnau rhwng eu coesau.

Huw Lewis: Maent ar draffordd yr M4 gyda dysgl gardota. Mae eu habsenoldeb yn siom. Gwelsom heddiw esiampl arall gan y cenedlaetholwyr o sut i ddelio â datganoli a gwers am eu gwleidyddiaeth eu hunain. Gwelwn batrwm yn datblygu yn ffordd y cenedlaetholwyr Cymreig o feddwl, os nad yw hynny yn groes-osodiad. Dylai fod yn stori gyfarwydd bellach. Dechreuant gan swmian, cyn cymryd tro U-bedol sydyn ac yn y diwedd ceisiant ganfod ffordd fedrus—codaf fy het ichi, Phil—o hawlio clod am rywbeth na chefnogasant ynghynt. Dyna fu hanes y broses hon o'r dechrau, o'r ddadl ar y ddogfen rhaglennu sengl ac yn awr i'r £421 miliwn y tu allan i'r bloc Cymreig. Mae hwn yn gam nas gwelwyd o'r blaen, gyda llaw—y tu allan i'r bloc Cymreig. Ni chafodd Gogledd Iwerddon hyn, ni chafodd yr Albanwyr hyn, ac ni chafodd y rhanbarthau yn Lloegr hyn. Yn awr, yr unig bobl nas cafodd yw'r cenedlaetholwyr Cymreig. Gwelsom hyn pan honasent na allem hyd yn oed sicrhau statws Amcan 1. Yna anfonasent gynrychiolaeth, ar frys, i'r Comisiwn pan ddaeth yn amlwg y byddem yn ei gael. Fe'i gwelsom pan wrthodasant gymeradwyo'r ddogfen rhaglennu sengl—

Phil Williams: A dderbyniwch mai'r achos cyntaf a gofnodwyd o unrhyw un yn dweud y byddai newid y ffiniau'n briodol yn sicrhau Amcan 1 oedd AS Plaid Cymru a bod hynny

that was on record before any similar proposal was made?

Huw Lewis: That may be so, Phil. In that case, why did you refuse to endorse the single programming document and then declare, to the First Secretary that

‘We all share your delight and welcome this further important step in the approval of the Objective 1 single programming document’?

Why do they refuse to endorse a document and then share delight and welcome the approval of the very same document? That declaration came after the SPD was given the green light and there was no further political capital left for Plaid Cymru to exploit.

Phil Williams *rose—*

Huw Lewis: Please, Phil, I will have a few sentences today if you do not mind.

The Presiding Officer: It is in order for a speaker to refuse an intervention even when he has just asked a rhetorical question.

Huw Lewis: We have seen the same story today. The people who work on the ground to deliver these projects, the real backbone and engine room of Objective 1, will know from Plaid Cymru’s contribution today that the money they receive from the Government, the Commission or other partners will have been achieved in spite of and not because of Plaid Cymru’s actions.

For the past year, I have had the privilege of chairing the Merthyr Tydfil Objective 1 partnership. At every meeting I have had to reassure those partners that Objective 1 would be delivered because at every meeting their confidence had been undermined by Plaid Cymru spokespeople. Thanks to Paul Murphy, Rhodri Morgan and Gordon Brown I no longer need to do that because they have delivered.

wedi ei gofnodi cyn y gwnaed unrhyw gynnyg tebyg?

Huw Lewis: Efallai’n wir, Phil. Os felly, pam y gwrthodasoch gymeradwyo’r ddogfen rhaglennu sengl ac yna datgan, wrth y Prif Ysgrifennydd

‘Ein bod oll yn rhannu eich boddhad ac yn croesawu’r cam pwysig pellach hwn drwy gael cymeradwyaeth i ddogfen rhaglennu sengl Amcan 1’?

Paham eu bod yn gwrthod cymeradwyo dogfen ac yna’n rhannu’r boddhad ac yn croesawu’r gymeradwyaeth a gafodd yr union ddogfen honno? Daeth y datganiad hwnnw ar ôl dangos y golau gwyrdd i’r ddogfen rhaglennu sengl ac nid oedd rhagor o gyfalaf gwleidyddol pellach ar ôl i Blaid Cymru ei ecsbloetio.

Phil Williams *a gododd—*

Huw Lewis: Os gwelwch yn dda, Phil, hoffwn gael ychydig o frawddegau heddiw os nad oes ots gennych.

Y Llywydd: Mae mewn trefn i siaradwr wrthod ymyriad hyd yn oed pan fydd newydd ofyn cwestiwn rhethregol.

Huw Lewis: Gwelsom yr un stori heddiw. Bydd y bobl sydd yn gweithio ar lawr gwlad i gyflwyno’r prosiectau hyn, asgwrn cefn a pheirianwaith gwirioneddol Amcan 1, yn gwybod, o gyfraniad Plaid Cymru heddiw, fod yr arian a gânt gan y Llywodraeth, y Comisiwn neu bartneriaid eraill wedi ei sicrhau er gwaethaf, nid oherwydd, gweithredoedd Plaid Cymru.

Dros y flwyddyn ddiwethaf, cefais y fraint o gadeirio partneriaeth Amcan 1 Merthyr Tudful. Ym mhob cyfarfod bu’n rhaid imi dawelu meddwl y partneriaid hynny y byddai Amcan 1 yn cael ei ddarparu oherwydd, ym mhob cyfarfod, cafodd eu hyder ei danseilio gan lefarwyr Plaid Cymru. Diolch i Paul Murphy, Rhodri Morgan a Gordon Brown, nid oes yn rhaid imi wneud hynny mwyach, gan eu bod wedi darparu ar ein cyfer.

Nationalist actions over the last 18 months reveal the basic fact that everything they have done with regard to Objective 1 has been for their own party political advantage. Not once have they acted purely and simply in the interest of the people of west Wales and the Valleys. If they are sincere in the objections that they have raised today—you never know they could be—they have shown that the party does not have sufficient integrity for the job of Government.

Phil Williams: Why did you not mention the fact that, between the version of the SPD that we approved and endorsed in October and the version that we did not endorse, there had been serious cuts in community development budgets, in the public integrated transport budget and in the budget for information communication technology? These are the explanations. We felt that these were penalising the people who needed the help in the Valleys.

Huw Lewis: As Richard Edwards said, it is time for Plaid Cymru to enter into the world of grown-up politics. When the Assembly was on the verge of delivering the plan for Objective 1 to Europe, one party refused to endorse the plan. What a message to send to Europe and to the people of Wales. Instead of lining up behind the plan—the once in a lifetime opportunity, as has been said many times before—it refused to endorse it, distanced itself from it and then clings to it after it has been approved.

Let us ask Plaid Cymru a question as it pedals its politics of resentment in this Chamber and outside. If Plaid Cymru had its way and Wales was outside the UK, how exactly would it raise the £2 billion extra Wales has received in this review without massive tax increases for the people of Wales? Would it not be too busy with the £5 billion shortfall in public finances that a Welsh-only Treasury would face when it was cut off from Britain? How can Plaid Cymru, today of all days, deny the benefits of the United Kingdom it resents so much?

Mae gweithredoedd y cenedlaetholwyr dros y 18 mis diwethaf yn dangos y ffaith sylfaenol y gwnaethant bopeth a wnaethant o safbwynt Amcan 1 er eu budd pleidiol-wleidyddol eu hunain. Nid ydynt, yr un waith, wedi ymddwyn yn unig ac yn syml er budd pobl gorllewin Cymru a'r Cymoedd. Os ydynt yn ddiffuant yn y gwrthwynebiadau a godwyd ganddynt heddiw—wyddech chi ddim, efallai eu bod yn ddiffuant—maent wedi dangos nad oes gan y blaid ddigon o onestrwydd ar gyfer y gwaith o fod yn Llywodraeth.

Phil Williams: Paham na wnaethoch grybwyll y ffaith y gwelwyd, rhwng y fersiwn o'r ddogfen rhaglennu sengl a gymeradwywyd ac a gefnogwyd gennym ym mis Hydref a'r fersiwn na chefnogwyd gennym, doriadau difrifol mewn cyllidebau datblygu cymunedau, yng nghyllideb trafndiaeth integredig y cyhoedd a'r gyllideb ar gyfer technoleg gwybodaeth a chyfathrebu? Dyma'r esboniadau. Teimlasem fod y rhain yn cosbi'r bobl yr oedd arnynt angen yr help yn y Cymoedd.

Huw Lewis: Fel y dywedodd Richard Edwards, mae'n bryd i Blaid Cymru gamu i fyd gwleidyddol yr oedolion. Pan oedd y Cynulliad ar fin cyflwyno'r cynllun ar gyfer Amcan 1 i Ewrop, gwrthododd un blaid â chefnogi'r cynllun. Y fath neges i'w hanfon i Ewrop a phobl yng Nghymru. Yn hytrach na sefyll mewn rhes y tu cefn i'r cynllun—y cyfle na cheir ond unwaith mewn oes, fel y dywedwyd sawl gwaith o'r blaen—gwrthododd ei gymeradwyo, gan ymbellhau oddi wrtho ac yna glynu wrtho ar ôl iddo gael ei gymeradwyo.

Gadewch inni ofyn cwestiwn i Blaid Cymru wrth iddi yrru ei gwleidyddiaeth chwerw yn y Siambr hon a thu allan. Pe câi Plaid Cymru ei ffordd a bod Cymru y tu allan i'r DU, sut yn union y byddai'n codi'r £2 biliwn yn ychwanegol y mae Cymru wedi'i gael gyda'r adolygiad hwn heb i bobl Cymru wynebu cynnydd aruthrol mewn treth? Oni fyddai'n rhy brysur gyda'r diffyg o £5 biliwn mewn arian cyhoeddus y byddai Trysorlys Cymru-yn-unig yn ei wynebu ar ôl torri'n rhydd o Brydain? Sut y gall Plaid Cymru, heddiw o bob diwrnod, wadu manteision y Deyrnas

Unedig y mae mor ddig wrthi?

Finally, I am sure that other Members would not be surprised to hear me say that yesterday was a good day for people in my constituency and for the public services on which so many of them rely. It was not such a good day for many of our opponents in this Chamber. The responsibility now rests with us to deliver the allocations that we have received. I only hope that some of the other parties in this Chamber will act more appropriately and with more responsibility than they did in the days leading up to yesterday. What we saw from Gordon Brown yesterday was good, old-fashioned, socialist redistribution of wealth, from the rich to the poor, from the advantaged to the disadvantaged, and crucially, from the rest of the UK to Wales. I repeat, a redistribution of wealth from the rest of the UK to Wales. A question hangs in the air. Do we have the courage in this Chamber to decide to spend our allocation in Wales in similar vein, to fight for social justice to redistribute allocations of public spending within our borders? Are you prepared to redistribute wealth to further social justice or will you falter at that hurdle also?

Alun Cairns: No one would doubt that this debate has been the focal point of Assembly activity in the short period since our establishment. Assembly Members placed such an importance on this that Alun Michael was ousted as First Secretary earlier this year. The principle has been clear from the outset. Wales needed nothing less than the necessary match funding over and above the Barnett block grant to fully exploit the one-off opportunity of Objective 1 funding. After the massive tax rises that we have seen since the last General Election, we are only asking for the redeployment of that in the direction of Wales. To ensure that the new First Secretary was clear on this, I took the opportunity to check the Record of Proceedings. On 24 November 1999 he said:

Yn olaf, yr wyf yn sicr na fyddai Aelodau eraill yn synnu fy nghlywed yn dweud bod ddoe yn ddiwrnod da i bobl yn fy etholaeth ac i'r gwasanaethau cyhoeddus y mae cymaint ohonynt yn dibynnu arnynt. Nid oedd yn gystal diwrnod i lawer o'n gwrthwynebwyr yn y Siambr hon. Saif y cyfrifoldeb gyda ni yn awr i gyflwyno'r dyraniadau a gawsom. Ni allaf ond gobeithio y bydd rhai o'r pleidiau eraill yn y Siambr hon yn gweithredu'n fwy priodol a chydawwy o gyfrifoldeb nag y gwnaethant yn ystod y dyddiau a arweiniodd at ddoe. Yr hyn a welsom gan Gordon Brown ddoe oedd camau hen ffasiwn, da, sosialaidd i ailddosbarthu cyfoeth, o'r cyfoethog i'r tlawd, o'r ffodus i'r anffodus ac, yn holl bwysig, oddi wrth weddill y DU i Gymru. Dywedaf hynny eto, ailddosbarthu cyfoeth oddi wrth weddill y DU i Gymru. Mae cwestiwn yn aros yn yr awyr. A oes gennym y dewrder yn y Siambr hon i benderfynu gwario ein dyraniad yng Nghymru i'r un perwyl, i frwydro dros gyfiawnder cymdeithasol i ailddosbarthu dyraniadau o wariant cyhoeddus oddi mewn i'n ffiniau? A ydych yn barod i ailddosbarthu cyfoeth i hybu cyfiawnder cymdeithasol neu a fyddwch yn petruso wrth y rhwystr hwnnw hefyd?

Alun Cairns: Ni fyddai neb yn amau mai'r ddadl hon fu canolbwynt gweithgaredd y Cynulliad yn yr amser prin ers ein sefydlu. Rhoddai Aelodau'r Cynulliad gymaint o bwys ar hyn fel y disodlwyd Alun Michael fel y Prif Ysgrifennydd yn gynharach eleni. Bu'r egwyddor yn glir o'r dechrau. Nid oedd ar Gymru angen dim llai na'r arian cyfatebol angenrheidiol yn ychwanegol at grant bloc Barnett i fanteisio i'r eithaf ar y cyfle unigryw a gynigir gan arian Amcan 1. Ers y cynnydd aruthrol mewn treth a welsom ers yr Etholiad Cyffredinol diwethaf, yr oll y gofynnwn amdano yw am i hwnnw gael ei adleoli i gyfeiriad Cymru. I sicrhau bod y Prif Ysgrifennydd yn sicr ar hyn, achubais ar y cyfle i archwilio Cofnod y Trafodion. Ar 24 Tachwedd 1999 dywedodd:

'We have made no secret of the fact that we

'Nid ydym wedi ceisio celu'r ffaith fod

have a tough battle with the Treasury to secure funds over and above the Barnett formula.'

This accepted the principle of PES cover outside Barnett. However, he was not so crystal clear on the confirmation of his understanding of match funding. I was pleased to research that on 28 March the First Secretary said that he had

'always supported its two components about the necessary match funding and PES cover being over and above the normal Barnett block expenditure.'

There was no question of what we expected and demanded yesterday: PES cover and the necessary match funding. When the First Secretary said yesterday that we had received everything that we had asked for, that was not the case. On 21 March he said:

'Getting the PES cover taken outside the Barnett formula is the big battle. If we can win that battle, we are 90 per cent of the way there.'

That is different from what he was proclaiming yesterday. If we were not to have seen this, then what was the point of west Wales and the Valleys being given Objective 1 status? To add insult to injury, less than half the necessary PES cover has been granted.

If we are to fully access the European funding available, funds that would normally be spent on health and education will now have to be diverted from these essential services. In England, where budgets have been increased across the spending department, people will fully benefit from the extra funding allocated although the economy as a whole may not be able to sustain the increased spending on such a basis. In Wales, however, those increases must now be diverted away from hospitals and schools to lever in the European funding available. We have seen a spending spree in

gennym frwydr galed gyda'r Trysorlys i sicrhau cyllid ar ben fformwla Barnett.'

Derbyniodd hyn yr egwyddor o arian yr arolwg gwariant cyhoeddus y tu allan i Barnett. Fodd bynnag, nid oedd yr un mor glir wrth gadarnhau ei ddealltwriaeth o arian cyfatebol. Yr oedd yn bleser gennyf ymchwilio bod y Prif Ysgrifennydd, ar 28 Mawrth, wedi dweud ei fod

'bob amser wedi cefnogi'r ddwy elfen sydd ynddo, sef y dylai'r cyllid cyfatebol angenrheidiol ac y dylai arian yr arolwg gwariant cyhoeddus fod ar ben y gwariant bloc Barnett arferol.'

Nid oedd unrhyw gwestiwn o'r hyn a ddisgwyliasom ac a fynasom ddoe: arian yr arolwg gwariant cyhoeddus a'r arian cyfatebol angenrheidiol. Pan ddywedodd y Prif Ysgrifennydd ddoe ein bod wedi derbyn pob dim y gofynasom amdano, nid oedd hynny'n wir. Ar 21 Mawrth dywedodd:

'Sicrhau y caiff arian yr arolwg gwariant cyhoeddus ei dynnu o fformwla Barnett yw'r frwydr fawr. Os gallwn ennill y frwydr honno, yr ydym 90 y cant o'r ffordd yno'.

Mae hyn yn wahanol i'r hyn yr oedd yn ei ddatgan ddoe. Pe na byddem wedi gweld hyn, yna beth oedd y pwynt rhoi statws Amcan 1 i orllewin Cymru a'r Cymoedd? I rwbio halen i'r briw, rhoddwyd llai na hanner yr arian angenrheidiol ar gyfer yr arolwg gwariant cyhoeddus.

Os ydym am fanteisio i'r eithaf ar yr arian Ewropeaidd sydd ar gael, bydd yn rhaid i arian a warir fel arfer ar iechyd ac addysg yn awr gael ei gyfeirio oddi wrth y gwasanaethau holl bwysig hyn. Yn Lloegr, lle mae cyllidebau wedi cynyddu ar draws yr adrannau gwariant, bydd pobl yn elwa o'r arian ychwanegol a ddyrannwyd er na all yr economi yn ei gyfanrwydd gynnal y gwariant cynyddol ar sail o'r fath. Yng Nghymru, fodd bynnag, rhaid i'r cynnydd hwn gael ei ailgyfeirio yn awr oddi wrth ysbytai ac ysgolion er mwyn gwthio'r arian Ewropeaidd sydd ar gael i mewn. Gwelwyd sbri gwario

England, but the money has had to be diverted to lever in structural funds in Wales.

yn Lloegr, ond bu'n rhaid ailgyfeirio'r arian i wthio'r cronfeydd strwythurol i mewn yng Nghymru.

1:40 p.m.

When you woke up this morning, First Secretary, and looked in the mirror, did you honestly believe that Wales had been given what it deserves and needs? Did you honestly believe that Tony Blair has not let Wales down? The Assembly ousted Alun Michael for failing to gain the promise of match funding. However, Rhodri Morgan has done even worse and failed to gain the match funding that we so desperately needed.

Pan ddihunasoch y bore hwn, Brif Ysgrifennydd, ac edrych yn y drych, a gredech mewn gwirionedd fod Cymru wedi cael yr hyn y mae'n ei haeddu ac y mae arni ei angen? A gredech yn gwbl onest nad yw Tony Blair wedi troi ei gefn ar Gymru? Bwriodd y Cynulliad Alun Michael allan am fethu â sicrhau addewid o arian cyfatebol. Fodd bynnag, mae Rhodri Morgan wedi gwneud yn waeth fyth ac wedi methu â chael yr arian cyfatebol y mae arnom ei angen mor ddifrifol.

Lynne Neagle: Alun, do you not accept that our settlement in Wales was greater than that in England and gives us the money that we need for match funding? The figures are clear. England had an increase of 3.3 per cent and we had one of 5.4 per cent. Do you not accept that that gives us the money that we need for us to spend as we see fit on match funding?

Lynne Neagle: Alun, oni dderbyniwch fod ein setliad yng Nghymru yn fwy na'r setliad yn Lloegr a'i fod yn rhoi'r arian y mae ei angen arnom ar gyfer arian cyfatebol? Mae'r ffigurau'n glir. Cafodd Lloegr gynnydd o 3.3 y cant a chawsom ni gynnydd o 5.4 y cant. Oni chytunwch fod hyn yn rhoi inni'r arian y mae arnom ei angen i'w wario fel sydd yn addas ar arian cyfatebol?

Alun Cairns: All that has been received in addition to the Barnett block grant is the public expenditure survey cover, which otherwise translates as the provision to spend the European money. What is the point of us being designated with Objective 1 status unless we have permission to spend the money? That has been taken for granted from the outset. The necessary match funding was demanded of the First Secretary and of the former First Secretary. That is why we had a change of First Secretary. Rhodri Morgan has failed to deliver.

Alun Cairns: Yr oll a dderbyniwyd yn ychwanegol at grant bloc Barnett yw arian yr arolwg gwariant cyhoeddus, arian sydd yn cyfieithu fel arall fel y ddarpariaeth i wario'r arian Ewropeaidd. Beth yw'r pwynt inni gael statws Amcan 1 oni bai fod gennym ganiatâd i wario'r arian? Cymerwyd hyn yn ganiataol o'r dechrau. Mynnwyd yr arian cyfatebol angenrheidiol gan y Prif Ysgrifennydd a chan y cyn Brif Ysgrifennydd. Dyna paham y cawsom Brif Ysgrifennydd newydd. Mae Rhodri Morgan wedi methu â darparu ar ein cyfer.

Delyth Evans: Wrth imi wrando ar araith y Canghellor brynhawn ddoe, yr oedd gennyf ddau ymateb. Yn gyntaf, balchder ar ran fy mhlaid fod y Llywodraeth Lafur, drwy ei rheolaeth ofalus a chyfrifol o'r economi Brydeinig, wedi rhoi ein cyllid cyhoeddus yn y fath gyflwr llewyrchus. Yn ail, balchder ar ran pobl Cymru fod y fath gynnydd yng ngwariant y Cynulliad Cenedlaethol yn ein galluogi i ddod â gwelliannau sylweddol i'w bywydau dros y blynyddoedd nesaf.

Delyth Evans: As I listened to the Chancellor's speech yesterday I had two responses. First, pride on behalf of my party that the Labour Government, through its careful and responsible management of the British economy, had put our public funding in such a prosperous state. Second, pride on behalf of the people of Wales that such an increase in the National Assembly's spending enables us to bring substantial improvements to their lives over the next few

years.

Yn y canolbarth a'r gorllewin—yr ardal yr wyf yn ei chynrychioli—mae'n dod â chyfle am fuddsoddiad sylweddol mewn iechyd, ysgolion ac mewn trafnidiaeth, sydd mor bwysig i'n cymunedau gwledig. Mae'n dod â chyfle am wariant ychwanegol mewn amaethyddiaeth ar Dir Gofal, ffermio organig ac arallgyfeirio, sydd mor bwysig i ddyfodol cefn gwlad. Yn lle croesawu a chydabod y newyddion da hyn i bobl ledled Cymru, mae rhai ym Mhlaid Cymru yn ceisio dadlau nad yw hwn yn ddiwrnod da i Gymru, er y gwyddant yn iawn fod mwy yn y setliad hwn nag y gallent hwy fyth ei ddarparu.

Mick Bates: I agree with your comments on rural areas. However, in your Government's budget today is a proposal to reduce the Tir Mynydd payment. If your administration is so supportive of rural areas, how do you explain that?

Delyth Evans: It will be for the Assembly to decide on priorities for the extra money coming to Wales in this settlement. The Labour administration has been keen to promote Tir Gofal and the organic sector, as you well know, Mick. I am hopeful that there will be extra money for those programmes in the new money that is coming through to us.

Mick Bates rose—

Delyth Evans: I will not give way again.

Fel y dywedais, mae hwn yn ddiwrnod da i Gymru ac mae Plaid Cymru yn gwybod yn iawn fod mwy o arian yma nag y gallai fyth ei ddarparu. Mae'n gywilydd bod Plaid Cymru yn poeni'n fwy am amddiffyn ei chroen na chydabod yn onest y gwelliannau a ddaw yn sgîl y datganiad hwn. Bydd pobl yn Llanelli, Dwyrain Caerfyrddin a Dinefwr, Islwyn a'r Rhondda, yn deall yn iawn mai'r Llywodraeth Lafur yn y Cynulliad ac yn Llundain sydd yn wirioneddol gynrychioli eu buddiannau, ac nad yw Plaid Cymru yn gwneud dim ond cwyno a thanseilio.

To describe this settlement, as Ieuan Wyn

In mid and west Wales—the area which I represent—it brings an opportunity for substantial investment in health, schools and in transport, which is so important for our rural communities. It brings an opportunity for additional expenditure in agriculture on Tir Gofal, organic farming and diversification, which are so important to the future of the countryside. Instead of welcoming and recognising this good news for people throughout Wales, some in Plaid Cymru are trying to argue that this is not a good day for Wales, although they know full well that there is more in this settlement than they could ever provide.

Mick Bates: Cytunaf gyda'ch sylwadau am ardaloedd gwledig. Fodd bynnag, yng nghyllideb eich Llywodraeth heddiw ceir cynnig i docio'r taliad Tir Mynydd. Os yw eich gweinyddiaeth yn gefnogol i ardaloedd gwledig, sut yr esboniwrch hynny?

Delyth Evans: Mater i'r Cynulliad fydd penderfynu ar flaenoriaethau ar gyfer yr arian ychwanegol a ddaw i Gymru yn y setliad hwn. Bu'r weinyddiaeth Lafur yn awyddus i hyrwyddo Tir Gofal a'r sector organig, fel y gwyddoch yn dda, Mick. Yr wyf yn obeithiol y ceir arian ychwanegol ar gyfer y rhaglenni hynny yn yr arian newydd a ddaw inni.

Mick Bates a gododd—

Delyth Evans: Nid wyf am ildio eto.

As I said, this is a good day for Wales and Plaid Cymru knows full well that there is more money here than it could ever provide. It is a disgrace that Plaid Cymru is more concerned to save its skin than to acknowledge honestly the improvements that will come following this statement. People in Llanelli, Carmarthen East and Dinefwr, Islwyn and Rhondda will understand perfectly well that the Labour Government in the Assembly and London truly represents their interests, and that Plaid Cymru does nothing but complain and undermine.

Byddai disgrifio'r setliad hwn, fel y gwnaeth

Jones did in the *Daily Post* this morning—and I am sorry that he is not here at the moment—as ‘a slap in the face for Wales’ would be laughable if it were not such a cynical attempt to mislead the public. To seek to portray the settlement as bad news when any objective analysis of the figures shows that it is the biggest boost to Welsh services since the war, is frankly a disgrace. Not only would Plaid Cymru never be able to deliver public investment on this scale, it would make Wales far worse off because of the shortfall in tax receipts that the break from London would entail. This is the reality behind its absurd posturing here today. Its bogus claim to be ‘the party of Wales’ is exposed for the fallacy it is.

Let those of us in this Chamber who care about the interests of Wales get down to the work of using this money well and targeting it strategically so that our communities’ needs are properly met and the years ahead will see the improvement in the lives of Welsh people that they so richly deserve.

Carwyn Jones: I begin by thanking various people for the excellent settlement that Wales has had. Our thanks should go to the administration in this Assembly—Rhodri Morgan and Edwina Hart in particular, and to Alun Michael for the work that he did when he was First Secretary. We should also acknowledge the Welsh Conservatives’ role in achieving Objective 1 for Wales, since it was them who made west Wales and the Valleys so poor as to qualify for Objective 1.

Many of us are often asked why we came into politics. It cannot be for the lifestyle or the money; it certainly cannot be for anonymity. Most people in this Chamber came into politics because they want to make a difference. They want to ensure that they can deliver what they think is important for Wales. Today, we can say that we have delivered what is important for Wales and that we have delivered a new future for our country.

Ieuan Wyn Jones yn y *Daily Post* y bore hwn—ac mae’n resyn nad yw ef yma ar hyn o bryd—fel ‘ergyd gas i Gymru’ yn chwerthinllyd pe na byddai’n ymdrech mor sinigaidd i gamarwain y cyhoedd. Mae ceisio portreadu’r setliad fel newyddion drwg, pan ddengys unrhyw ddadansoddiad gwrthrychol o’r ffigurau mai hwn yw’r hwb mwyaf i’r gwasanaeth Cymreig ers y rhyfel, yn warthus a dweud y gwir. Nid yn unig na allai Plaid Cymru fyth sicrhau buddsoddiad cyhoeddus o’r maint hwn, byddai’n llawer gwaeth ar Gymru oherwydd y diffyg mewn derbyniadau treth a geid o dorri’n rhydd o Lundain. Dyma yw’r gwirionedd y tu ôl i’w hymhonni gwirion yma heddiw. Dinoethir ei honiad ffug mai hi yw ‘plaid Cymru’ oherwydd camsyniad yr honiad hwnnw.

Gadewch i’r rheini ohonom yn y Siambr hon sydd yn pryderu am fuddiannau Cymru fwrw i’r gwaith o ddefnyddio’r arian hwn yn effeithiol a’i dargedu’n strategol er mwyn bodloni anghenion ein cymunedau yn briodol ac y gwelwn, yn y blynyddoedd nesaf, y gwelliant y maent yn ei wir haeddu ym mywydau pobl Cymru.

Carwyn Jones: Dechreuaf drwy ddiolch i amrywiol bobl am y setliad ardderchog a gafodd Gymru. Dylem ddiolch i’r weinyddiaeth yn y Cynulliad hwn—Rhodri Morgan ac Edwina Hart yn enwedig, ac i Alun Michael am y gwaith a wnaeth pan oedd yn Brif Ysgrifennydd. Dylem hefyd gydnabod rôl y Ceidwadwyr Cymreig yn sicrhau Amcan 1 i Gymru, gan mai hwy a wnaeth gorllewin Cymru a’r Cymoedd mor dlawd fel eu bod yn gymwys ar gyfer Amcan 1.

Gofynnir i sawl un ohonom yn aml paham y deuthom i’r byd gwleidyddol. Ni all fod am y ffordd o fyw na’r arian; yn bendant nid am yr anhysbysrwydd. Daeth y rhan fwyaf o’r bobl yn y Siambr hon i’r byd gwleidyddol gan eu bod am wneud gwahaniaeth. Maent am sicrhau y gallant ddarparu yr hyn y credent sydd yn bwysig i Gymru. Heddiw, gallwn ddweud ein bod wedi darparu’r hyn sydd yn bwysig i Gymru a’n bod wedi darparu dyfodol newydd i’n gwlad.

My colleague, Huw Lewis, often repeats the phrase 'social justice'. He is perfectly right to do so. If the Assembly is about anything, it is about improving the lot of people in Wales and implementing the concept of social justice. I represent an Objective 1 area. However, that does not mean that I do not care about the rest of Wales and that I do not want the rest of Wales to succeed. The last thing that we must do when the Objective 1 projects are implemented is to start carping on about north versus south, urban versus rural, east versus west, valleys versus coast and so on. That is the most crippling aspect that we have ever had to put up with in Wales. We enjoy fighting each other and we do not unite easily. We must avoid that now that we have the Objective 1 money and the excellent settlement for public services in Wales.

We have heard many speeches today. The Tories—sorry, the Welsh Conservatives—made two points. They argue either that this is not enough money and that Wales has been robbed, or that this money has been stolen from taxpayers to go on a spending spree in Wales and/or England. They cannot decide on their position because they know that this is a good settlement.

We have heard from Plaid Cymru, a few of whom have even remained in the Chamber for the end of this debate. It is ironic that the so-called 'party of Wales' cannot stay in the Chamber to hear the most important debate that the Assembly has had. There are only four of them here, excluding yourself, Llywydd.

The Presiding Officer: Do not include me in the group.

Carwyn Jones: I beg your pardon. All we have had from Plaid Cymru is a lot of figure juggling. Nobody in the Chamber today can say that Objective 1 projects will not proceed. That has been said many times, but all Plaid Cymru has said is that we should have gone to London with a bigger begging

Mae fy nghyd-Aelod, Huw Lewis, yn aml yn ailadrodd y geiriau 'cyfiawnder cymdeithasol'. Mae ef yn berffaith iawn i wneud hynny. Os oes a wnelo'r Cynulliad ag unrhyw beth, mae a wnelo â gwella tynged pobl yng Nghymru a gweithredu'r cysyniad o gyfiawnder cymdeithasol. Cynrychiolaf ardal Amcan 1. Fodd bynnag, ni olyga hynny nad wyf yn poeni am weddill Cymru ac nad wyf am weld gweddill Cymru yn llwyddo. Y peth olaf y dylem ei wneud pan weithredir prosiectau Amcan 1 yw dechrau achwyn am y gogledd yn erbyn y de, y trefol yn erbyn y gwledig, y dwyrain yn erbyn y gorllewin, y cymoedd yn erbyn yr arfordir ac yn y blaen. Hon yw'r agwedd fwyaf andwyol y bu'n rhaid inni erioed ei goddef yng Nghymru. Yr ydym yn mwynhau brwydro yn erbyn ein gilydd ac nid ydym yn uno'n hawdd. Rhaid inni osgoi hynny yn awr bod gennym arian Amcan 1 a'r setliad ardderchog ar gyfer gwasanaethau cyhoeddus yng Nghymru.

Clywsom lawer o areithiau heddiw. Gwnaeth y Torïaid—mae'n ddrwg gennyf, y Ceidwadwyr Cymreig—ddau bwynt. Dadleuent un ai nad yw hyn yn ddigon o arian a bod Cymru wedi cael ei lladrata, neu fod yr arian hwn wedi cael ei ddwyn oddi ar y trethdalwyr i fynd ar sbri gwario yng Nghymru a/neu Loegr. Ni allant benderfynu ar eu safiad gan y gwyddant fod hwn yn setliad da.

Clywsom gan Blaid Cymru, sydd ag ychydig ohonynt hyd yn oed wedi aros yn y Siambr ar gyfer diwedd y ddadl hon. Mae'n eironig na all 'plaid Cymru' fel y'i gelwir aros yn y Siambr i wrando ar y ddadl bwysicaf a gafodd y Cynulliad. Pedwar ohonynt yn unig sydd yma, a'ch eithrio chi, Lywydd.

Y Llywydd: Peidiwch â'm cynnwys i yn y grŵp.

Carwyn Jones: Mae'n ddrwg gennyf. Yr oll a gawsom gan Blaid Cymru yw llawer o jyglo ffigurau. Ni all unrhyw un yn y Siambr heddiw ddweud na fydd prosiectau Amcan 1 yn bwrw ymlaen. Dywedwyd hynny sawl gwaith, ond yr oll y mae Plaid Cymru wedi'i ddweud yw y dylem fod wedi mynd i

bowl. I am proudly Welsh and the last thing I want people to think is that all we ever do in Wales is go out with begging bowls. That is the impression that Plaid Cymru has given to the people of Wales and the United Kingdom today.

For the first time since the end of the Second World War, we can say that we can change the face of Wales for the better. We can say it with a straight face and with meaning. This is a tremendous opportunity for us, not just through Objective 1, but through other European funding and the superb settlement given to us for public services in Wales.

This is about communities. Even when there was great economic activity and everybody had a job, there was still poverty, ill-health and environmental despoliation in some of our communities. Now we can say that we can offer people a future where there are well-paid jobs, the environment is clean and people can enjoy decent housing. That is what this settlement means for the people of Wales, the Valleys and for pockets of deprivation elsewhere and in west Wales. We have had enough of reversal and decline. That message must go out from this Chamber—and I will say it loud and clear—today begins the renewal.

Peter Black: There is a long way to go before we can achieve Carwyn's vision, which I am sure that many people in this Chamber and throughout Wales share. I join those who have welcomed the large sums of money given to Wales. That is good news for Wales, for the people of Wales and for those who need the skills and investment that have been desperately needed in Wales for many years.

1:50 p.m.

However, when I listened to the Chancellor of the Exchequer yesterday, the overriding question that I asked myself following each announcement was why did we have to wait three years for this level of expenditure to be

Lundain gyda dysgl gardota fwy. Yr wyf yn falch o fod yn Gymro a'r peth olaf yr wyf am i bobl ei feddwl yw mai'r oll a wnawn yng Nghymru o hyd yw mynd allan gyda dysglau cardota. Dyna'r argraff a roddodd Plaid Cymru i bobl Cymru a'r Deyrnas Unedig heddiw.

Am y tro cyntaf ers diwedd yr Ail Ryfel Byd, gallwn ddweud y gallwn newid wyneb Cymru er gwell. Gallwn ddweud hynny gyda wyneb syth a golygu hynny. Mae hwn yn gyfle aruthrol inni, nid drwy Amcan 1 yn unig, ond drwy nawdd Ewropeaidd o fath arall a'r setliad ardderchog a roddwyd inni ar gyfer gwasanaethau cyhoeddus yng Nghymru.

Cymunedau sydd dan sylw yma. Hyd yn oed pan yr oedd gweithgaredd economaidd mawr a phawb mewn gwaith, yr oedd tlodi, gwaeledd ac anrhaith mewn rhai o'n cymunedau o hyd. Yn awr gallwn ddweud y gallwn gynnig dyfodol i bobl, dyfodol lle ceir swyddi â chyflogau da, lle mae'r amgylchedd yn lân a lle gall pobl fwynhau tai gweddus. Dyna beth mae'r setliad hwn yn ei olygu i bobl Cymru, y Cymoedd ac i bocedi o amddifadedd mewn mannau eraill ac yng ngorllewin Cymru. Cawsom ddigon ar wrthdroad a dirywiad. Rhaid i'r neges hon gael ei datgan o'r Siambr hon—a dywedaf hynny yn uchel a chlir—heddiw yw dechrau'r adnewyddu.

Peter Black: Mae cryn ffordd i fynd cyn y gallwn wireddu gweledigaeth Carwyn, gweledigaeth yr wyf yn sicr bod llawer o bobl yn y Siambr hon a ledled Cymru yn ei rhannu. Ymunaf â'r rheini sydd wedi croesawu'r symiau mawr o arian a roddwyd i Gymru. Mae hyn yn newyddion da i Gymru, i bobl Cymru ac i'r rheini y mae arnynt angen y sgiliau a'r buddsoddiad y bu eu hangen mor ddifrifol yng Nghymru ers nifer o flynyddoedd.

Fodd bynnag, pan wrandewais ar Ganghellor y Trysorlys ddoe, y prif gwestiwn y gofynnais i mi fy hun ar ôl pob cyhoeddiad oedd pahan y bu'n rhaid inni aros dair blynedd i'r lefel gwariant hwn gael ei

announced. Many people share that sentiment. I am not carping or whingeing. This Government came into power with the promise of something better and we have had to wait until this announcement for the expenditure levels required to bring much needed improvements in public services. We have been waiting for those improvements for nearly two decades, certainly during a large part of the previous Government's and this Government's time in office.

It is worth repeating Mike German's comment on the strong pressure that the Assembly exerted on Objective 1. We have had much transparency by way of open debates on Objective 1. By raising the level of consciousness about Objective 1, we achieved yesterday's success whereby the Chancellor changed the rules of the Barnett formula and gave us the PES cover that we require to take full advantage of Objective 1 money. That is an important step forward. It is as much a victory for devolution as for the Assembly and those who have worked so hard for this. I include the Government of Wales in achieving yesterday's success in securing the money.

Match funding is still needed. There has been much talk about that, and about what money is available in the Barnett block. We must ensure that, in finding match funding, we can still spend the same levels on vital services in Wales as are spent in England. I recognise the First Secretary's and the Finance Secretary's commitment that no worthwhile project will lose out as a result of this settlement. I set that commitment at face value and welcome it. I understand, through discussions with Cabinet members and others, that education and health will receive the same full increase and priority that is given in England, and I welcome that.

However, there is a circle that must be squared. I repeat Ron Davies's plea for the need for transparency regarding match funding in the budget. There are many sources of match funding, including the private sector—which is not within our ambit—and also the WDA, the Wales

chyhoeddi. Mae llawer o bobl yn rhannu'r teimlad hwnnw. Nid wyf yn cwyno nac yn swnïan. Daeth y Llywodraeth hon i rym gan addo rhywbeth gwell a bu'n rhaid inni aros tan y cyhoeddiad hwn am y lefelau gwariant sydd yn ofynnol i sicrhau gwelliannau y mae eu gwir angen ar y gwasanaethau cyhoeddus. Buom yn aros am y gwelliannau hyn am bron i ddau ddegawd, yn sicr yn ystod rhan fawr o amser y Llywodraeth flaenorol a'r Llywodraeth hon mewn grym.

Mae'n werth ailadrodd sylwadau Mike German am y pwysau mawr a roddodd y Cynulliad ar Amcan 1. Cawsom lawer o dryloywder drwy gyfrwng dadleuon agored ar Amcan 1. Drwy gynyddu lefel yr ymwybyddiaeth o Amcan 1, sicrhawyd llwyddiant ddoe pan fu i'r Canghellor newid rheolau fformwla Barnett a rhoi arian yr arolwg gwariant cyhoeddus sydd yn ofynnol gennym i fanteisio i'r eithaf ar arian Amcan 1. Mae hwn yn gam pwysig ymlaen. Mae'n gymaint o fuddugoliaeth i ddatganoli ag ydyw i'r Cynulliad ac i'r rheini sydd wedi gweithio mor galed dros hyn. Yr wyf yn cynnwys Llywodraeth Cymru yn sicrhau llwyddiant ddoe a chael yr arian.

Mae arian cyfatebol yn angenrheidiol o hyd. Bu llawer o siarad am hynny, ac am yr arian sydd ar gael ym mloc Barnett. Rhaid inni sicrhau y gallwn, wrth sicrhau arian cyfatebol, ddal i wario'r un lefelau ag a warir yn Lloegr ar wasanaethau holl bwysig yng Nghymru. Cydnabyddaf ymrwymiad y Prif Ysgrifennydd a'r Ysgrifennydd Cyllid na fydd unrhyw brosiect gwerth chweil ar ei golled o ganlyniad i'r setliad hwn. Rhoddaf yr ymrwymiad hwnnw ar ei olwg ac fe'i croesawaf. Deallaf, drwy drafodaethau gydag aelodau'r Cabinet ac eraill, y bydd addysg a iechyd yn cael yr un cynnydd llawn a'r flaenoriaeth ag a roddir yn Lloegr, a chroesawaf hynny.

Fodd bynnag, ceir cylch y mae'n rhaid ei sgwario. Ailadroddaf ble Ron Davies am yr angen am dryloywder gydag arian cyfatebol yn y gyllideb. Ceir nifer o ffynonellau o arian cyfatebol, gan gynnwys y sector preifat—nad yw o fewn ein cwmpas—a hefyd Awdurdod Datblygu Cymru, Bwrdd Croeso Cymru ac

Tourist Board and a range of other agencies and budgets over which the Assembly has control. As part of the budget process during the next year, it is important that we try to achieve full transparency so that we can see where the match funding is in the budget and how much will be available from it. That has not yet been achieved, and I hope that it can be done in future. Devolution has achieved greater transparency in how money is spent and budgeted in Wales, and in where the money comes from.

My concern in terms of squaring the circle is for the budgets for the services that are less sexy than health and education, which everyone talks about. We have a £1.2 billion backlog in housing and a £325 million to £500 million backlog in repairs to and maintenance of school buildings. We need to spend £350 million on the capital modernisation of the national health service, and we must also spend money on roads and public transport. Concern was expressed last week about the shortage of funds in local government and the projected increase of 10 per cent in council tax that the Treasury is trying to foist upon us. Investment is also needed in the rural economy and the environment. All of those services need a huge amount of investment. Although I welcome the £480 million that we will receive next year and the sums in the subsequent years, it is still only a small start in tackling the huge investment problem that the National Assembly faces in the Welsh economy and public services. I hope that, in finding match funding for Objective 1, we do not undermine the need for that investment. We must do both if we are to square the circle somehow.

All of this will come out in the budget process. I hope that, when we debate this in September, we can bring that forward. It is inevitable that if we spend the full amount of funding for Objectives 1, 2 and 3, we will have to dip into other resources. That means that Wales may lose out. It may not be able to benefit from the full CSR allocation in the

amrywiol asiantaethau a chyllidebau eraill y mae gan y Cynulliad reolaeth drostynt. Fel rhan o'r gwaith o brosesu'r gyllideb yn ystod y flwyddyn nesaf, mae'n bwysig ein bod yn ceisio sicrhau tryloywder llawn fel y gallwn weld lle mae'r arian cyfatebol o fewn y gyllideb a faint a fydd ar gael ohoni. Nis gwnaed hyn eto, a gobeithiaf y gellir gwneud hyn i'r dyfodol. Mae datganoli wedi sicrhau mwy o dryloywder o safbwynt sut y gwarir ac y cyllidebir arian yng Nghymru, ac o safbwynt o ble y daw'r arian.

Yr hyn y pryderaf amdano, o safbwynt sgwario'r cylch yw cyllidebau'r gwasanaethau sydd yn llai rhywiol na iechyd ac addysg, y mae pawb yn siarad amdanynt. Mae gennym £1.2 biliwn o ôl-groniad ym maes tai ac ôl-groniad o £325 miliwn i £500 miliwn mewn gwaith atgyweirio a chynnal a chadw ar adeiladau ysgol. Mae arnom angen gwario £350 miliwn ar waith cyfalaf o foderneiddio'r gwasanaeth iechyd gwladol, a rhaid inni hefyd wario arian ar ffyrdd a thrafnidiaeth gyhoeddus. Mynegwyd pryder yr wythnos diwethaf am brinder arian mewn llywodraeth leol a'r cynnydd arfaethedig mewn y dreth gyngor y mae'r Trysorlys yn ceisio'i orfodi arnom. Mae buddsoddiadau yn angenrheidiol hefyd yn yr economi wledig a'r amgylchedd. Mae ar yr holl wasanaethau hyn angen buddsoddiad anferth. Er fy mod yn croesawu'r £480 miliwn a gawn y flwyddyn nesaf a'r symiau a gawn yn y blynyddoedd dilynol, dechrau bychan iawn ydyw o hyd i fynd i'r afael â'r broblem anferth y mae'r Cynulliad yn ei wynebu o safbwynt buddsoddi yn yr economi a'r gwasanaethau cyhoeddus Cymreig. Gobeithiaf na fyddwn, wrth sicrhau arian cyfatebol ar gyfer Amcan 1, yn tanseilio'r angen am y buddsoddiad hwnnw. Rhaid inni wneud y ddau os ydym am sgwario'r cylch rhywsut.

Daw hyn i gyd i'r amlwg yn y broses gyllidebu. Gobeithiaf y gallwn ddod â hyn ymlaen, pan ddadleuwn hyn ym mis Medi. Mae'n anochel, os gwariwn yr holl arian ar gyfer Amcanion 1, 2 a 3, y bydd yn rhaid inni durio i adnoddau eraill. Golyga hynny y gallai Cymru fod ar ei cholled. Efallai na all elwa o ddyraniad yr adolygiad cynhwysfawr

same way as England has. My message, and, I hope, the Liberal Democrats' message, is that we need to find that match funding, but we also need to invest in Wales. I hope that now the Government has seen the light in the CSR and started to allocate that level of spending, we can build on that and start to achieve that investment.

Jane Davidson: I am one of those people who think that this is an exciting day for Wales. I cannot remember in my political life, which spans 20 years, a more exciting day for Wales. It is like waking up to a monopoly game where you have won what my family call 'free parking'. All the money goes in the middle and if you land on free parking, you get the bonanza. That is what today is for Wales. It has been allocated £2 billion of extra spending and yet all, or largely all, we have heard in the Chamber this afternoon is a discussion about match funding for Objective 1.

I realise that in a sense that is where the Opposition has to vent its attack, on the grounds that this is a superlative settlement for Wales. If you go into political opposition, you must decide on an area where you can achieve something for your own political advantage. However, I want to do the opposite. I want to look at some of the areas that are not devolved to the Assembly, but are important in this CSR.

The most exciting statement has, oddly enough, not been mentioned at all in this Assembly. I read it in Paul Murphy's press statement in this morning's *Welsh Mirror*. It said that, over time, the CSR will be able to restore full employment to Wales. As an old-fashioned Labour member, full employment is one of my goals, especially in a place like Pontypridd. Having talked to sixth forms in local schools, unemployed young people who are on New Deal programmes, and young people in youth clubs, I know that everybody

o wariant yn yr un modd ag y gwnaeth Lloegr. Fy neges i, a neges y Democratiaid Rhyddfrydol, gobeithiaf, yw bod yn rhaid inni ganfod yr arian cyfatebol hwn, ond rhaid inni fuddsoddi yng Nghymru hefyd. Gobeithiaf, yn awr fod y Llywodraeth wedi gweld y goleuni yn yr adolygiad cynhwysfawr o wariant ac wedi dechrau dyrannu'r lefel gwariant hon, y gallwn adeiladu ar hyn a dechrau sicrhau'r buddsoddiad hwnnw.

Jane Davidson: Yr wyf fi yn un o'r bobl hynny sydd yn credu bod hwn yn ddiwrnod cyffrous i Gymru. Ni allaf gofio, yn fy oes wleidyddol, sydd yn ymestyn dros 20 mlynedd, ddiwrnod mwy cyffrous i Gymru. Mae fel deffro i gêm o fonopoli a chwithau wedi ennill yr hyn y geilw fy nheulu yn 'barcio am ddim'. Mae'r holl arian yn mynd i'r canol ac os glaniwch ar barcio am ddim, rydych yn cael y bonansa. Dyna beth ydyw heddiw i Gymru. Dyrannwyd iddi £2 biliwn o wariant ychwanegol ac eto yr oll, neu'r oll i raddau helaeth, a glywsom yn y Siambr y prynhawn yma yw trafodaeth am arian cyfatebol ar gyfer Amcan 1.

Sylweddolaf, mewn ffordd, mai dyna lle y mae'n rhaid i'r Gwrthbleidiau wyntyllu eu hymosodiad, ar y sail bod hwn yn setliad ardderchog i Gymru. Os dechreuwch wrthwynebiad gwleidyddol, rhaid ichi benderfynu ar faes lle gallwch gyflawni rhywbeth er eich budd gwleidyddol eich hun. Fodd bynnag, yr wyf fi am wneud i'r gwrthwyneb. Hoffwn edrych ar rai o'r meysydd nas datganolwyd i'r Cynulliad, ond sydd yn bwysig yn yr adolygiad cynhwysfawr o wariant.

Yn rhyfedd iawn, ni chrybwyllwyd y setliad mwyaf cyffrous yn y Cynulliad hwn o gwbl. Fe'i darllenais yn natganiad Paul Murphy i'r wasg yn rhifyn y bore yma o'r *Welsh Mirror*. Dywedodd y byddai'r adolygiad cynhwysfawr o wariant, dros amser, yn gallu adfer cyflogaeth lawn i Gymru. Fel aelod Llafur hen ffasiwn, cyflogaeth lawn yw un o'm nodau, yn enwedig mewn man megis Pontypridd. Ar ôl siarad gyda disgyblion chweched dosbarth mewn ysgolion lleol, pobl ddi-waith sydd ar raglenni'r Fargen

wants a proper job. We have not talked about jobs in the Assembly today. Yet if we are to do anything to revitalise Wales's economy it is jobs that will achieve it. Proper jobs will achieve that. It is about providing the right training and education for our young people to contribute towards that.

There are 20,000 more people in work in Wales than when the Labour Government first came into power. We introduced the national minimum wage and working families' tax credit. We have a huge opportunity, using our own spending programmes alongside the structural funds, to ensure that Wales can offer proper jobs and is a place where people will want to stay.

I raise a point regarding the police. Although responsibility for the police has not been devolved, the relationship between local government, the police and community safety strategies is a matter in which the Assembly has a legitimate interest. A sum of £1.6 billion has been allocated to the police in the CSR. That will mean that we will have extra police officers on our doorstep. We all want that, because it is part of making communities feel safer. Last year, this Government spent about £14.4 billion to the benefit of Wales. That money did not come from the National Assembly.

Wales has been allocated 15 per cent more than any other part of the UK in the CSR. We must recognise this Government's achievement in these new contributions, for example, in contributing to police spending on top of National Assembly spending. Retaining that differential means that we have a marvellous future to look forward to in Wales. I look forward to that future when we can tackle the problems of school buildings that have been left to rot for so long, when we can tackle health service issues and when we can offer every young person in Wales proper education, training and employment. That is the vision that I

Newydd, a phobl ifanc mewn clybiau ieuenctid, gwn fod ar bawb eisiau swyddi gweddus. Nid ydym wedi siarad am swyddi yn y Cynulliad heddiw. Ond eto, os ydym am wneud unrhyw beth i adfywio economi Cymru, swyddi a fydd yn gwneud hynny. Bydd swyddi gweddus yn gwneud hynny. Rhaid darparu'r hyfforddiant a'r addysg gywir i'n pobl ifanc er mwyn cyfrannu at hynny.

Mae 20,000 yn fwy o bobl mewn gwaith yng Nghymru na phan ddaeth y Llywodraeth Lafur i rym gyntaf. Cyflwynasom y lleiafswm cyflog cenedlaethol a'r credyd treth i deuluoedd mewn gwaith. Mae gennym gyfle aruthrol, gan ddefnyddio ein rhaglenni gwariant ein hunain ochr yn ochr â'r cronfeydd strwythurol, i sicrhau y gall Cymru gynnig swyddi gwirioneddol ac yn lle y bydd pobl eisiau aros.

Codaf bwynt ynghylch yr heddlu. Er nad yw cyfrifoldeb dros yr heddlu wedi'i ddatganoli, mae'r berthynas rhwng llywodraeth leol, yr heddlu a strategaethau diogelwch cymunedol yn fater y mae gan y Cynulliad ddiddordeb dilyn ynddo. Dyrannwyd swm o £1.6 biliwn i'r heddlu yn yr adolygiad cynhwysfawr o wariant. Golyga hynny y bydd gennym ragor o swyddogion yr heddlu ar riniog ein drws. Yr ydym oll eisiau hyn, gan ei fod yn rhan o wneud i gymunedau deimlo'n fwy diogel. Y llynedd, gwariodd y Llywodraeth hon oddeutu £14.4 biliwn er budd Cymru. Nid oddi wrth y Cynulliad Cenedlaethol y daeth yr arian hwnnw.

Dyrannwyd 15 y cant yn fwy i Gymru nag i unrhyw ran arall o'r DU yn yr adolygiad cynhwysfawr o wariant. Rhaid inni gydnabod llwyddiant y Llywodraeth hon yn y cyfraniadau newydd hyn, er enghraifft, ei chyfraniad at wariant yr heddlu yn ychwanegol at wariant y Cynulliad Cenedlaethol. Mae cynnal y gwahaniaeth hwnnw yn golygu bod gennym ddyfodol ardderchog i edrych ymlaen ato yng Nghymru. Edrychaf ymlaen at y dyfodol hwnnw pryd y gallwn fynd i'r afael â phroblemau adeiladau ysgol a adawyd i bydr cyhyd, pryd y gallwn fynd i'r afael â materion y gwasanaeth iechyd a phryd y

have for the future in ten years' time. I hope that it is a vision shared by the National Assembly.

gallwn gynnig i bob person ifanc yng Nghymru addysg, hyfforddiant a chyflogaeth wirioneddol. Dyna yw'r weledigaeth sydd gennyf ar gyfer y dyfodol mewn deng mlynedd. Gobeithiaf ei bod yn weledigaeth y mae'r Cynulliad Cenedlaethol yn ei rhannu.

2:00 p.m.

Lynne Neagle: To those of us who are used to the antics of the opposition parties in this Chamber, their reaction to the Chancellor's statement comes as no surprise. However, the people in my constituency, and right across Wales, will be surprised to hear Members of the opposition parties trying to claim that the biggest ever increase in public spending in Wales is a bad deal for Wales. They will also be surprised to hear how a 5.4 per cent real terms increase in the amount of money for Wales can be anything other than a signal of the determination of the UK Labour Government to reverse the neglect and cuts in public services inflicted on Wales by successive Tory governments.

Lynne Neagle: I'r rheini ohonom sydd yn hen gyfarwydd â giamocs y gwrthbleidiau yn y Siambr hon, nid yw eu hymateb i ddatganiad y Canghellor yn peri unrhyw syndod inni. Fodd bynnag, bydd pobl fy etholaeth, a phobl o Fôn i Fynwy yn synnu o glywed Aelodau'r gwrthbleidiau yn ceisio honni bod y cynnydd mwyaf erioed mewn gwariant cyhoeddus yng Nghymru yn fargen wael i Gymru. Byddant yn synnu hefyd o glywed sut y gallai cynnydd o 5.4 y cant mewn termau real yn yr arian i Gymru fod yn unrhyw beth arall ond yn arwydd o ymrwymiad Llywodraeth Lafur y DU i wrthdroi'r esgeulustod a'r toriadau mewn gwasanaethau cyhoeddus a orfododd llywodraethau Toriaidd olynol ar Gymru.

No other part of the UK benefited as much as Wales from yesterday's announcement and, although I am not surprised by it, I am disappointed at the reaction of opposition parties.

Nid oes unrhyw ran arall o'r DU wedi elwa cymaint â Chymru oherwydd cyhoeddiad ddoe ac, er nad wyf wedi fy synnu ganddo, mae ymateb y gwrthbleidiau yn fy siomi.

Alun Cairns: Do you acknowledge that, even after yesterday's spending review, public spending in the United Kingdom will not be at the level it was when Labour came to power?

Alun Cairns: A ydych chi'n cydnabod na fydd gwariant cyhoeddus yn y Deyrnas Unedig ar yr lefel yr oedd pan ddaeth Llafur i rym, hyd yn oed ar ôl yr adolygiad gwariant ddoe?

Lynne Neagle: No. Our debt is lower than when we inherited the financial situation that you had left.

Lynne Neagle: Nac ydw. Mae ein dyled yn is na phan wnaethom ni etifeddu y sefyllfa ariannol yr oeddech wedi'i gadael.

Yesterday, England received an increase of 3.3. per cent and Scotland an increase of 4.4 per cent. Wales is Labour's top priority. Yesterday's announcement, from a Labour Government sharing common values and priorities with Welsh Labour, has given us the opportunity to revitalise our schools, hospitals and communities.

Ddoe, derbyniodd Lloegr gynnydd o 3.3 y cant a derbyniodd yr Alban gynnydd o 4.4 y cant. Cymru yw prif flaenoriaeth Llafur. Mae cyhoeddiad ddoe, gan Lywodraeth Lafur sydd yn rhannu'r un gwerthoedd a blaenoriaethau cyffredin â Llafur Cymru, wedi rhoi cyfle inni adfywio ein hysgolion, ein hysbytai a'n cymunedau.

For our health service, this spending review will deliver the funding that we need to

Ar gyfer ein gwasanaeth iechyd, bydd yr adolygiad gwariant hwn yn darparu'r cyllid

implement the measures and programmes announced last week by Jane Hutt in 'A Healthier Future for Wales'. It will provide the funding to revolutionise primary care in our most deprived communities, as well as make good the many measures outlined by the emergency pressures taskforce. I also hope to see investment in cancer services and cardiac care in Wales. It is another boost that, on top of the one already delivered for this year for frontline staff in our hospitals, enables us to deliver and build the capacity in the NHS so widely recognised as vital for the future of the service. The potential to massively increase funding for the health service will be welcomed in Torfaen, especially given the planned introduction of a new resource allocation formula to take account of deprivation.

This is a turning point for our schools, and the unprecedented investment must be used to continue to raise standards and attainment so crucial to the life chances of children from our most deprived communities. The importance of investment, modernisation and driving up standards was brought home to me recently on a visit to Woodlands Junior School in Cwmbran. It has just received an excellent inspection report and can now look forward to a record boost in expenditure, backing the commitment of staff, pupils and parents with an investment so long missing under the previous Government. This is sustainable investment on a scale not known in the UK for over a generation—a commitment on which the Tories would never want to deliver and on which Plaid Cymru could never dream of delivering.

The extra resources for the police and for combating crime, especially drug-related crime—will be welcomed in my constituency and in Gwent as a whole.

Alun Cairns: Do you acknowledge that, in spite of the increased public spending to the Home Office, you will still not be able to revert to the level of policing that existed in

sydd ei angen arnom i wireddu'r mesurau a'r rhaglenni a gyhoeddodd Jane Hutt yr wythnos diwethaf yn 'Dyfodol Iachach i Gymru'. Bydd yn darparu cyllid i chwyldroi gofal sylfaenol yn ein cymunedau mwyaf difreintiedig yn ogystal â gwireddu'r nifer o fesurau a amlinellodd y tasglu pwysau brys. Gobeithiaf hefyd weld buddsoddi mewn gwasanaethau canser a gofal y galon yng Nghymru. Mae'n hwb arall sydd, ar ben yr un a gyflawnwyd eisoes eleni ar gyfer staff rheng flaen yn ein hysbytai, sydd yn ein galluogi i gyflawni a chynyddu gallu'r NHS a gydnabyddir yn gyffredinol yn hanfodol ar gyfer dyfodol y gwasanaeth. Caiff y potensial i gynyddu cyllid y gwasanaeth iechyd yn enfawr ei groesawu yn Nhorfaen, yn enwedig ag ystyried y cynllun i gyflwyno fformwla dyrannu adnoddau newydd a fydd yn ystyried amddifadedd.

Mae hwn yn drobwynt ar gyfer ein hysgolion, a rhaid defnyddio'r buddsoddiad, na welwyd mo'i debyg o'r blaen, i barhau i godi safonau a chyraeddiadau sydd mor hanfodol i gyfleoedd bywyd plant o'n cymunedau mwyaf difreintiedig. Sylweddolais bwysigrwydd buddsoddiad, moderneiddio a chodi safonau o'r newydd yn ddiweddar ar ymweliad ag Ysgol Iau Woodlands yng Nghwmbrian. Mae'r ysgol newydd dderbyn adroddiad arolwg gwych a gall edrych ymlaen yn awr at yr hwb uchaf erioed mewn gwariant, sydd yn cefnogi ymrwymiad y staff, y disgyblion a'r rhieni gyda buddsoddiad a fu ar goll am gyhyd dan y Llywodraeth flaenorol. Mae hon yn fuddsoddiad gynaliadwy ar raddfa nas gwelwyd yn y DU am dros genhedlaeth—ymrwymiad na fyddai'r Torïaid byth eisïau ei gyflwyno ac na allai Plaid Cymru fyth breuddwydio ei gyflwyno.

Caiff yr adnoddau ychwanegol ar gyfer yr heddlu a brwydro yn erbyn troseddu, yn enwedig troseddau sydd yn ymwneud â chyffuriau—groeso cynnes iawn yn fy etholaeth ac yng Ngwent drwyddi draw.

Alun Cairns: A ydych chi'n cydnabod, er gwaethaf y cynnydd mewn gwariant cyhoeddus i'r Swyddfa Gartref, na fyddwch yn gallu dychwelyd at y lefel o blismona a

May 1997, before Labour took office?

welwyd ym Mai 1997, cyn i Lafur ddod i rym?

Lynne Neagle: No, I do not accept that, Alun. Record increases for the police were announced yesterday, and I am sure that we will start to see an improvement in crime figures as a result.

Lynne Neagle: Nac ydw. Nid wyf yn derbyn hynny, Alun. Cyhoeddwyd y codiadau uchaf erioed ar gyfer yr heddlu ddoe, ac yr wyf yn siŵr y byddwn yn dechrau gweld gwelliant mewn ffigurau troseddu o ganlyniad i hynny.

Alun Cairns: Will it return to the same level of policing as before?

Alun Cairns: A fydd hyn yn dychwelyd at yr un lefel o blismona ag o'r blaen?

Lynne Neagle: I will not give way to you again, Alun.

Lynne Neagle: Nid wyf am ildio ichi eto Alun.

The Presiding Officer: Order. I have listened to the tenor of this debate and I point out that Home Office matters are not matters for the Assembly. We can express a view, but I make it clear that it is not my intention to be tolerant if Members try to fight a Westminster election campaign in this Chamber.

Y Llywydd: Trefn. Yr wyf wedi gwrandao ar hynt y ddadl hon a nodaf nad yw materion y Swyddfa Gartref yn faterion i'r Cynulliad. Gallwn leisio barn, ond yr wyf yn ei gwneud yn eglur nad wyf am fod yn oddefgar os yw Aelodau'n ceisio ymgychu at etholiad San Steffan yn y Siambr hon.

Lynne Neagle: Despite all the extra funding, we still hear the opposition parties carping on as if Wales had not been given a single penny. People watching this at home could be forgiven for thinking that Wales had been short changed by the Chancellor, and that we had not just received the largest investment to be made available for schools and hospitals for over a generation. The opposition could at least now try to show a little humility. Admit that you were wrong about Objective 1 and admit that you have been insisting all along on a false figure and a false deadline dreamt up to suit your political aims and not for the good of the people of Wales.

Lynne Neagle: Er gwaethaf yr holl gyllid ychwanegol, yr ydym yn dal i glywed y gwrthbleidiau yn achwyn fel petai Cymru heb dderbyn ceiniog. Byddai'n hawdd i bobl sydd yn gwylio hyn gartref feddwl nad oedd y Canghellor wedi rhoi bargaen dda i Gymru ddoe, ac nad ydym newydd dderbyn y buddsoddiad mwyaf i ysgolion ac ysbytai am dros genhedlaeth. Gallai'r gwrthbleidiau o leiaf geisio dangos ychydig o ostyngeddwydd yn awr. Cyfaddefwch eich bod wedi bod yn anghywir am Amcan 1 a chyfaddefwch eich bod wedi mynnu o'r cychwyn cyntaf gael ffigur ffug a therfyn amser ffug a grewyd i fodloni eich amcanion gwleidyddol ac nid er lles pobl Cymru.

The challenge for the opposition parties is clear. For the Tories, if this level of public investment is too high, tell the people of Wales, here and now, which budgets you would cut. Would it be schools, hospitals, transport or law and order? For Plaid Cymru, tell us how, in your self-governing Welsh fantasy land, you would have found the extra £2 billion that Welsh Labour, working in partnership with Labour in the UK, has delivered for our people.

Mae'r her i'r gwrthbleidiau'n glir. I'r Toriaid, os yw'r lefel hon o fuddsoddiad cyhoeddus yn rhy uchel, dywedwch wrth bobl Cymru, yma ac yn awr, pa gyllidebau yr byddech yn eu torri. A fyddai'n ysgolion, ysbytai, trafnidiaeth neu gyfraith a threfn? I Blaid Cymru, dywedwch wrthym sut y byddech chi yn eich byd ffantasi o hunan lywodraeth i Gymru, wedi dod o hyd i'r £2 biliwn ychwanegol a gyflwynodd Llafur Cymru i'n pobl, drwy weithio mewn partneriaeth â Llafur yn y DU.

David Davies: I have been astonished by the Labour Party's attitude in this Chamber today. I do not have to remind backbench Labour Members of their responsibilities. They are there to hold the Government of Wales to account just as much as we are. They have singularly failed to do so. What concerns me more is that the Labour Party has to slavishly follow the party line to the extent that Paul Murphy's office now sends them briefs on interventions. They now seem to expect the rest of us to follow the Labour Party line in a slavish, unquestioning fashion.

Lynne Neagle *rose—*

David Davies: I will not give way for a minute.

I am not about to follow the Labour Party's line as slavishly as it wants us to. If it would like to criticise us for that, that is its decision. I represent the people of Monmouthshire and will say when Labour does things that are right, but I will also say when it does things that are wrong.

Lynne Neagle: I will always stand up in this Chamber for my constituents in Torfaen. I have no hesitation in fully commending yesterday's announcement, which has delivered extra funding for Wales and will benefit my constituents. From the point of view of representing my constituents in Torfaen, I am completely happy with yesterday's statement.

David Davies: Perhaps your constituents would be interested to know why you would not answer my colleague's questions about the police force and the fact that their numbers will not return to what they were under the previous Government. Perhaps your constituents would also be interested to know that, since 1997, we have lost 23 police officers in Gwent. You cannot guarantee that that number will return to what it was under the previous Conservative Government.

David Davies: Mae agwedd y Blaid Lafur yn y Siambr hon heddiw wedi fy synnu yn fawr. Nid oes rhaid imi atgoffa meincwyr cefn y Blaid Lafur o'u cyfrifoldebau. Eu swyddogaeth hwy fel ein swyddogaeth ninnau yw sicrhau bod Llywodraeth Cymru'n atebol. Maent wedi methu'n llwyr â gwneud hyn. Yr hyn sydd yn fy mhoeni'n fwy yw bod y Blaid Lafur yn gorfod dilyn llinell y blaid yn wasaidd i'r fath raddau bod swyddfa Paul Murphy yn awr yn anfon briffiau atynt ynghylch ymyrraeth. Ymddengys yn awr eu bod yn disgwyl i'r gweddill ohonom ddilyn llinell y Blaid Lafur mewn modd gwasaid, heb godi cwestiynau.

Lynne Neagle *a gododd—*

David Davies: Nid wyf am ildio am funud.

Nid wyf am ddilyn llinell y Blaid Lafur mor wasaidd ag yr hoffai inni ei wneud. Os yr hoffai ein beirniadu o'i herwydd, penderfyniad y blaid honno yw hynny. Yr wyf yn cynrychioli pobl Sir Fynwy ac yr wyf yn fodlon dweud pan fydd Llafur yn gwneud pethau'n iawn, ond byddaf hefyd yn dweud pan fydd yn gwneud pethau sydd yn anghywir.

Lynne Neagle: Yr wyf bob tro yn sefyll yn y Siambr hon dros fy etholwyr yn Nhorfaen. Nid wyf am oedi am ennyd cyn cymeradwyo cyhoeddiad ddoe yn llawn, sydd wedi cyflwyno cyllid ychwanegol i Gymru a fydd o fudd i fy etholwyr. O safbwynt cynrychioli fy etholwyr yn Nhorfaen, yr wyf yn gwbl fodlon â datganiad ddoe.

David Davies: Efallai yr hoffai eich etholwyr wybod pam nad oeddech am ateb cwestiwn fy nghyd-Aelod ynghylch yr heddlu a'r ffaith na fydd eu rhifau'n dychwelyd at yr hyn a welwyd dan y Llywodraeth flaenorol. Efallai yr hoffai eich etholwyr wybod ein bod wedi colli 23 o heddweision yng Ngwent ers 1997. Ni allwch warantu y bydd y rhif hwnnw'n dychwelyd ar yr hyn a welwyd dan y Llywodraeth Geidwadol flaenorol.

I will consider some of the other points made by Labour Members today. Delyth Evans said that the Labour Government in Wales would not let rural areas down, despite the fact that the sparsity weighting in the council tax formula has shown that it is doing just that. It has been cut from 8 per cent to 6 per cent, which is a cut of about 25 per cent. Huw Lewis told us that the health service is doing well under Labour. That is such an outrageous statement that it does not need further explanation. Jane Davidson told us that the Secretary of State for Wales has guaranteed full employment for Wales. I was in a meeting with Paul Murphy last year when he guaranteed that we would not experience high council tax rises in Monmouthshire again. He was wrong about that. I suspect that he might also be wrong about this.

Delyth Evans: Would you be gracious enough to acknowledge that the constituents of Monmouthshire will benefit greatly from this settlement, as will people throughout Wales, or are you suggesting that you would not want to see this new investment coming to the people of Monmouthshire?

David Davies: I was merely picking up and underlining your point about the Government of Wales's attitude to Welsh rural areas, which was made clear in its new standard spending assessment formula. However, we are not here to debate that subject.

What worries me most are the comments made by Edwina Hart. She said that we could, over the coming weeks, expect all sorts of initiatives that would apply to England and not to Wales. My ears pricked up because this usually means that we can expect things to happen in England that will not happen in Wales, putting us at a disadvantage. Edwina Hart did not say that some of these announcements have already been made and that some were mentioned in the Chancellor's speech yesterday. Gordon Brown talked about housing and the

Ystyriaf rai o'r pwyntiau eraill a leisiwyd gan Aelodau Llafur heddiw. Dywedodd Delyth Evans na fyddai'r Llywodraeth Lafur yng Nghymru yn siomi'r ardaloedd gwledig, er gwaethaf y ffaith bod y pwysiad teneurwydd poblogaeth yn fformwla y dreth gyngor wedi dangos ei fod yn gwneud yn union hynny. Mae wedi ei dorri o 8 y cant i 6 y cant, sydd yn doriad o tua 25 y cant. Dywedodd Huw Lewis wrthym fod y gwasanaeth iechyd yn gwneud yn dda dan Lafur. Mae hwnnw'n ddatganiad mor warthus nad oes angen ei egluro ymhellach. Dywedodd Jane Davidson wrthym fod Ysgrifennydd Gwladol Cymru wedi gwarantu cyflogaeth lawn yng Nghymru. Yr oeddwn mewn cyfarfod gyda Paul Murphy y flwyddyn ddiwethaf pan warantodd na fyddem yn cael codiadau uchel yn y dreth gyngor yn Sir Fynwy eto. Yr oedd yn anghywir yn hynny o beth. Yr wyf yn amau ei fod yn anghywir yn hyn o beth hefyd.

Delyth Evans: A fydddech chi'n ddigon caredig i gydnabod y bydd etholwyr Sir Fynwy yn elwa llawer o'r setliad hwn, yn yr un modd ag y bydd pobl ledled Cymru, neu a ydych chi'n awgrymu na fydddech chi am weld y buddsoddiad newydd hwn yn dod i bobl Sir Fynwy?

David Davies: Dim ond cyfeirio at eich pwynt ynghylch agwedd Llywodraeth Cymru at ardaloedd cefn gwlad a'i danlinellu yr oeddwn. Yr oedd hynny'n glir yn y fformwla asesiad gwariant safonol newydd. Fodd bynnag, nid ydym yma i ddadlau ar y pwnc hwnnw.

Yr hyn sydd yn fy mhoeni fwyaf yw sylwadau Edwina Hart. Dywedodd y byddem yn gallu disgwyl pob math o gynlluniau dros yr wythnosau nesaf a fyddai'n berthnasol i Loegr ond nid i Gymru. Moelodd fy nghlustiau gan fod hynny fel arfer yn golygu y gallwn ddisgwyl i bethau ddigwydd yn Lloegr na fydd yn digwydd yng Nghymru, gan ein rhoi o dan anfantais. Ni ddywedodd Edwina Hart bod rhai o'r cyhoeddiadau hyn eisoes wedi'u gwneud a bod rhai wedi'u crybwyll yn araith y Canghellor ddoe. Siaradodd Gordon Brown am dai a

importance of building more social housing—something with which we would all agree. He also said that he would accept the recommendation in the Rogers report that 60 per cent of all new housing should be built on brownfield sites. However, that will not happen in Wales.

2:10 p.m.

The Secretary for the Environment, Planning and Transport has consistently refused to do so, therefore our countryside will continue to be covered with concrete. On recycling, he proudly announced that 17 per cent of all household waste would be recycled by 2004. In fact, he recently announced that that target would apply in 2003. On transport, we were all delighted to hear about the £22.5 billion that will be spent on a transport infrastructure in this country. We did not hear about what will happen to the £110 billion that has been taken in taxation from various modes of transport. If the Government is committed to a sustainable transport policy, why is it not putting that money back into providing public transport, better roads and services for the people who need to use their cars?

Carwyn Jones: The people of Wales will want the Conservatives to answer a simple question. Are you in favour of more public expenditure and believe that this settlement is not enough or do you believe that this expenditure is too much and favour tax cuts instead? What is the answer?

David Davies: The answer is that we are in favour of more public expenditure that does not damage the economy in any way. It may have escaped your attention but I am not the Government of Wales. I am not a Secretary or a Minister so I should ask the questions. The Labour Party does not like people asking questions but I have a right to do so on this occasion. I want to ask this question in a neutral fashion and perhaps sit down after this point. We have been told, and we accept, that we are going to have huge increases in public spending. We are also aware, and you must be aware of this, that the high interest

phwysigrwydd adeiladu mwy o dai cymdeithasol—rhywbeth yr ydym i gyd yn cytuno arno. Dywedodd hefyd y byddai'n derbyn yr argymhelliad yn adroddiad Rogers y dylid adeiladu 60 y cant o'r holl dai newydd ar safleoedd meysydd llwyd. Fodd bynnag, ni fydd hynny'n digwydd yng Nghymru.

Mae Ysgrifennydd yr Amgylchedd, Cynllunio a Thrafnidiaeth wedi gwrthod gwneud hyn yn gyson, felly bydd ein cefn gwlad yn parhau i gael ei orchuddio â choncrit. Ar ailgylchu, cyhoeddodd yn falch y byddai 17 y cant o'r holl wastraff a gynhyrchir mewn cartrefi'n cael ei ailgylchu erbyn 2004. A dweud y gwir, yn ddiweddar cyhoeddodd y byddai'r targed hwnnw'n dod i rym yn 2003. Ar drafnidiaeth, yr oeddem i gyd wrth ein bodd yn clywed am y £22.5 biliwn a werir ar seilwaith trafnidiaeth yn y wlad hon. Ni chlywsom beth a fydd yn digwydd i'r £110 biliwn sydd wedi'i dynnu mewn trethi oddi ar wahanol ddulliau o drafnidiaeth. Os yw'r Llywodraeth wedi ymrwymo i bolisi trafnidiaeth cynaliadwy, pam nad yw'n rhoi'r arian hwnnw yn ôl i ddarparu trafnidiaeth gyhoeddus, gwell ffyrdd a gwasanaethau ar gyfer y bobl sydd yn gorfod defnyddio'u ceir?

Carwyn Jones: Bydd pobl Cymru am i'r Ceidwadwyr ateb cwestiwn syml. A ydych chi o blaid rhagor o wariant cyhoeddus ac yn credu nad yw'r setliad hwn yn ddigon ynteu a ydych chi'n credu bod y gwariant hwn yn ormod a'ch bod o blaid toriadau treth yn lle hynny? Beth yw'r ateb?

David Davies: Yr ateb yw ein bod o blaid rhagor o wariant cyhoeddus nad yw'n gwneud difrod i'r economi mewn unrhyw ffordd. Efallai nad ydych chi wedi sylwi, ond nid Llywodraeth Cymru mohonof i. Nid wyf yn Ysgrifennydd nac yn Weinidog, felly fi a ddylai ofyn y cwestiynau. Nid yw'r Blaid Lafur yn hoffi i bobl ofyn cwestiynau ond mae gennyf hawl gwneud hynny ar yr achlysur hwn. Dymunaf ofyn y cwestiwn hwn mewn ffordd niwtral ac efallai yr eisteddaf i lawr ar ôl gwneud y pwynt hwn. Dywedwyd wrthym, ac yr ydym yn derbyn hynny, y byddwn yn cael cynnydd anferth

rate and the high pound are causing all sorts of problems in manufacturing at the moment. I ask the Finance Secretary or the First Secretary whether you can guarantee that all this extra money—coming as it does towards the end of the electoral cycle and all at once in a big announcement—will not have any effect on interest rates or inflation? I do not say that it will or will not have an effect but will you clarify the point and guarantee that there will be no increase in interest rates to take money out of the system and that there will be no loss of jobs as a result of inflationary measures? Answer those questions and show us that you are accountable to the people of Wales.

mewn gwariant cyhoeddus. Yr ydym yn ymwybodol hefyd, a rhaid eich bod chithau hefyd yn ymwybodol o hyn, fod y gyfradd log uchel a lefel uchel y bunt yn peri pob math o broblemau ym maes gweithgynhyrchu ar hyn o bryd. Gofynnaf i'r Ysgrifennydd Cyllid neu'r Prif Ysgrifennydd a allwch chi warantu na fydd yr holl arian ychwanegol hwn—sydd yn dod, fel y mae, tuag at ddiwedd y cylch etholiadol ac i gyd gyda'i gilydd mewn un cyhoeddiad mawr—yn cael unrhyw effaith ar gyfraddau llog neu chwyddiant? Nid wyf yn dweud y bydd neu na fydd yn cael effaith ond a wnewch chi egluro'r pwynt a gwarantu na fydd unrhyw gynnydd mewn cyfraddau llog er mwyn tynnu arian o'r system ac na fydd unrhyw swyddi'n cael eu colli o ganlyniad i gamau chwyddiannol? Atebwch y cwestiynau hynny a dangoswch inni eich bod yn atebol i bobl Cymru.

Alun Pugh: I do not normally begin a speech by quoting Margaret Thatcher, but UK Governments do not normally change a set of financial rules that have been in place for nearly 25 years. Today my message is simple: 'rejoice'. Yesterday a Labour Chancellor tore up the rule book to give Wales the extra cash we need to implement Objective 1 projects everywhere from Aberafan to Abergele. No good project anywhere—

Alun Pugh: Nid wyf fel arfer yn dechrau araith drwy ddyfynnu Margaret Thatcher, ond nid yw Llywodraethau'r DU fel arfer yn newid set o reolau ariannol sydd wedi bod ar waith ers bron i 25 mlynedd. Heddiw, neges syml sydd gennyf: 'llawenhewch'. Ddoe, rhwygodd Canghellor Llafur y llyfr rheolau i roi'r arian ychwanegol i Gymru sydd ei angen arnom er mwyn rhoi prosiectau Amcan 1 ar waith ym mhobman o Aberafan i Abergele. Ni fydd yr un prosiect da yn unman—

Alun Cairns rose—

Alun Cairns a gododd—

Alun Pugh: Sit down, please.

Alun Pugh: Eisteddwch, os gwelwch yn dda.

The Presiding Officer: Order. Alun Pugh is not giving way. You have often succeeded in intervening. If you had done that before you were called to speak, you would have moved lower down the order.

Y Llywydd: Trefn. Nid yw Alun Pugh yn ildio. Yr ydych wedi llwyddo i ymyrryd yn aml. Petaech chi wedi gwneud hynny cyn i mi alw arnoch i siarad, byddech wedi cael eich symud yn is yn y drefn.

Alun Pugh: No good project anywhere will fail because of a lack of funding. UK Labour secured Objective 1 status for Wales. A Labour Chancellor has changed the rules to benefit Wales. Today Welsh Labour gives projects the green light. After two years of tight public expenditure rounds, there is real growth for education to add to the £110

Alun Pugh: Ni fydd yr un prosiect da yn unman yn methu oherwydd diffyg arian. Sicrhodd Llafur y DU statws Amcan 1 i Gymru. Mae Canghellor Llafur wedi newid y rheolau er budd Cymru. Heddiw mae Llafur Cymru'n dangos y golau gwyrdd i brosiectau. Ar ôl dwy flynedd o rowndiau gwariant cyhoeddus tyn, gwelir twf gwirioneddol ar

million of health moneys already announced.

What is Plaid Cymru's record? Plaid Cymru Members said that we would never get Objective 1 status. They were wrong. They said that we would never get the programme approved. They were wrong. Now they complain about the UK Chancellor, saying that the settlement is not enough. It was never going to be enough.

Phil Williams: Can you name any occasion when a Plaid Cymru spokesperson said that we would never get Objective 1 status, considering that we campaigned for it for several years?

Alun Pugh: I seem to recall your leader handing over some large bottles of champagne. If the Chancellor had handed over the entire UK tax receipts to Wales, it would not be enough for Plaid Cymru. If whingeing were an olympic sport, Plaid Cymru members would be gold medallists. They could even invent a new sport of synchronised whingeing if they could resolve their leadership difficulties. Look at them. We have had a great announcement for Wales and they all look glum. Perhaps they are thinking about their election prospects rather than about rebuilding the Welsh economy. While the nationalists are whingeing and engaging in constitutional wrangling about the difference between independence and self-government, Welsh Labour is getting on with the real things that matter to the Welsh nation—better schools, more medical staff, better job opportunities and social justice.

Janet Davies: From what you said clearly, I take it that the United Kingdom Labour Party and the Welsh Labour Party are totally in line and 100 per cent in agreement with each other and the Welsh Labour Party fully supports the United Kingdom Labour Party.

Alun Pugh: Absolutely. The United Kingdom and Welsh Labour parties are

gyfer addysg ar ben y £110 miliwn o arian a gyhoeddwyd eisoes ar gyfer iechyd.

Beth yw record Plaid Cymru? Dywedodd Aelodau Plaid Cymru na fyddem byth yn cael statws Amcan 1. Yr oeddent yn anghywir. Dywedasant na fyddem byth yn cael cymeradwyaeth i'r rhaglen. Yr oeddent yn anghywir. Yn awr, maent yn cwyno am Ganghellor y DU, gan ddweud nad yw'r setliad yn ddigon. Nid oedd byth am fod yn ddigon.

A fedrwyh nodi unrhyw achlysur pan ddywedodd llefarydd ar ran Plaid Cymru na fyddem byth yn cael statws Amcan 1, ag ystyried ein bod wedi ymgyrchu o'i blaid am nifer o flynyddoedd?

Alun Pugh: Yr wyf fel petawn i'n cofio'ch arweinydd yn trosglwyddo nifer o boteli mawr o siampên. Petai'r Canghellor wedi trosglwyddo holl dderbyniadau treth y DU i Gymru, ni fyddai hynny'n ddigon i Blaid Cymru. Petai swmian yn un o gampau'r gemau olympaidd, byddai aelodau Plaid Cymru'n ennill medalau aur. Gallent hyd yn oed ddyfeisio camp newydd o swmian cydamserol petaent yn gallu datrys eu hanawsterau gyda'r arweinyddiaeth. Edrychwch arnynt. Cawsom gyhoeddiad gwych i Gymru ac mae golwg diwedd y byd ar bob un ohonynt. Efallai mai eu rhagolygon etholiadol sydd ar eu meddyliau yn hytrach nag ailadeiladu economi Cymru. Tra bo'r cenedlaetholwyr yn swmian ac yn cynnal ffrae gyfansoddiadol am y gwahaniaeth rhwng annibyniaeth a hunan-lywodraeth, mae Llafur Cymru'n bwrw ymlaen gyda'r pethau sydd wir o bwys i genedl y Cymry—gwell ysgolion, mwy o staff meddygol, gwell cyfleoedd am swyddi a chyfiawnder cymdeithasol.

Janet Davies: O'r hyn a ddywedasoch yn glir, cymeraf fod Plaid Lafur y Deyrnas Unedig a Phlaid Lafur Cymru'n gwbl unfryd a 100 y cant yn gytun â'i gilydd a bod Plaid Lafur Cymru'n llwyr gefnogol i Blaid Lafur y Deyrnas Gyfunol.

Alun Pugh: Wrth gwrs. Mae Plaid Lafur y Deyrnas Unedig a Phlaid Lafur Cymru'n

united on this matter. This is a good day for Wales. As for this nonsense about match funding, let us be clear about what the opposition is asking us to believe. Imagine the scene in an Objective 1 area in a couple of years. A brand new adult computer training centre has just opened. It has the latest computers, new teaching staff have just been recruited and it has a crèche and top-quality student support facilities. We are being invited to believe that the reaction of the new students will be 'Great stuff: nice building and a safe place for my child, but I do not like it because part of the cost has been provided by a comprehensive spending review consequential rather than off Barnett adjustment'. The only people who believe this scenario are the anoraks, hair-splitters and whingers who make up the opposition parties in this place. Fit for Government? You are not fit to be in opposition.

As for the Tories, words fail me. It is not fair to say that you tried for Objective 1 and failed. You did not even try. I do not know if it was down to idleness or incompetence, it does not matter. Despite many invitations, the Tories have not yet explained how they want more public expenditure in Wales and lower taxes. It is not just Plaid Cymru who believe in saying one thing in one part of Wales and something else in another part.

Nick Bourne: I want to take up a couple of points. The first is saying that there is additional money and it does not matter where it comes from. It does matter if we do not have the full additional amount. Saying that a school has been partly funded out of match funds means that it is taking money from elsewhere. I would have thought that anybody could see that. If the pot were that much larger we would have extra funds to spend on extra schools. That is clear.

With regard to your challenge to the Welsh Conservatives, we have welcomed the

unedig ar y mater hwn. Mae hwn yn ddiwrnod da i Gymru. Ac am y lol hwn ynghylch arian cyfatebol, gadewch inni fod yn glir ynghylch yr hyn y mae'r gwrthbleidiau'n gofyn inni ei gredu. Dychmygwch yr olygfa mewn ardal Amcan 1 mewn blwyddyn neu ddwy. Mae canolfan hyfforddi ar gyfrifiaduron newydd sbon wedi agor i oedolion. Yno, ceir y cyfrifiaduron diweddaraf, mae'r staff dysgu newydd gael eu recriwtio ac mae yno feithrinfia a chyfleusterau cefnogi myfyrwyr o'r radd flaenaf. Fe'n gwahoddir i gredu mai ymateb y myfyrwyr newydd fydd 'Gwych, adeilad braf a lle diogel i'm plentyn, ond nid wyf yn ei hoffi oherwydd bod rhan o'r gost wedi'i darparu drwy gyfrwng adolygiad cynhwysfawr o wariant yn hytrach na thrwy addasiad i Barnett'. Yr unig bobl sydd yn credu'r senario hwn yw'r anoracsach, y rhai sydd yn hollti blew ac yn swian, sef y gwrthbleidiau yn y lle hwn. Yn addas i Lywodraethu? Nid ydych yn addas i fod yn wrthblaid.

Ac am y Torïaid, ni allaf ddod o hyd i'r geiriau. Nid yw'n deg dweud i chi ymdrechu i gael Amcan 1 a methu. Ni wnaethoch ymdrechu hyd yn oed. Ni wn ai diogi ynteu anallu oedd yn gyfrifol am hynny, nid yw hynny o bwys. Er gwaethaf sawl gwahoddiad, nid yw'r Torïaid wedi egluro eto sut maent am gael rhagor o wariant cyhoeddus yng Nghymru a threthi is. Nid dim ond Plaid Cymru sydd yn credu mewn dweud un peth mewn un rhan o Gymru a rhywbeth arall mewn rhan arall.

Nick Bourne: Yr wyf am godi ychydig o bwyntiau. Y cyntaf yw dweud bod arian ychwanegol ar gael ac nad yw hi o bwys o ble y daw'r arian hwnnw. Mae hynny o bwys os nad yw'r swm ychwanegol llawn gennym. Mae dweud bod ysgol wedi cael ei chyllid yn rhannol o arian cyfatebol yn golygu ei bod yn tynnu arian o rywle arall. Byddwn wedi meddwl y byddai hynny'n amlwg i bawb. Petai'r pot gymaint â hynny'n fwy, byddai gennym arian ychwanegol i'w wario ar ysgolion ychwanegol. Mae hynny'n amlwg.

Gyda golwg ar eich her i Geidwadwyr Cymru, yr ydym wedi croesawu'r gwariant

increased spending. We have said that health is a priority into which we would put money, and Michael Portillo said the same in Westminster. There is no secret about that.

Alun Pugh: You still have not answered the question. Is it public spending and social justice or tax cuts? We have had enough in Wales of poor economic performance, and Objective 1 is part of the solution. In the spirit of inclusivity, I ask opposition parties to change their habits and join us to deliver a better Wales. If you cannot, kindly step out of our way.

Brian Gibbons: I want to return to one of Phil Williams's points. I appreciate, and at times, admire Phil's detective work and analysis, particularly in trying to get figures to stand up and support his case. However, I was worried about his answer to how Plaid Cymru would respond if it were going down an independent or sovereign road. He said that if extra money was coming to Wales from Europe two or three times, as happened in Ireland, Plaid Cymru would be prepared to increase the taxation rate two or three times. I pointed out to Phil that during the period in the Irish Republic when this took place, hundreds of thousands of trade unionists were out on the street demonstrating against the price that was being paid. Tens of thousands, if not hundreds of thousands, of people left the Irish Republic during those periods of draconian austerity. As recently as two or three months ago, Ray MacSharry, the Finance Minister who kicked off the Celtic Tiger revival in Ireland, pointed out that the process began when that particular government started reducing the taxes. The experience from the Irish Republic is that the process of economic regeneration only started when the taxes came down. There is a serious problem in the Plaid Cymru analysis if it thinks that a Welsh economic regeneration will come from this year-zero type economics.

ychwanegol. Yr ydym wedi dweud bod iechyd yn flaenoriaeth y byddem yn rhoi arian iddo a dywedodd Michael Portillo yr un fath yn San Steffan. Nid oes cyfrinach ynghylch hynny.

Alun Pugh: Nid ydych wedi ateb y cwestiwn o hyd. Ai gwariant cyhoeddus a chyfiawnder cymdeithasol ynteu toriadau treth? Cawsom ddigon o berfformiad economaidd gwael yng Nghymru, ac mae Amcan 1 yn rhan o'r ateb. Yn ysbryd cynhwysiant, gofynnaf i'r gwrthbleidiau newid eu harferion ac ymuno â ni i greu gwell Cymru. Oni allwch chi, byddwch gystal â chamu o'r neilltu i roi lle i ni.

Brian Gibbons: Yr wyf am ddychwelyd at un o bwyntiau Phil Williams. Yr wyf yn gwerthfawrogi, ac ar brydiau, yn edmygu gwaith detectif a dadansoddi Phil, yn enwedig wrth iddo geisio dilysu ei ffigyrau a pheri iddynt gefnogi ei ddadl. Fodd bynnag, yr oeddwn yn bryderus ynghylch ei ateb i sut y byddai Plaid Cymru'n ymateb petai'n mynd ar drywydd annibyniaeth neu sofreniaeth. Dywedodd petai arian ychwanegol yn dod i Gymru o Ewrop ddwy neu dair gwaith, fel a ddigwyddodd yn Iwerddon, y byddai Plaid Cymru'n barod i gynyddu'r gyfradd dreth ddwy neu dair gwaith. Tynnais sylw Phil at y ffaith fod cannoedd o filoedd o undebwyr llafur Gweriniaeth Iwerddon yn ystod y cyfnod pan ddigwyddodd hyn yno, allan ar y stryd yn protestio yn erbyn y pris a delid. Gadawodd degau o filoedd, os nad cannoedd o filoedd o bobl Gweriniaeth Iwerddon yn ystod y cyfnodau hynny o galedi llym. Mor ddiweddar â dau neu dri mis yn ôl, tynnodd Ray MacSharry, y Gweinidog Cyllid, a roddodd yr hwb cychwynol i adfywiad y Teigr Celtaidd yn Iwerddon, sylw at y ffaith fod y broses wedi dechrau pan ddechreuodd y llywodraeth arbennig honno ostwng y trethi. Profiad Gweriniaeth Iwerddon oedd mai dim ond pan gafwyd gostyngiad mewn trethi y dechreuodd y broses adfywio economaidd. Mae problem ddifrifol yn nadansoddiad Plaid Cymru os yw'n credu y daw adfywiad economaidd i Gymru yn sgîl y math o economeg flwyddyn-dim hon.

2:20 p.m.

In conclusion, I was at a meeting yesterday morning in which one of the contributors had attended a meeting in one of the Objective 1 valleys. He said that there was a great sense of mourning at the meeting for what existed in Wales in the past and a sense of mourning for what we had lost. He felt that mourning and loss was a major hindrance to Wales being able to move forward. Today, we have a good message. I hope that all the opposition parties in this Assembly will put a line under the whingeing, whining and criticising and get together to work here in Wales, for Wales, to make a better Wales.

Christine Chapman: Today sends out a message to those in Wales who were cynical about devolution and critical of this Assembly. Today, we can say with conviction that a Labour Government and a Labour-led Assembly has delivered a massive boost for Wales. As a result of Gordon Brown's tough decision-making and prudence over the last three years, which our opponents have decried at every step, we now have marvellous news for Wales. As a couple of Members have already said, we have a better settlement than England or Scotland. People have talked about Tony Blair letting Wales down. I think not. Let us be honest. Let us not send out the wrong messages on the backs of the doom and gloom merchants in the opposition parties. Some of them have been curiously silent today. This spending review gives Wales a huge boost and gives us a chance to carry out our aim of social justice and tackling inequalities.

Let us look at the impact that this review might have on education. The review has given a 5.4 per cent increase above inflation for education spending overall. In Wales, we can decide how best we can spend this massive boost to education to give opportunity and security for all. From the early years, where Sure Start, which is helping some of our most deprived areas, receives a huge injection of cash, to investment in what we need to create a

I gloi, yr oeddwn mewn cyfarfod bore ddoe ac yr oedd un o'r cyfranwyr wedi bod mewn cyfarfod yn un o gymoedd Amcan 1. Dywedodd bod ymdeimlad dwfn o alar yn y cyfarfod am yr hyn a oedd yn bodoli yng Nghymru yn y gorffennol ac ymdeimlad o alar am yr hyn yr oeddem wedi'i golli. Teimlai fod galar a cholled yn rhwystro Cymru rhag gallu symud ymlaen. Heddiw, mae gennym neges dda. Gobeithiaf y bydd y gwrthbleidiau yn y Cynulliad hwn yn rhoi'r gorau i'r cwyno, y swmian a'r beirniadu ac yn dod at ei gilydd i weithio yma yng Nghymru, dros Gymru, i greu gwell Cymru.

Christine Chapman: Heddiw, anfonwn neges i'r rheini yng Nghymru a oedd yn sinigaidd ynghylch datganoli ac yn feirniadol o'r Cynulliad hwn. Heddiw, gallwn ddweud gydag arddeliad bod Llywodraeth Lafur a Chynulliad dan arweiniad Llafur wedi llwyddo i roi hwb anferth i Gymru. O ganlyniad i wytnwch a doethineb Gordon Brown wrth wneud penderfyniadau dros y tair blynedd diwethaf, gyda'n gwrthwynebwyr yn ei ddiffrïo ar hyd pob cam o'r ffordd, yn awr mae gennym newyddion gwych i Gymru. Fel y mae rhai Aelodau wedi'i ddweud eisoes, mae gennym well setliad na Lloegr a'r Alban. Mae pobl wedi sôn am Tony Blair yn siomi Cymru. Go brin. Gadewch inni fod yn onest. Gadewch inni beidio ag anfon y negeseuon anghywir ar gefnau'r sawl sydd yn darogan diwedd y byd yn y gwrthbleidiau. Mae rhai ohonynt wedi bod yn rhyfedd o dawel heddiw. Mae'r arolwg gwariant hwn yn rhoi hwb anferth i Gymru ac yn rhoi cyfle inni gyrraedd ein nod o sicrhau cyfiawnder cymdeithasol a mynd i'r afael ag anghydraddoldeb.

Gadewch inni edrych ar yr effaith y gall yr adolygiad gwariant hwn ei gael ar addysg. Mae'r adolygiad wedi rhoi cynnydd o 5.4 y cant uwchben chwyddiant ar gyfer gwario ar addysg drwyddi draw. Yng Nghymru, gallwn benderfynu sut orau y gallwn wario'r hwb anferth hwn i addysg a rhoi cyfle a sicrwydd i bawb. O'r blynyddoedd cynnar, lle rhoddir chwistrelliad anferth o arian i'r cynllun Cychwyn Cadarn, sydd yn helpu rhai o'n hardaloedd mwyaf amddifad, i fuddsoddi yn

lifelong learning culture in Wales, this review demonstrates what the Labour Party stands for. We need to tackle the poverty of aspiration in Wales. For too long, many of our talented young people have looked beyond the Severn bridge when deciding on their life options. With the money that we now have available to the Welsh economy through this review, and through the provision of cash for every worthwhile Objective project—I repeat, every worthwhile Objective project—we can change that attitude. This is about making Wales a can do and confident country with our investment in education. I am sure that when Tom and Rosemary meet Edwina to discuss the details and when the education Committees see the amount of investment that they can use in education as a result of this, we will all see that devolution is working for Wales.

Let us not forget that our voice in Wales is stronger as a result of devolution and the Chancellor has recognised that by giving us this spending boost. Let us grasp the opportunity, so that Wales becomes a lifelong learning society. For those who may have short memories, remember that when the Conservatives left office in 1997, more money was being spent on interest payments on the national debt than on investing in our schools.

This review is a testament to the work of Rhodri Morgan, Paul Murphy, Edwina Hart and Alun Michael before them. They have delivered for Wales. It exposes once again, the shameful tactics of Plaid Cymru, which has constantly disrupted the Assembly with its scare mongering over Objective 1.

Pauline Jarman *rose*—

The Presiding Officer: Order. Christine Chapman is not taking interventions, Pauline.

Christine Chapman: To be fair, the public in Wales is sick and tired of this scaremongering. If Plaid Cymru cannot bow

yr hyn sydd ei angen arnom i greu diwylliant dysgu gydol oes yng Nghymru, mae'r adolygiad hwn yn dangos beth mae'r Plaid Lafur yn sefyll drosto. Mae angen inni fynd i'r afael â thlodi ein dyheadau yng Nghymru. Ers rhy hir, mae llawer o'n pobl ifanc dalentog wedi edrych y tu hwnt i bont Hafren wrth ddewis eu trywydd mewn bywyd. Gyda'r arian sydd ar gael yn awr i economi Cymru drwy gyfrwng yr adolygiad hwn, a thrwy ddarparu arian ar gyfer pob prosiect Amcan gwerth chweil—a dywedaf hynny eto, pob prosiect Amcan gwerth chweil—gallwn newid yr agwedd honno. Mae a wnelo hyn â gwneud Cymru'n wlad sydd yn medru gwneud ac yn wlad hyderus gyda'n buddsoddiad mewn addysg. Yr wyf yn siwr, pan fydd Tom a Rosemary'n cyfarfod gydag Edwina i drafod y manylion a phan fydd y Pwyllgorau addysg yn gweld faint o fuddsoddiad y gallant ei ddefnyddio ym maes addysg o ganlyniad i hyn, byddwn i gyd yn gweld bod datganoli'n gweithio i Gymru.

Boed inni beidio ag anghofio bod ein llais yng Nghymru'n gryfach o ganlyniad i ddatganoli a bod y Canghellor wedi cydnabod hyn drwy roi'r hwb gwario hwn inni. Gadewch inni fachu ar y cyfle, fel bo Cymru'n dod yn gymdeithas dysgu gydol oes. I'r rhai sydd efallai'n fyr eu cof, cofiwch, pan adawodd y Ceidwadwyr rym ym 1997, fod mwy o arian yn cael ei wario ar daliadau llog ar y ddyled genedlaethol nag ar fuddsoddi yn ein hysgolion.

Mae'r adolygiad hwn yn destament i waith Rhodri Morgan, Paul Murphy, Edwina Hart ac Alun Michael o'u blaenau. Maent wedi gwneud eu gwaith dros Gymru. Mae'n datgelu unwaith eto dactegau cywilyddus Plaid Cymru, sydd wedi tarfu ar y Cynulliad hwn yn rheolaidd drwy godi bwganod ynghylch Amcan 1.

Pauline Jarman *a gododd*—

Y Llywydd: Trefn. Nid yw Christine Chapman yn derbyn ymyrraeth, Pauline.

Chrstine Chapman: A bod yn deg, mae'r cyhoedd yng Nghymru wedi cael llond bol ar bobl yn codi bwganod fel hyn. Oni all Plaid

its head in shame today, it should at least show some humility. It should stop wasting time and get on with encouraging projects to come forward. This is the job that we must do now.

Over the past year, Labour has worked hard for Wales while opposition parties have done nothing. We have delivered to make a difference in Wales. We know that the Tories did not try to do that, and Plaid Cymru never could. This is a turning point and we should get on with the job and make it work.

The First Secretary: I came to the office this morning with a spring in my step. I told myself—to paraphrase one of Ron Davies's phrases after the devolution referendum—'It is a very good morning for Wales'. After listening to this debate, I have changed my mind—it is a very good afternoon for Wales. That is the conclusion that I must draw from yesterday's figures and from the fact that the Assembly has been recalled so that we could express our views 24 hours after Gordon Brown's statement.

Hoffwn dalu teyrnged i Dafydd Wigley, er nad yw'n bresennol ar hyn o bryd. Ni fyddai'n weddus imi beidio â thalu teyrnged iddo am ei wladgarwch a'i wasanaeth i'n gwleidyddiaeth yng Nghymru, er gwaethaf ein gwahaniaethau gwleidyddol. Yr ydym yn dadlau ac yn anghytuno ar nifer o bethau sydd yn ymwneud â dyfodol Cymru. Fodd bynnag, hyd yn oed bryd hynny, ni fyddwn yn amau ei wladgarwch a'i barodrwydd i wasanaethu Cymru. Byddwn yn ei ddisgrifio fel 'Dafydd y gwladgarwr' bob amser. Yr wyf yn flin fod rhaid iddo ildio llywyddiaeth Plaid Cymru, er y bydd yn parhau fel Aelod mainc gefn.

Dafydd Wigley's resignation has been followed by that of Alex Salmond, the leader of the Scottish National Party. Perhaps they will go into business together as a partnership. I suppose it will be 'Salmond and Wigley: independent architects and consultants'.

Cymru blygu ei phen mewn cywilydd heddiw, dylai o leiaf ddangos ychydig o ostyngieddrwydd. Dylai roi'r gorau i wastraffu amser a bwrw ymlaen i annog pobl i gyflwyno prosiectau. Hwn yw'r gwaith sydd o'n blaenau ni yn awr.

Yn ystod y flwyddyn ddiwethaf, mae'r Plaid Lafur wedi gweithio'n galed dros Gymru tra bo'r gwrthbleidiau wedi gwneud dim. Yr ydym wedi gwneud ein gwaith er mwyn gwneud gwahaniaeth yng Nghymru. Gwyddom na cheisiodd y Torïaid wneud hynny, ac na allai Plaid Cymru fyth wneud. Mae hwn yn drobwynt a dylem fwrw ymlaen â'r gwaith a sicrhau ei fod yn gweithio.

Y Prif Ysgrifennydd: Deuthum i'r swyddfa y bore hwn yn ysgafn droed. Dywedais wrthyf fy hun—i aralleirio un o ddywediadau Ron Davies ar ôl y refferendwm datganoli — 'Mae'n fore da iawn i Gymru'. Ar ôl gwrandao ar y ddadl hon, yr wyf wedi newid fy meddwl—mae'n brynhawn da iawn i Gymru. Hwn yw'r casgliad y mae'n rhaid i mi ddod iddo ar sail ffigurau ddoe a'r ffaith fod y Cynulliad wedi cael ei ailgynnull er mwyn inni fynegi ein barn 24 awr ar ôl datganiad Gordon Brown.

I would like to pay tribute to Dafydd Wigley, even though he is not present at the moment. It would not be fitting were I not to pay tribute to him for his patriotism and services to politics in Wales, despite our political differences. We argue and disagree on a number of matters that relate to the future of Wales. However, even on those occasions, I do not doubt his patriotism and willingness to serve Wales. I would always describe him as 'Dafydd the patriot'. I am sorry that he has to give up the leadership of Plaid Cymru, although he will continue as a backbench Member.

Dilynwyd ymddiswyddiad Dafydd Wigley gan ymddiswyddiad Alex Salmond, arweinydd Plaid Genedlaethol yr Alban. Efallai y byddant yn dechrau busnes gyda'i gilydd fel partneriaeth. Mae'n debyg mai 'Salmond a Wigley: penseiri ac ymgynghorwyr annibynnol' fydd enw'r

busnes.

I will turn to what was achieved in yesterday's spending review.

Trof at yr hyn a gyflawnwyd yn yr adolygiad ar wariant ddoe.

Sylwaf fod Dafydd Wigley newydd ddod i'r Siambr. Nid wyf yn mynd i ailadrodd yr hyn a ddywedais, ond yr wyf wedi talu teyrnged i ti. Edrychaf ymlaen at barhad dy wasanaeth o'r meinciau cefn, ar ôl i'r arweinydd newydd gael ei ethol.

I notice that Dafydd Wigley has entered the Chamber. I will not repeat myself, but I have paid tribute to you. I look forward to the continuation of your service from the backbenches, after the new leader is elected.

Some people have said that we should concentrate on the £421 million over the three years that is additional to the Barnett formula. Others have said that we should concentrate on the £4 billion that is additional to today's budget over the three years. One is just over 10 per cent of the other. However, it represents a huge principle. Alun Pugh put it extremely well by saying that this has never happened before during the Barnett formula's 21 years of existence. It is a tribute to the Assembly, to devolution and to the Treasury's understanding of the difficulties that the Welsh budget would have in coping with Objective 1 money unless we had something outside the Barnett block.

Mae rhai pobl wedi dweud y dylem ganolbwyntio ar y £421 miliwn dros y tair blynedd sydd yn ychwanegol at fformwla Barnett. Mae eraill wedi dweud y dylem ganolbwyntio ar y £4 biliwn sydd yn ychwanegol at gyllideb heddiw dros y tair blynedd. Mae un ychydig dros 10 y cant o'r llall. Fodd bynnag, mae'n cynrychioli egwyddor o bwys mawr. Mynegwyd hyn yn dda iawn gan Alun Pugh pan ddywedodd nad yw hyn erioed wedi digwydd o'r blaen yn ystod 21 mlynedd o fodolaeth fformwla Barnett. Mae'n deyrnged i'r Cynulliad, i ddatganoli ac i ddealltwriaeth y Trysorlys o'r anawsterau a wynebai cyllideb Cymru o ran ymdopi ag arian Amcan 1 oni bai fod gennym rywbeth y tu allan i bloc Barnett.

In paying tribute to Dafydd I mentioned that I disagree with him on occasions. I disagree with his interpretation of the Northern Ireland Office statement. I think that Plaid Cymru is relying on that too much today. The reference to the EU Peace 2 proposals as being over and above Barnett, which was also true of the Peace 1 proposals in Northern Ireland, does not apply to the structural funds. Only the Welsh structural funds have been taken outside Barnett. The £421 million is important. It comprises two main components: the provision of the Objective 1 programme that we have generated from within the Assembly, which—as you would expect—is already in our budget, and the transfer into our block of the European social fund's expected line of expenditure, pound for pound, which expands it by another 30 per cent. That is how the figure of £421 million is made up.
2:30 p.m.

Wrth dalu teyrnged i Dafydd, soniais fy mod yn anghytuno ag ef ar brydiau. Yr wyf yn anghytuno â'r ffordd y mae ef yn dehongli datganiad Swyddfa Gogledd Iwerddon. Credaf fod Plaid Cymru'n dibynnu gormod ar hwnnw heddiw. Nid yw'r cyfeiriad at gynigion Heddwch 2 yr UE fel rhai sydd yn ychwanegol at Barnett, a oedd hefyd yn wir am gynigion Heddwch 1 yng Ngogledd Iwerddon, yn berthnasol i'r cronfeydd strwythurol. Dim ond cronfeydd strwythurol Cymru sydd wedi'u gosod y tu allan i Barnett. Mae'r £421 miliwn yn bwysig. Mae'n cynnwys dwy brif elfen: darparu'r rhaglen Amcan 1 yr ydym wedi'i chynhyrchu o fewn y Cynulliad, sydd—fel y byddech yn ei ddisgwyl—eisoës yn ein cyllideb, a'r trosglwyddiad o linell wariant ddisgwyliedig cronfa gymdeithasol Ewrop i'n bloc, bunt am bunt, sydd yn ei chwyddo 30 y cant arall. Dyna sut y ceir y ffigur o £421 miliwn.

There are also smaller elements such as

Ceir elfennau llai hefyd, megis Amcanion 2 a

Objectives 2 and 3, community initiatives, the provision for the funding of the overhang and a generous Treasury settlement of the argument about what our previous baseline expenditure was, which has netted us another £60 million, approximately, over three years. Overall, the £421 million outside the Barnett block is a highly significant settlement and an acceptance by the Treasury of the unique Welsh circumstances. The only reason why we should not think that this is wonderful is because two-thirds of Wales had to be designated as an Objective 1 area in the first place. We have been given this funding only because the Treasury has accepted that our country is so poor that two-thirds of it needs to qualify for Objective 1 and therefore needs to have special budgetary provision made for it. That will not happen in 2006 or 2007. I hope that by then we will have made sufficient success of Objective 1 that the two-thirds of Wales that is covered by it will no longer need it. We probably would not get it, because eastern European countries are likely to have joined the EU by then and reduced the average GDP per head level below which countries will have to be before qualifying for Objective 1. Therefore, this is a once in a lifetime opportunity for all 60 of us as Assembly Members to stand up and be counted with our partners the length and breadth of Objective 1 areas in west Wales and the Valleys to ensure that we transform the economy.

What I said during an interview with HTV last night has probably been mentioned about 10 times. The issue was whether I had said that I had not asked for extra money for match funding. What I said was that the Government had responded pound for pound to what I asked for in respect of the public expenditure cover and the European social fund transfer. I did not say that I had not asked for match funding. I said that we asked for and got 100 per cent of what we requested regarding public expenditure cover and the transfer of ESF responsibility into our budget. That has been done in full. The officials gave us the figure. They told us what we should ask for and what we would

3, cynlluniau cymunedol, darparu'r cyllid ar gyfer y trosgrog a setliad hael gan y Trysorlys ynghylch y ddadl am beth oedd gwaelodlin ein gwariant o'r blaen, sydd wedi dod â £60 miliwn arall i ni, fwy neu lai, dros dair blynedd. Drwyddi draw, mae'r £421 miliwn y tu allan i floc Barnett yn setliad arwyddocaol iawn ac yn dangos bod y Trysorlys yn derbyn amgylchiadau unigryw Cymru. Yr unig reswm pam na ddylem orfoleddu ynghylch hyn yw oherwydd bod dwy ran o dair o Gymru wedi gorfod cael ei dynodi'n ardal Amcan 1 yn y lle cyntaf. Yr unig reswm pam y cawsom y cyllid hwn yw bod y Trysorlys wedi derbyn bod ein gwlad mor dlawd fel bo angen i ddwy ran o dair ohoni fod yn gymwys ar gyfer Amcan 1 ac felly bod angen gwneud darpariaeth gyllidebol arbennig ar ei chyfer. Ni fydd hynny'n digwydd yn 2006 na 2007. Gobeithiaf erbyn hynny y byddwn wedi llwyddo digon gydag Amcan 1 fel na fydd ei angen ragor ar y ddwy ran o dair o Gymru sydd yn cael nawdd dano. Mae'n debygol na fyddem yn ei gael oherwydd erbyn hynny mae'n debygol y bydd gwledydd dwyrain Ewrop wedi ymuno â'r UE ac wedi gostwng lefel cynnyrch mewnwladol crynswth y pen yn is na'r lefel ofynnol ar gyfer gwledydd sydd yn gymwys ar gyfer Amcan 1. Felly, cyfle unwaith mewn oes yw hwn i bob un ohonom sydd yn Aelodau'r Cynulliad sefyll ar ein traed a chael ein cyfrif gyda'nartneriaid ledled ardaloedd Amcan 1 yng ngorllewin Cymru a'r Cymoedd i sicrhau ein bod yn trawsnewid yr economi.

Cyfeiriwyd at yr hyn a ddywedais mewn cyfweiliad gydag HTV neithiwr ryw 10 gwaith, mae'n siwr. Y byrdwn oedd, a oeddwn wedi dweud nad oeddwn wedi gofyn am arian ychwanegol ar gyfer arian cyfatebol. Yr hyn a ddywedais oedd bod y Llywodraeth wedi ymateb bunt am bunt i'r hyn yr oeddwn wedi gofyn amdano o ran y ddarpariaeth gwariant cyhoeddus a throsglwyddo arian cronfa gymdeithasol Ewrop. Ni ddywedais nad oeddwn wedi gofyn am arian cyfatebol. Dywedais ein bod wedi gofyn am ac wedi cael 100 y cant o'r hyn y gofynasom amdano gyda golwg ar y ddarpariaeth gwariant cyhoeddus a throsglwyddo cyfrifoldeb am Gronfa

need, and the Treasury has given it to us pound for pound. There is no doubt about that.

Where match funding will come from is a theological argument that is not of great interest to people outside the Assembly. We have a much bigger block, increasing from £8 billion on 1 April 2001 to £10 billion on 1 April 2003. Therefore, the stress on the Assembly's ability to find match funding is much less than it would have been. We could have said, 'Gordon, can you finesse the figures to help us get through Wednesday's debate? Give us a smaller block and attach a match funding label to a separate pot.' Do you think that that would be more sensible than having an extra £2 billion in less than three years? It is much better to have a bigger block. That is within the principle of devolution. We can make use of that with our ability to determine our spending priorities and find match funding within that block. That is the right way forward. It gives us the solution. We have public expenditure cover outside the Barnett block and the match funding capability from the money that is already in the system as well as the £2 billion extra over the next two and a half years. That enables us to give the people of Wales a guarantee that we will not have to raid health and education budgets to find the match funding, although part of the training end of the education budget has already been used for funding. We are not so used to that here because, until now, it has been done under ESF responsibility. Once that has been transferred to us, we will see that at least at the training end it will be perfectly legitimate to use part of the education budget as match funding.

The transfer of European social fund money from DfEE's block into ours starts from 1 April 2001. However, we will also use that as a basis for negotiating, which Edwina and I will be able to conclude with David Blunkett

Gymdeithasol Ewrop i'n cyllideb. Gwnaethpwyd hynny'n llawn. Cawsom y ffigurau gan y swyddogion. Dywedasant wrthym beth y dylem ofyn amdano a beth y byddai ei angen arnom, ac mae'r Trysorydd wedi'i roi i ni, bunt am bunt. Nid oes dim amheuaeth am hynny.

Dadl ddiwinyddol yw o ble y daw'r arian cyfatebol ac nid yw'r ddadl honno o fawr o ddiddordeb i bobl y tu allan i'r Cynulliad. Mae gennym floc llawer mwy, a fydd yn cynyddu o £8 biliwn ar 1 Ebrill 2001 i £10 biliwn ar 1 Ebrill 2003. Felly, mae'r pwysau ar allu'r Cynulliad i ddod o hyd i arian cyfatebol yn llai o lawer na'r hyn a allasai fod. Gallem fod wedi dweud, 'Gordon, fedrwcw chi ystrywio'r ffigurau i'n helpu ni i ddod drwy'r ddadl ddydd Mercher? Rhowch floc llai i ni a rhowch label arian cyfatebol ar botyn ar wahân.' A fydddech chi'n meddwl y byddai hynny'n fwy synhwyrol na chael £2 biliwn ychwanegol mewn llai na thair blynedd? Mae'n llawer gwell cael bloc mwy. Mae hynny'n unol ag egwyddor datganoli. Gallwn wneud defnydd o hwnnw gyda'n gallu i bennu ein blaenoriaethau gwario a dod o hyd i arian cyfatebol o fewn y bloc hwnnw. Dyna'r ffordd iawn ymlaen. Mae'n rhoi'r ateb inni. Mae gennym ddarpariaeth gwariant cyhoeddus y tu allan i floc Barnett a'r gallu i ganfod yr arian cyfatebol o'r arian sydd eisoes yn y system yn ogystal â'r £2 biliwn ychwanegol dros y ddwy flynedd a hanner nesaf. Mae hynny'n ein galluogi ni i warantu i bobl Cymru na fydd raid i ni reibio cyllidebau ieuchyd ac addysg i ddod o hyd i'r arian cyfatebol, er bod rhan o elfen hyfforddi'r gyllideb addysg eisoes wedi'i defnyddio ar gyfer y cyllido. Nid ydym mor gyfarwydd â hynny yma, oherwydd, hyd yn hyn, daeth o dan gyfrifoldeb Cronfa Gymdeithasol Ewrop. Unwaith y caiff ei drosglwyddo i ni, byddwn yn gweld ei bod yn berffaith gywir defnyddio rhan o'r gyllideb addysg fel arian cyfatebol, o leiaf ym maes hyfforddi.

Dechreuir trosglwyddo arian cronfa gymdeithasol Ewrop o floc yr Adran Addysg a Chyflogaeth i'n bloc ni ar 1 Ebrill 2001. Fodd bynnag, byddwn hefyd yn defnyddio hynny'n sail ar gyfer negodi. Bydd Edwina a

and the Treasury to get this year's DfEE European social fund, Welsh block transferred. I cannot think why we should not be able to proceed with that and reach an agreement with DfEE.

I will mention other sources of match funding to reassure the Assembly as to where the additional match funding will come from. I take on board Peter Black's point that what everybody wants when trying to hold an administration to account is a list of figures. I have said consistently in the Economic Development Committee and in Plenary that it is not possible to give you today's baseline of how much match funding is in the system, because it involves the scrutiny of too many files. It is too much work and we would not be sure how to reach the final figure for match funding; you can guess, but you cannot calculate it that accurately.

The sources of match funding that we can identify include the Pathway to Prosperity budget, not previously allocated, which would be around £15 million per year. We can also use regional selective assistance, which amounts to £17 million and the local regeneration fund, which will be freed up in year one increasing from £15 million to £18 million. That is £60 million without taking too much from our block. There is also money from the New Opportunities fund and the New Deal from outside the Assembly's block. We will be able to give a figure when we have a full debate on the priorities for the public expenditure in the National Assembly for Wales when we return on September 12.

We must relay the message that the ball is in Wales's court to people outside this Assembly, namely, the potential project sponsors and the beneficiaries of that ability to transform our Welsh economy. Gordon Brown has provided us with the resources and it is up to us to make the best use of those resources and to ensure that we carry the people of Wales forward, much as the people of Ireland were carried forward by the

finnau yn gallu trafod gyda David Blunkett a'r Trysorlys er mwyn cael trosglwyddo bloc Cymru o Gronfa Gymdeithasol Ewrop yr Adran Addysg a Chyflogaeth eleni. Ni allaf weld rheswm pam na ddylem fwrw ymlaen â hynny a sicrhau cytundeb gyda'r Adran Addysg a Chyflogaeth.

Soniaf am ffynonellau arian cyfatebol eraill i roi sicrwydd i'r Cynulliad ynghylch o ble y daw'r arian cyfatebol ychwanegol. Derbyniat bwynt Peter Black mai'r hyn sydd ei eisiau ar bawb wrth geisio sicrhau bod gweinyddiaeth yn atebol yw rhestr o ffigurau. Yr wyf wedi dweud yn gyson yn y Pwyllgor Datblygu Economaidd ac yn y Cyfarfod Llawn nad oes modd rhoi gwaelodlin ichi heddiw ynghylch faint o arian cyfatebol sydd yn y system, oherwydd ei fod yn golygu chwilota'n fanwl drwy ormod o ffeiliau. Mae'n ormod o waith ac ni fyddem yn sicr sut i gael y ffigur derfynol ar gyfer arian cyfatebol. Gallwch fwrw amcan, ond ni allwch ei bennu mor gywir â hynny.

Mae'r ffynonellau arian cyfatebol y gallwn eu nodi'n cynnwys y gyllideb Ffordd at Ffyniant, nad oedd wedi'i ddyrannu o'r blaen, a fyddai oddeutu £15 miliwn y flwyddyn. Gallwn hefyd ddefnyddio cymorth dethol rhanbarthol sydd oddeutu £17 miliwn a'r gronfa adfywio leol, a ryddheir yn ystod blwyddyn un gan gynyddu o £15 miliwn i £18 miliwn. Mae hynny'n £60 miliwn heb dynnu gormod o'n bloc. Mae arian ar gael hefyd o'r gronfa Cyfleoedd Newydd a'r Fargen Newydd o'r tu allan i floc y Cynulliad. Byddwn yn gallu rhoi ffigur unwaith y gallwn ni gael dadl lawn ar y blaenoriaethau ar gyfer gwariant cyhoeddus yng Nghynulliad Cenedlaethol Cymru pan fyddwn yn dychwelyd ar Fedi 12.

Rhaid inni drosglwyddo'r neges i bobl y tu allan i'r Cynulliad hwn, sef darpar noddwyr prosiectau a'r rhai a fydd yn elwa o'r gallu hwnnw i drawsnewid economi ein gwlad, fod y bêl yng nghwrt Cymru. Mae Gordon Brown wedi rhoi'r adnoddau inni a'n gwaith ni yw defnyddio'r adnoddau hynny orau allwn ni a sicrhau ein bod yn cludo pobl Cymru yn eu blaenau, fel y cludwyd pobl Iwerddon yn eu blaenau wrth i gonsensws

emergence of a cross-party consensus in Ireland around 1990. They knew that they were going to hell in a handcart the way that they were running the Irish economy and that they had to do something about it. They have succeeded. They have gone from being basket cases to boom town economies in 10 years. If we could achieve three quarters of what they have over the next 10 years, I would be a proud politician. We will have to see whether I would be proud enough to join Dafydd Wigley on the backbenches by then.

trawsbleidiol ymddangos yn Iwerddon oddeutu 1990. Gwyddent eu bod yn mynd ar eu pennau i uffern yn y ffordd yr oeddent yn rhedeg economi Iwerddon a bod rhaid iddynt wneud rhywbeth ynghylch hynny. Maent wedi llwyddo. Maent wedi dringo o fod yn economïau aflwyddiannus i fod yn economïau ffyniannus mewn 10 mlynedd. Pe gallem ninnau gyflawni tri chwarter yr hyn y maent hwy wedi'i gyflawni dros y 10 mlynedd nesaf, byddwn i'n wleidydd balch. Bydd rhaid inni weld a fyddwn yn ddigon balch i ymuno â Dafydd Wigley ar y meinciau cefn erbyn hynny.

We cannot confuse people and sow uncertainty through people's attitudes to this public expenditure settlement. The Liberal Democrats said that it should have been done much earlier. Plaid Cymru said that it should be much more and the Tories said that it should be much more in Wales, but less in the UK. Where does that get us in the end? We must try to build a cross-party consensus that we can do the job because we have been given the resources to do it and it is up to us to try to make it a success. If Moses were to open up the Red Sea and say 'there is the promised land', I would not want the Welsh to be considered to be a group of Israelites that would say that they did not want to go across because they might get sand between their toes. [Laughter.] We must be positive and confident. We do not want Welsh babies to be born to wear 'born to whinge' t-shirts. We want the Welsh people to say that they are born to succeed, born to achieve. That must be the Assembly's message today.

Ni allwn ddrysu pobl a hau ansicrwydd drwy agweddau pobl at y setliad gwariant cyhoeddus hwn. Dywedodd y Democratiaid Rhyddfrydol y dylai fod wedi'i wneud lawer ynghynt. Dywedodd Plaid Cymru y dylai fod yn llawer mwy ac mae'r Toriaid wedi dweud y dylai fod yn llawer mwy yng Nghymru, ond yn llai yn y DU. Ble mae hynny'n ein gadael ni yn y pen draw? Rhaid inni geisio meithrin consensws trawsbleidiol y gallwn wneud y gwaith oherwydd inni gael yr adnoddau i'w wneud ac mai'n gwaith ni yw ceisio sicrhau ei fod yn llwyddo. Petai Moses yn agor y Môr Coch ac yn dweud 'dyna wlad yr addewid', ni fyddwn am i'r Cymry gael eu gweld fel grŵp o Israeliaid a ddywedai nad oeddent am groesi rhag ofn iddynt gael tywod rhwng bodiau eu traed. [Chwerthin.] Rhaid inni fod yn gadarnhaol ac yn hyderus. Nid ydym am i fabanod Cymru gael eu geni i wisgo crysau-t 'fe'm ganed i gwyno'. Yr ydym am i bobl Cymru ddweud eu bod wedi'u geni i lwyddo, wedi'u geni i gyflawni. Dyna'r neges y mae'n rhaid i'r Cynulliad ei chyfleu heddiw.

*Cynnig: O blaid 54, Ymatal 0, Yn erbyn 0.
Motion: For 54, Abstain 0, Against 0.*

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

Barrett, Lorraine
Bates, Mick
Black, Peter
Bourne, Nick
Butler, Rosemary
Cairns, Alun
Chapman, Christine
Dafis, Cynog
Davidson, Jane

Davies, Andrew
Davies, David
Davies, Geraint
Davies, Glyn
Davies, Janet
Davies, Jocelyn
Edwards, Richard
Essex, Sue
Evans, Delyth
Feld, Val
German, Michael
Gibbons, Brian
Graham, William
Griffiths, John
Gwyther, Christine
Halford, Alison
Hancock, Brian
Hart, Edwina
Humphreys, Christine
Hutt, Jane
Jarman, Pauline
Jones, Ann
Jones, Carwyn
Jones, Elin
Jones, Gareth
Jones, Helen Mary
Law, Peter
Lewis, Huw
Lloyd, David
Melding, David
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

Motion adopted.

Derbyniwyd y cynnig.

Datganiad gan y Trefnydd Statement by the Business Secretary

The Business Secretary (Andrew Davies): In view of the Assembly's ruling this morning to hold a full debate on the CSR on Tuesday 12 September, I will arrange to circulate a revised Business Statement which takes account of this ruling during the week commencing 4 September.

Y Trefnydd (Andrew Davies): Gyda golwg ar benderfyniad y Cynulliad y bore hwn i gynnal dadl lawn ar yr Adolygiad Cynhwysfawr o Wariant ddydd Iau, 12 Medi, trefnaf ddosbarthu Datganiad Busnes diwygiedig a fydd yn darparu ar gyfer y penderfyniad hwn yn ystod yr wythnos sydd yn dechrau 4 Medi.

Datganiad gan y Llywydd
Statement by the Presiding Officer

Y Llywydd: Cyn ymadael, hoffwn wneud dau sylw personol. Yn gyntaf, dymuniadau gorau i Peter Black ac Angela ar eu priodas.

The Presiding Officer: Before leaving, I would like to make two personal comments. First, best wishes to Peter Black and Angela on their wedding.

Yn ail, byddai'n addas i mi eilio'r hyn a ddywedwyd heddiw am gyfraniad unigryw Dafydd Wigley i wleidyddiaeth Cymru. Yr ydym wedi cydweithio ers bron i 30 mlynedd o fewn yr un blaid. Yr ydym wedi dadlau llawer gyda'n gilydd yn ystod y cyfnod hwnnw, ond bob amser o fewn fframwaith cyfeillgarwch a gobeithiaf y bydd hynny yn nodwedd ar wleidyddiaeth y Cynulliad hwn yn y dyfodol.

Secondly, it would be appropriate for me to second what was said today about Dafydd Wigley's unique contribution to Welsh politics. We have worked together for almost 30 years in the same party. We have argued a great deal during that period, but always within a framework of friendship and I hope that that will be a characteristic of this Assembly's politics in the future.

Cafwyd dadl nodedig heddiw yn dangos yr hyn y gall pob plaid yn y Cynulliad ei wneud dros Gymru. Dymuniadau gorau i chi yn ystod eich wythnosau yn eich etholaethau.

We had a notable debate today showing what all parties in the Assembly can do for Wales. Best wishes to you during your constituency weeks.

Daeth y cyfarfod i ben am 2.42 p.m.
The session ended at 2.42 p.m