



**Cynulliad Cenedlaethol Cymru
The National Assembly for Wales**

**Y Pwyllgor Materion Ewropeaidd ac Allanol
The Committee on European and External Affairs**

**Dydd Mawrth, 1 Rhagfyr 2009
Tuesday, 1 December 2009**

Cynnwys
Contents

- 3 Cyflwyniad, Ymddiheuriadau a Dirprwyon
Introduction, Apologies and Substitutions
- 4 Y Prif Weinidog: Y Wybodaeth Ddiweddaraf am Ddatblygiadau yn yr Undeb
Ewropeaidd
The First Minister: Update on European Union Developments
- 14 Ymchwiliad Craffu: Blwyddyn Ewropeaidd 2010 dros Frwydro yn Erbyn Tlodi ac
Allgáu Cymdeithasol—Tystiolaeth gan Plant yng Nghymru
Scrutiny Inquiry: European Year for Combating Poverty and Social Exclusion 2010—
Evidence from Children in Wales
- 19 Cynnig Trefniadol
Procedural Motion

Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy ynndi yn y pwyllgor. Yn ogystal,
cynhwysir cyfieithiad Saesneg o gyfraniadau yn y Gymraeg.

These proceedings are reported in the language in which they were spoken in the committee.
In addition, an English translation of Welsh speeches is included.

Aelodau'r pwyllgor yn bresennol
Committee members in attendance

Nick Bourne	Ceidwadwyr Cymreig Welsh Conservatives
Jeff Cuthbert	Llafur Labour
Sandy Mewies	Llafur (Cadeirydd y Pwyllgor) Labour (Committee Chair)
Rhodri Glyn Thomas	Plaid Cymru The Party of Wales

Eraill yn bresennol
Others in attendance

Philip Bird	Yr Is-adran Materion Ewropeaidd ac Allanol, Llywodraeth Cynulliad Cymru European and External Affairs Division, Welsh Assembly Government
Gary Davies	Pennaeth yr Is-adran Materion Ewropeaidd ac Allanol, Llywodraeth Cynulliad Cymru Head of European and External Affairs Division, Welsh Assembly Government
Rhodri Morgan	Aelod Cynulliad, Llafur (y Prif Weinidog) Assembly Member, Labour (the First Minister)
Sean O'Neill	Cyfarwyddwr Polisi, Plant yng Nghymru Policy Director, Children in Wales
Cathy Presland	Swyddfa Cyllid Ewropeaidd Cymru Welsh European Funding Office
Catriona Williams	Prif Weithredwr, Plant yng Nghymru Chief Executive, Children in Wales

Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol
National Assembly for Wales officials in attendance

Lara Date	Clerc Clerk
Gregg Jones	Pennaeth Swyddfa UE Cymru, Gwasanaeth Ymchwil yr Aelodau Head of Wales EU Office, Members' Research Service
Sarita Marshall	Dirprwy Glerc Deputy Clerk

Dechreuodd y cyfarfod am 9.04 a.m.
The meeting began at 9.04 a.m.

Cyflwyniad, Ymddiheuriadau a Dirprwyon
Introduction, Apologies and Substitutions

[1] **Sandy Mewies:** Good morning, everyone. I welcome Members, officials, and anyone in the public gallery to today's meeting. Headsets are available to hear the translation and to amplify the sound. I ask everyone to switch off their mobile phones and BlackBerrys. In the event of an emergency, we will follow the directions of the ushers. As far as I am aware, we have not been notified that there will be a fire drill.

[2] Mike German has sent his apologies, although we may hear something from him during the meeting. He will comment on the cohesion policy. Is that correct, Lara?

[3] **Ms Date:** Yes. We will cover that in the private session.

[4] **Sandy Mewies:** It is 1 December, which is a very important day as the Treaty of Lisbon comes into effect. I have had a letter from the First Minister, which has been circulated, about subsidiarity monitoring under the treaty. It notes that it was suggested to the Joint Ministerial Committee that a special one-off meeting be convened by the Cabinet Office to bring together interested parties from the JMC European network with appropriate representatives. That information has been circulated to all committee members. I am meeting the Presiding Officer tomorrow to discuss subsidiarity and monitoring by the Assembly, given that this will be of great interest to all the devolved legislatures. There is also a meeting of the EC-UK forum for all the UK European committee chairs at the House of Lords on 18 January, and this item will be on the agenda.

[5] Before we move on to the first item on the agenda, I would like to say that this will be the last time that the First Minister comes before this committee. It is a historic occasion in many ways. I must, on behalf of the committee, say how grateful we are for the way that you have engaged with this committee during this Assembly and in previous Assemblies. I am aware that you were the first Chair of the European committee, before stepping down as Chair due to the changes in Standing Orders. However, you have stayed on, and met with us very regularly. Your reports always have a breadth and width of information that is of great interest to us. Your reports are the highlights of our meetings and are always very useful, and I hope that that will continue.

[6] I must say that I have always been amazed by the depth of the information that you give to us. I have learnt a lot from you about Europe, and about rugby. [*Laughter.*] Thank you very much indeed, First Minister. We wish you all the best in your future career.

[7] **The First Minister:** Whatever it may be.

[8] **Sandy Mewies:** Yes, indeed.

9.07 a.m.

Y Prif Weinidog: Y Wybodaeth Ddiweddaraf am Ddatblygiadau yn yr Undeb Ewropeaidd

The First Minister: Update on European Union Developments

[9] **Sandy Mewies:** I welcome Philip Bird, Gary Davies and Cathy Presland to the meeting today. Everyone will have read your report, First Minister, so could you please introduce it, before we move on to the questions.

[10] **The First Minister:** I do not know whether it was prescient on your part to have a meeting on the day that the Lisbon Treaty comes into effect, but you could hardly let it go without making some reference to the significance of this day. The last time that you and I spoke about this, I had assumed that they would probably choose 1 January for the Lisbon Treaty to come into effect, but they have obviously asked themselves, 'What's the first day of the month on which it could come into effect?'. As 1 December was that day, they must have thought that they might as well get on with implementing it now, just in case the Irish decided to hold a third referendum or something. What that means for this committee, and opposite-number committees in the House of Commons, the House of Lords, the Scottish Parliament

and the Northern Ireland Assembly, is that this red and amber light system will activate from today.

[11] It is not absolutely clear how the legislatures that are not the House of Commons or the House of Lords will be brought into it. However, in theory, the way that it should work is that if an amber light is provisionally issued by the House of Commons or the House of Lords—they will not necessarily act together, as I understand—they will, in that short window of time before issuing that amber light back to the European Commission, consult you, Scotland and Northern Ireland—because the subject is, by and large, devolved as far as the administration of it is concerned—so that you can give a view. That all happens within an eight or nine-week window that legislatures have, and one third of the legislatures—I do not think that it is two thirds—must then say, ‘You can’t do that’, or ‘We don’t think that you should be doing that because it is infringing subsidiarity’. However, if it is a devolved subject, they are supposed to bring in this committee and the opposite-number committees in Scotland and Northern Ireland.

[12] Where Governments come into this is much more obscure. I had a long discussion about this at the previous Joint Ministerial Committee (Europe), and I suggested to David Miliband, the Secretary of State for Foreign and Commonwealth Affairs, that, as a kick-off point, and not for any involvement by Governments after that, he or Chris Bryant, the Parliamentary Under-secretary of State for Europe, could convene a meeting of the five European select and scrutiny committee chairs, and we could attend that, just for the initial meeting, just to say, ‘We will support you with whatever staff and expertise you need from within our services to answer any questions that you would want to put in order to establish whether you would want to recommend an amber light back to the Houses of Parliament’.

9.10 a.m.

[13] It is not absolutely clear what the rights of this committee are. In other words, is it entirely at the discretion of the House of Commons and House of Lords, so that we have to rely on custom and practice before they get used to the idea of it being a devolved subject and think, ‘Oh, ask Sandy Mewies and her opposite numbers in Scotland and Northern Ireland’, or are they more likely to say, ‘Well, only in extreme circumstances would we want to bring it in, because there just isn’t the time given that we only have an eight-week window’. I hope that it will not be like that; I hope that it will genuinely be the case that if it is a devolved subject, it will be referred to Wales, Scotland and Northern Ireland.

[14] **Jeff Cuthbert:** Thank you, First Minister, for the paper. I have two quick questions arising from it.

[15] **Sandy Mewies:** Did you want to go on to the paper, First Minister?

[16] **The First Minister:** I do not know whether it is a separate subject in some ways. Perhaps we should deal with the matter in hand to get it out of the way first and come back to the bulk of the paper.

[17] **Sandy Mewies:** I was just on the—

[18] **Jeff Cuthbert:** I am sorry; I thought that the First Minister had finished.

[19] **Nick Bourne:** I presume that Rhodri has not had a response to that letter yet, or he would have told us, but—and this is self-evident, I suppose—I take it that it will be passed to the incoming First Minister.

[20] **The First Minister:** I had a long chat with Chris Bryant over the telephone yesterday

about this subject, and I think that he is pretty sympathetic, but he does not want to be seen as pushing Mick Connarty MP, who is your opposite number, and Lord Roper, the chair of the European Union Select Committee in the House of Lords. There is a bit of delicate dancing around to be done, because Governments cannot push parliaments to do what they do not want to do. I think that he is going to suggest it, but it is then a matter for you when you meet, and that, I think, will be on 9 January.

[21] **Sandy Mewies:** It is 18 January.

[22] **The First Minister:** I hope that, shortly thereafter, there will be this sort of meeting, because you cannot establish custom and practice before you have started, but you can try to anticipate what good custom and practice ought to be. Chris Bryant is very sympathetic to do whatever Government can, but he cannot promise anything because it is for parliaments and not Governments to deliver a custom and practice arrangement based on scrutinising what is a reserved responsibility and passing on to you the right to scrutinise and challenge what is a devolved responsibility.

[23] **Rhodri Glyn Thomas:** Soniasoch, Gadeirydd, y byddwch yn cael cyfarfod gyda Llywydd y Cynulliad i drafod rhai materion. A gaf awgrymu eich bod yn trafod y mater hwn gydag ef hefyd, oherwydd mae'n fwy o fater iddo ef nag i'r Llywodraeth benderfynu ar y protocol yn hyn o beth?

Rhodri Glyn Thomas: You mentioned, Chair, that you will meet the Presiding Officer to discuss certain matters. May I suggest that you discuss this matter with him as well, because it is more a matter for him than it is for the Government to decide protocol in this regard?

[24] **Y Prif Weinidog:** Yr wyf wedi cael cyfarfod â'r Llywydd eisoes, dim ond i ddweud ein bod am fod yn gefnogol. Nid mater i ni ydyw, ond bydd ein gweision sifil ar gael i weithio drosoch chi pe bai angen gwybodaeth arbenigol—gobeithio na fydd yn ormod o waith, ond ni fydd yn digwydd yn aml iawn, efallai nid mwy na dwywaith bob blwyddyn. Bydd ein gweision sifil ar gael i chi, fel y mynnoch, ofyn eu cyngor. Yr hyn nad yw ar gael i chi a'ch clerod yw gwasanaeth staff y llyfrgell. Os bydd arnoch angen arbenigwyr y Llywodraeth, byddant ar gael i chi. Dyna'r hyn yr wyf wedi ei ddweud wrth y Llywydd.

The First Minister: I have already had a meeting with the Presiding Officer, just to say that we want to lend our support. It is not a matter for us, but our civil servants will be available to work for you if specialist knowledge is required—I hope that it will not mean too much work, but it will not happen too often, perhaps no more than twice a year. Our civil servants will be available so that you, should you wish, can ask their advice. What are not available to you and your clerks are the services of the library staff. If you need the Government's expert advisers, they will be available to you. That is what I have told the Presiding Officer.

[25] **Sandy Mewies:** Thank you. The point is that I am to meet the Presiding Officer, and that will be just one in a series of meetings to find out who is doing what. The First Minister is absolutely correct; we hope that this is not a procedure that takes place only once in a blue moon. We just do not want to miss it. One of the issues that I will raise is a detail of housekeeping in many ways, but it concerns resources for this place. I hope that we will have sufficient resources to deal with what we need to do.

[26] With that, can we move on to the rest of the paper?

[27] **The First Minister:** I am grateful for that.

[28] There are a few items from the diary to note. I will mention three. One is the Wales for Africa Health Links annual conference. I thought that I should highlight it because we sometimes forget that side of this committee's work, and that it is an external affairs

committee. Although the Wales for Africa programme is a small programme financially, it is remarkably effective. The efforts of certain people illustrate how the Wales for Africa programme can work at its best. Angela Gorman, a retired midwife from Cardiff, came to see me recently with a representative of a hospital in Sierra Leone. She is having her airfare paid by the Wales for Africa programme. She acquires doses of drugs that prevent postpartum haemorrhage, which is the cause of about a third of all maternal deaths in childbirth in Africa. The drugs cost £1 a course, and she collects the money from somewhere. She has now brought the drug companies down to 80p a course. She takes the drugs out with her, and she is probably saving hundreds, and possibly thousands, of lives virtually on her own—all that we are doing is paying her airfare. That is a fantastic effort on her part, and she then trains local midwives to know what to look for and how to make sure that the drugs get to where they are needed.

[29] I will also refer to the British-Irish Council summit in Jersey last month, which almost did not take place due to the windy conditions and the great storm that came over the channel islands, which made it impossible for aircraft to take off there. Nevertheless, it did take place. It was interesting to compare notes on counter-cyclical, anti-recessionary activity, and especially the way in which the Irish republic is handling the recession, or has to handle it. As a member of the eurozone, it is in a different position from that of any of the other BIC member bodies: the three small islands, namely the Isle of Man, Jersey and Guernsey; the United Kingdom, Wales and Scotland. We all have to make a delicate calculation as to at what point you take your foot off the accelerator and put it on the brake. Ireland is in a very difficult position of trying to avoid huge bank debts because so many of its banks have heavily over-lent in the property development field. It is putting the brakes on quite severely in many areas to try to get its gross-domestic-product-to-debt ratio from 12.5 per cent—and heading for 15 per cent—back down to 3 per cent in two to three years' time. It is doing it more quickly than the UK Government is proposing to do it, but it says that it absolutely has to because it has no alternative. It has to make an arrangement with the eurozone financial authorities—that is the basis on which the eurozone will cover its expenditure; you have to agree a programme for getting your debt back down to somewhere in the region of 3 per cent, which is the level in the Maastricht treaty.

[30] Lastly, I want to mention the visit of the new ambassador to the United States, His Excellency Louis B. Susman. I think that there is an 'o' missing from Louis's name in the report; it makes it look very Spanish as opposed to being spelt as in 'Joe Louis', which is what it should be. We co-launched the Washington 80 Business Club, which consists of the 80 companies that went on the trade mission to Washington that coincided with the Smithsonian folklife festival on 23-27 June 2009. That club now exists, and has his and my patronage, to make sure that they remain able to exchange views on how to crack the American market. It was remarkable that 80 companies were willing to go out in the middle of a recession to try to crack probably the toughest and most competitive market in the world. They realised that that was a better opportunity to do it, because if 80 are going together there is a better chance of waving the flag and getting doors opened by us or the United Kingdom Government's foreign export services. Melinda Goforth—it is a wonderful name—who heads the UK trade and investment office in Washington was also over here to launch it and to give her overview of what had happened since the trade mission went out there in June.

[31] I will try to summarise the other three big issues. A budget review is taking place, and although it may seem remarkable that a budget review for the next financial period, from 1 January 2014 to 2021, is being done, the European Commission has started on it already. A leaked document got out, or was possibly leaked by one of the angry services that was not pleased with what President Barroso had done in his previous guise as president, before he was reappointed the new president.

9.20 a.m.

[32] We hate to comment on leaked documents, but as it had been deliberately leaked as a matter of policy, we left it for a fortnight and we then considered it to be in the public domain. We did comment on it, and we have written to President Barroso and distributed that letter to Welsh MEPs and to Welsh members of the European Economic and Social Committee, namely Tom Jones, Rose d'Sa and Brian Curtis, so that they can lobby against it. If it were ever enacted and it became the fundamental elements of the new financial perspective, it would affect the agreement that we have with the UK Government, which was hard enough to achieve in the first place. That agreement states that areas such as Wales, which might not qualify for repeat convergence type of funding in 2014-21, should have a right to transitional funding on cohesion policy grounds. That happened to parts of Ireland which had become too prosperous to receive convergence funding, but they nevertheless received transition funding for the first five years out of the seven years, on a tapering-down basis. That funding ensures that you do not suddenly come off European funding and have nothing to replace it. Although you know that you will not have the funding at the same level, you start off receiving 80 per cent of the funding, then 60 per cent, 40 per cent, 20 per cent and then nothing, which makes it much easier to adjust.

[33] We have said that that should continue and we have got the UK Government to include that in its statement of policy. It is against the traditional Treasury line to repatriate regional policy and concentrate on the poor member states. However, President Barroso was proposing exactly the same thing. So, I wrote to him on 11 November, and the four Welsh MEPs, although they belong to different political parties, have agreed to campaign with their colleagues in different committees of the European Parliament, and members of the European Economic and Social Committee will do the same.

[34] So, it is early days, but we have to try to head this off at the pass—or strangle it at birth to be a bit cruder about it—before it becomes part of the new commission's thinking. At the moment, we are at this strange stage where President Barroso has been reappointed as president. However, he has made initial proposals as regards what countries will have new portfolios, but this has not been confirmed yet. It will be confirmed sometime before the new commission comes into existence, probably in February. That is when things will start to move ahead with regard to whether there should be big budgetary shifts, so that we are fairly clear about what is under threat. The Barroso plan, in the guise of his last month in office as the old president, was that the social fund would probably remain relatively untouched as a major area of spend, which would continue to see spending in all parts of rich member states, as well as in the poorer member states—mainly the new member states in eastern Europe. However, the regional development fund would be repatriated as regards the rich member states, which would be deputed to look after their own poor regions, which was the old Treasury line. However, we are anxious to say 'Regional development spend, which is roughly the same level of spend as the social development fund, should remain where it is'. That is one area.

[35] That links with cohesion policy, which is being reviewed. As far as we are concerned, cohesion policy is a fundamental European principle. In other words, you do not say to a less well-off region, such as Wales, within a wealthy member state 'You do not have any access to European cohesion funding; the principle does not exist for you—we work it out via the member states, and if you are a rich member state, look after your own lagging regions, if you are a poor member state, you get access to all the regional development fund.' That is contrary to the cohesion principle, and we do not think that that is right.

[36] The Lisbon strategy is nothing to do with the Lisbon treaty—it is a shame that they were attached to the same capital, because everyone confuses them. The Lisbon strategy is about how Europe should seek to compete with China and India on the one side, and the USA on the other side, on aspects such as the industrial, manufacturing, technological, job creation

and entrepreneurship future of Europe.

[37] That has taken a big knock because of the recession, it has become more of a short-term, counter-cyclical policy, and then they will want to shift back into proper Lisbon strategy mode—how green should it be? How technologically upmarket should it be? Do you abandon certain industrial sectors to low-wage countries, and concentrate on where the higher standards of skills and education in Europe can make you competitive, despite the wages being much higher than in other countries? Then how do you compete with America, which has been so good at generating new technology-based companies, to the extent that almost all such companies are American? Google, eBay, Amazon and most of the e-companies that we are all aware of are American. Why does Europe not generate good, new high-tech, e-commerce companies in the way that the far east does with manufacturing and the United States does with software? Europe seems to miss out on that, and Lisbon is supposed to put that right by concentrating on the links between education, skills, technology and enterprise, creating a more fertile soil in Europe for the birth and growth of technology-based companies.

[38] So, they will be returning to the Lisbon strategy when possible—when they are able to divert some attention from helping people survive the recession. Then we face the question of what kind of growth strategy we will need when we have growth again. When you submit a regional development plan, as we did—and this is probably engraved on Cathy’s heart—one of the things that you have to do is earmark how much of the plan comes from the Lisbon strategy, and how much does not. The higher the proportion that can be earmarked as being Lisbon compatible—that is, how much of it is green or high-tech, or enterprise related, or related to education and skills, and so on—the better the chance of a high Lisbon-strategy percentage for your structural funds programme. Adaptation to the recession in the short term means that we have had to change that, and we have been concentrating on getting higher intervention rates because we know that the private sector intervention rate is not what it should be. However, once growth returns, we can concentrate on Lisbon-strategy compatibility in terms of growth, enterprise and technology. Do you want to add anything to that, Cathy?

[39] **Ms Presland:** No, First Minister—except that our commitment and contribution to supporting Lisbon strategy objectives and structural fund objectives is much higher than many other programmes, and as you said, we do these things because they are right for economic growth and investment in skills, innovation, and increasing participation in the labour force. That is what we are doing now, and will continue doing for the remainder of the programmes.

[40] **Jeff Cuthbert:** Thank you for your evidence, First Minister. I have a few quick points on the general report. You met on 16 July with the Council of Arab Ambassadors, and I was interested to note that it was led by the Syrian ambassador, so I assume that that means that Syria, after decades of being on the far wing of the Arab movement, is presumably seen as being more in the mainstream. I would welcome your comments on how that went, but my specific question is about the news that has broken over the last week on Dubai World, and the economic implications for Wales. Has there been any assessment of that, or is it too early to say?

[41] My final point on EU developments relates to FS4B. Sunday’s *The Politics Show* featured a story about a group of private businessmen who had formed a new company to mentor private industry, and I see nothing wrong with that at all, but the programme was critical of Flexible Support for Business and the way in which it sought to help businesses in Wales. That conflicted with my experience on the programme monitoring committee, which suggests that, although there are issues from time to time, the big picture was that FS4B is seen as welcome support. I was a bit concerned whether these criticisms were just a perception portrayed by the programme, or whether they are more genuine. I would welcome

your comments on those issues.

[42] **The First Minister:** I am not sure that I can answer on the last point, because I did not see the programme and I am not aware of the criticism that you refer to, so I will start with your other two questions.

9.30 a.m.

[43] The Council of Arab Ambassadors is a pretty big club of ambassadors, who tend to operate, almost uniquely in the diplomatic world, as a group. It has a rotating chair, re-elected every two to three years. However, the Kuwaiti who is currently chairing the council, who we have got to know very well, was unable to be here on that day, so the Syrian ambassador chaired on that occasion. The council is a mixture of non-oil, non-wealthy and very politically orientated states like Syria, with the oil states and the highly populated states like Egypt in the middle. It operates as a club, even though the countries' interests are pretty different.

[44] Political questions were raised, and they were interested to hear the views of the people of Wales about middle east hot topics, such as Palestine—a possible two-state solution was a subject of major interest. They realised, however, that our interest was really in the prospects for students from Arab countries coming to Welsh universities, which is a huge issue because many of them now find it difficult to enter US universities, which may be their first choices. Universities in the US are pressing the US Government to relax restrictions, which have made it very difficult for those students to get in. On the other hand, we have quite a good market for those students, although our universities also sometimes claim that unduly restrictive immigration checks and practices can discourage those students, and can lead to those students going to countries that are more astute on that front, such as Canada, Australia or New Zealand. So, that was one subject of interest.

[45] On the oil-rich states, we must try to ensure that they continue to invest. Qatar, for example, has invested vast quantities in the liquefied natural gas plant, in partnership with Exxon. We are trying to encourage these states not just to think of LNG, but also to think of diversifying their investment portfolio. Some of them have huge sovereign wealth funds; Abu Dhabi's sovereign wealth fund, for instance, is absolutely colossal—it is worth something in the order of £150 billion—and it wants to invest in order to provide income for the great grandchildren after the oil runs out. We are trying to ensure that they do not invest in the obvious things, which is to buy trophies in the London property market, such as The Ritz or the Savoy, or football clubs, such as Liverpool Football Club or Manchester United Football Club—trophies that everyone have heard of. We are trying to get them to think of investments that have two-way benefits, such as new forms of agriculture that may benefit them and us, and to get involved with us in research and development into new crops that can be of significance in dry countries as well as in wet countries, and in the mitigation of or the adaptation to climate change.

[46] I mentioned Abu Dhabi as one of the oil-rich countries, but Dubai is a non-oil-rich country that has tried to address the possibility of running out of oil and gas by adopting the strategy of making a headlong rush into property. That has, however, got it into severe difficulties, and it does not have a sovereign wealth fund that is capable of making the same investments that it has been doing, such as buying the Queen Elizabeth 2, Madame Tussauds and so on. They nearly always look for well-known trophies.

[47] The question is: what are the consequences on Wales of Dubai's financial difficulties? We have four major interests in Dubai, which we need to look at. One of them is that we have an office in Dubai. It remains a very good transportation and trade hub and a listening post for that entire region, so we do not intend to move the Dubai office for reasons relating to the failure of Dubai World to meet debt payments—it is state owned but not part of Government.

The second is that there are a large number of constructional professionals, such as quantity surveyors, architects and engineers, and educators from Wales working in English-language schools living in Dubai. Some of those may choose to return home if they can sell their properties, but it is not a good time to be returning home to Wales if you are in the construction profession, given that the construction industry is still flat on its back in this country. However, they may still prefer to come home when times are hard if they can sell their properties. So, there will be an extra load of unemployed architects, quantity surveyors and engineers coming back.

[48] The third interest lies in the fact that Emirates airline is a huge customer for Airbus. It would be a problem if Emirates airline were, in any way, to be caught up in the financial difficulties of Dubai World—we do not think that it is in any way connected; it is a totally different ball game. The reason why Emirates airline bought large numbers of airplanes—for instance, 40 A380s; it was not quite the launch customer, that was Singapore Airlines—was to transport huge numbers of tourists to Dubai. Given the relatively small stature of people from Asia, you can get 800 people into an A380; with bigger Americans, you can probably only get 450 or 500 people in, because they take up three seats for every two passengers, as it were, because of the difference in girth. So, if people will not be going to Dubai in such large numbers, will the airline still need so many Airbus A380s? That is a small worry on the horizon. I do not think that there are any doubts about Emirates as an airline; it is a superbly run airline and, as far as we know, it is perfectly viable.

[49] Finally, Dubai International Capital, which is the private equity arm of Dubai World, has a major investment in Wales, namely Doncasters Group Ltd, an engineering company that employs 400 people in a forge in Blaenavon making turbine blades for the Rolls-Royce aero engines out of titanium. As a private equity body, it will probably look for someone to sell that to; we have no idea when it would want to do that, but it will have to find things to sell. One of the obvious things to sell is the Queen Elizabeth 2—what the hell does it want with the QE2? However, there will be a time and place to try to shrink some of the massive debt overhang that it now has. So, we need to keep an eye out on all those things.

[50] I cannot help you on the last matter of FS4B.

[51] **Sandy Mewies:** Thank you. Interestingly, I was in the Emirates and Bahrain about 12 months ago, and all the financial papers were full of looming problems, even then, and they were looking towards Abu Dhabi for support. It is not as unexpected as it seems to be.

[52] **The First Minister:** Nakheel, the property development arm of Dubai World, stopped paying its contractors about a year ago, and has been putting it off repeatedly.

[53] **Rhodri Glyn Thomas:** Cyfeiriasoch at raglen Cymru o blaid Affrica ac at un achos penodol o dan hynny. A allwch chi ehangu rhywfaint ar y rhaglen arbennig honno? Yn ogystal, yr wyf yn cofio codi cwestiwn am y berthynas rhwng Llywodraeth Cymru a Lesotho gyda chi rai blynyddoedd yn ôl. Mae traddodiad hir yng Nghymru o gydweithio gyda Lesotho a cheisio ei chynorthwyo a'i chefnogi. Fodd bynnag, yr wyf yn dal yn aneglur a oes perthynas rhwng y Llywodraeth yma a Lesotho.

Rhodri Glyn Thomas: You referred to the Wales for Africa programme and to one specific case as part of that. Can you expand further on that particular programme? In addition, I remember asking you a question some years ago about the relationship between the Government of Wales and Lesotho. There is a long tradition in Wales of collaboration with, and of trying to assist and support, Lesotho. However, I am still not clear as to whether there is a relationship between the Government here and Lesotho.

[54] **Y Prif Weinidog:** Mae pwysigrwydd y rhaglen Cymru o blaid Affrica yn mynd

The First Minister: The importance of the Wales for Africa programme goes far beyond

ymhell y tu hwnt i faint o arian yr ydym yn ei wario fel Llywodraeth. Yr ydym yn rhoi ceiniogau i mewn drwy dalu cost teithio ar awyren o Gaerdydd i Freetown drwy Lundain, Amsterdam neu ble bynnag. Wedyn, mae cymdeithas sifil yn gwneud y gweddill dros ei hun—casglu'r arian, dyfeisio'r rhaglen ac yn y blaen. Felly, rhan o gymeriad sylfaenol y rhaglen Cymru o blaid Affrica yw galluogi cymdeithas sifil i wneud yr hyn y dymuna, gyda ninnau'n helpu ychydig gyda'r arian a'r trefniadau ac yn agor drws fan hyn a fan draw lle mae dylanwad Llywodraeth yn gryfach na dylanwad cymdeithas sifil. Goblygiad y sylfaen honno yw nad ydym yn gornwneud pethau ar lefel Llywodraeth i Lywodraeth. Felly, yr ydym yn parhau i feddwl am y rhaglen Cymru-Lesotho fel un lle mae cymdeithas sifil Cymru, eglwysi Cristnogol ac yn y blaen, yn gweithredu eu rhaglenni hwy. O'n safbwynt ni, yr ydym yn talu am hyd at hanner dwsin bob blwyddyn—os cofiaf yn iawn—o athrawon ysgol, sydd yn dymuno mynd allan am dri, pedwar neu chwe mis er mwyn ehangu eu profiad, ac er mwyn dychwelyd gyda syniadau am y ffordd o ddatblygu eu gyrfaoedd, eu cwricwlwm ac ati.

9.40 a.m.

[55] Nid perthynas uniongyrchol rhwng un Llywodraeth a'r llall mohoni, er ein bod yn siarad â'r Llywodraeth yno. Yr hyn a geisiwn ei wneud yw galluogi cymdeithas sifil i wneud yr hyn y mae'n dymuno ei wneud yn Affrica, heb ganolbwyntio gormod ar un wlad, fel Lesotho, neu mae perygl o gyfyngu gormod ar wledydd lle mae cysylltiadau eisoes, megis yn Ethiopia, Uganda ac ambell wlad arall.

the amount of money that we spend as a Government. We put in small change by paying for the airfare from Cardiff to Freetown via London, Amsterdam or wherever. Civil society then does the rest for itself—it collects money, comes up with the programme and so forth. Therefore, a fundamental characteristic of the Wales for Africa programme is to enable civil society to do what it wants to do, with a little financial and organisational assistance from us and by opening some doors here and there where Government influence is stronger than the influence of civil society. The implication of that is that we do not do too much on a Government-to-Government level. So, we continue to think of the Wales-Lesotho programme as one in which Welsh civil society, Christian churches and so on, bring forward their own programmes. As far as we are concerned, we pay for up to half a dozen a year—if my memory serves me right—of their schoolteachers, who wish to go out for three, four or six months to expand their own experience, and in order to return with ideas on how to develop their careers, their curriculum and so forth.

It is not a direct relationship between one Government and another, although we do speak to the Government there. We endeavour to enable civil society to do what it wants to do in Africa, without concentrating too much on one country, such as Lesotho, or there is a danger of limiting it too much to countries where links already exist, be that in Ethiopia, Uganda or a few other countries.

[56] **Nick Bourne:** Thank you for the report, Rhodri. I have two points to make, the first of which is probably a comment, the second of which is a question. Implicit in what you were saying, Rhodri, about the four Members of the European Parliament is that they occasionally come together—and I understand this, from Kay, to be the case—to discuss issues that are relevant to Wales, which I do not think happened previously. I certainly encourage that and I wonder whether Rhodri Glyn and Jeff could do similarly with their colleagues. I think that that is a very valuable thing that is happening now, unlike in previous times. They will not always agree on these things but there is, at least, potential for a Welsh dimension.

[57] My second point was related to the fact that I always find the summary of the things that you have done, and the people that you have met with, to be very helpful. It just occurs to me, from a process perspective—and I suppose that this is now a matter for your successor—

that unless there is a protocol reason that dictates otherwise, it would sometimes be quite useful to know what is coming up in the diary, perhaps without the date if there is a security angle, as there may have been with Louis Susman, for example. Occasionally, if we on this committee knew, we might be able to input something and say, 'While they are here, would it not be a good idea to raise X, Y or Z?'. I just wonder whether that might be fed through.

[58] **The First Minister:** We are really pleased that the four MEPs are taking a team Wales approach to Welsh issues. They probably do not agree on anything very much other than taking a team Wales approach, because the span of views between Jill Evans of Plaid Cymru, Derek Vaughan of Labour, Kay Swinburne of the Conservatives, and John Bufton, the first UKIP MEP from Wales, is massive. However, they have agreed that they will bury their differences when it comes to anything to do with a vital Welsh national interest, as it were, and they will assist us or they will ask for our assistance if it is something that they thought of themselves. They are absolutely determined to be team Wales. It is extraordinary, and it could probably only happen in Wales; but it has happened. You are quite right in saying that it did not happen before. However, we are really pleased about it. They will use the Brussels office as much as possible and they will use our services. We can use them and they can use us, about which we are very pleased. It is handy in that each of them is on a different committee. As I recall, Derek Vaughan is on the energy committee, Kay Swinburne is on the finance committee—not the budget committee but the financial regulation type of committee—and John Bufton is on the regional affairs committee. I wonder whether Rhodri Glyn remembers which committee Jill Evans belongs to.

[59] **Rhodri Glyn Thomas:** I think that it is the environment committee.

[60] **The First Minister:** Okay. So there is a really good spread there, and they will use each other to tap into as a source of knowledge. If Wales is at stake, party differences are set aside, which is great.

[61] **Sandy Mewies:** For information, Jeff and I, as Chairs, met with the same group on the same day—I think—to discuss what was happening. I certainly made a commitment that we, as a committee, would work with them as closely as we could.

[62] **Jeff Cuthbert:** I met them as chair of the programme monitoring committee.

[63] **The First Minister:** That is good. On the question of visits by ambassadors, it has been pleasing to me that there is no sign this year of any falling off in interest in Wales and what we are doing among ambassadors, high commissioners and the diplomatic community in London. Ten years ago, I thought that there would be a rush of interest and that all ambassadors and high commissioners seeking to familiarise themselves with what this new thing called devolution was—I nearly said 'love'—back in 1999-2000, would be making ritual visits to Belfast, Edinburgh and Cardiff. After doing that for a few years, I thought that perhaps they would say, 'We have done that now; we will just go back to doing our diplomatic cocktail round in London and never leave'. However, that is far from the truth, because, if anything, there has been almost a resurgence of interest recently among ambassadors, every time they are appointed afresh. They want to ensure that they see Britain outside the London cocktail diplomatic circuit and they therefore speak to a wide variety of people, including us, so that they do not get just a London-centric view from the British Government, the think tanks, or the people whom they meet on the diplomatic circuit. We are pleased that they are coming here in large numbers.

[64] In principle, unless there were some security or commercial reasons for not doing so, I am sure that we would want to give you notice of what is forthcoming. We usually like to organise a lunch that leaders of other parties can attend, or people who have a particular interest, such as Jeff, as chair of the programme monitoring committee in relation to Europe.

We would want to bring other party leaders in by giving maximum notice. Usually, we invite people who head up prominent businesses, who are of the same nationality as a particular ambassador, or whose businesses are owned by someone of the same nationality. For example, if the German ambassador were to come here, we would try to get the boss of Bosch to attend and so on. Similarly, last week, people from GE and General Dynamics were present at the lunch just to provide a cross-section of what American business thinks about doing business in Wales. The same was true when the Japanese ambassador visited the previous month. So, where possible, we should give maximum notice.

[65] **Sandy Mewies:** Thank you for that report. It was as interesting and varied as ever.

[66] **The First Minister:** I have always enjoyed these meetings. They are one of the things that I will miss, but there you are—all good things have to come to an end.

[67] Diolch yn fawr iawn am eich gwasanaeth ac am y berthynas a gefais gyda'r
Thank you very much for your services and
for the relationship that I have had with this
pwyllgor hwn. committee.

9.47 a.m.

**Ymchwiliad Craffu: Blwyddyn Ewropeaidd 2010 dros Frwydro yn Erbyn Tlodi
ac Allgáu Cymdeithasol—Tystiolaeth gan Plant yng Nghymru
Scrutiny Inquiry: European Year for Combating Poverty and Social Exclusion
2010—Evidence from Children in Wales**

[68] **Sandy Mewies:** I welcome Catriona Williams, chief executive of Children in Wales, and Sean O'Neill, policy director. I will just inform you of some housekeeping details, which you probably know. Could you ensure that your mobile phones and BlackBerrys are switched off, or they will interfere with the equipment? You do not need to operate the microphones. If you need to hear the translation, you will find it on channel 1 of your headsets, and channel 0 provides amplification. Could you give a short introduction about your paper, and I will then throw the meeting open for questions?

[69] **Ms Williams:** Thank you and good morning. It is a great delight for me to be here. I have been operating as chief executive of Children in Wales and as president of Eurochild and of the International Forum for Child Welfare. To introduce our paper, I was going to give you a bit of background and then hand over to Sean to talk about the implications of the year for Wales.

[70] It is fair to say that we regard anything that focuses on combating poverty and social exclusion as important. The children's organisations in Europe have been pushing for it very hard for many years. The first breakthrough that we had in getting children onto the European agenda was when the UK had the European presidency, and I took a young person from the disabled children's network in Wales and a young person from Who Cares? Scotland to present at the conference. In our European role, we also produced a video of children talking. That was the first time that young people had ever had a voice in the European Commission and at a meeting of the European Ministers of social affairs. So, what I am trying to say is that raising the profile and awareness of child poverty, both within country and across Europe, has been quite a struggle and quite important for us to be involved in. We have been very active in trying to engage officials from the Welsh Assembly Government and the chief research officer who deals with children on the development of European child wellbeing indicators. There are two things that we feel proud of: first, being able to profile the work that the Assembly has committed to in relation to the UN Convention on the Rights of the Child, and also the way in which article 12 on young people's participation has been implemented.

9.50 a.m.

[71] In the European context, Wales has been quite involved in pushing the social agenda in relation to children, although I cannot speak for the other areas. It was not always on the cards to have a year focused on this topic. There has been a year for innovation and years dedicated to other topics, but Children in Wales, which originally brought together the End Child Poverty Network Cymru to push child poverty into the Welsh agenda, sees this development as being consistent in a circular way with our agenda for promoting children's rights and combating poverty and social exclusion.

[72] Some issues have arisen. For example, some have questioned the value of a year. I have tried to explain that the funding attached to it is not very big, but the year is consistent with trying to raise awareness among players who are not involved in thinking about children, to try to engage stakeholders, and to try to get young people's voices into the policy-making arena. In the EU and in Wales, there is a danger that the poverty agenda will slip between the remits of many different departments and portfolios. We see this as an opportunity to raise that debate. In the past couple of weeks, we have been quite active. Through Eurochild, we are involved in supporting the development of the programme for the round table on social exclusion. We were able to orchestrate it so that the Minister from the Welsh Assembly Government presented what Wales is doing—which is quite progressive—at that round table in Stockholm. We have also brought the authors of the child wellbeing monitor into contact with the Belgian and Spanish presidencies, so that agenda will emerge next year. We hope that, as a result, a communication on children will be published by the European Union, containing targets on child poverty. However, that is a big campaigning agenda.

[73] In Wales, we have put in a bid for the regional event, as have others—and I read the evidence from Anti Poverty Network Cymru. Sean will tell you about the bid in Wales. Children in Wales has also led the UK's thematic bid on child poverty with our partners Children in Northern Ireland, the National Children's Bureau and Children in Scotland. That was rather a long introduction.

[74] **Sandy Mewies:** Thank you very much.

[75] **Mr O'Neill:** I will be much briefer, I am afraid. Anything that promotes the issues of child poverty and social exclusion will be at the forefront of the debate. It is extremely timely for us to have a year that provides us with an opportunity to raise these issues, because there are huge challenges at the moment—not just in Wales and the UK, but across Europe—arising from the economic climate and the recession. More and more families are falling below the median poverty income threshold, so anything that focuses on the recession, unemployment, and the need to safeguard groups of children in families from becoming another lost generation should be celebrated and supported.

[76] Should we be successful in our bid, we are hoping to hold a regional event in Wales that will showcase what the Government is doing, as well as what is being done on the ground by practitioners, the third sector and local authorities. We have moved forward in the last few years. Rather than seeing it as the responsibility of the state to combat child poverty, we all now see that we have a key role to play in this huge agenda. We are working in partnership with colleagues at the End Child Poverty Network Cymru, the Welsh Local Government Association, and Save the Children, and we are hoping to showcase some really good activities. We also want to involve people at the forefront, namely stakeholders such as families and young people who are experiencing some of these challenges on a day-to-day basis, to hear their voices. Sometimes, issues can get lost in the debate, particularly given the stigma of child poverty. It is very difficult to get the voices of children and families heard. That will be one of our key challenges: ensuring that policy makers are better informed when

developing policies as a result of the strong evidence base of those who experience this at the forefront.

[77] **Jeff Cuthbert:** Thank you for the written submission and for the comments that you have made in your opening remarks. However, there seems to be an omission, and I would be grateful if you could clarify the point. You do not mention any form of engagement with European structural funds. If I am wrong, and if I have missed it, please point it out to me. Bearing in mind that the aim of structural funds in Wales in the main is to achieve convergence with the European mainstream, and that the Welsh economy impacts on child poverty, are you engaged in any projects, either in your own right or as partners with others? If not, is there any reason for that?

[78] **Ms Williams:** Children in Wales is the national umbrella body, so we have a couple of hundred members, namely organisations that are all involved in different areas of activity. Structural funds for the children's sector are a real problem. We have been lobbying for that in Brussels, because there are different interpretations across Europe of the lowest age of the children for whom projects relate to, and that affects which projects can apply for funding. Wales has done very well by saying that some funding can go to projects involving children who are 10 years old and above, while the children in other countries have to be much older. So, I very much take your point about its importance for families and adults. As Sean has said, we envisage stakeholders being involved with us over the course of the year. In the conference that we held in Newport last week to trail the year, there were stakeholders from projects funded by structural funds from different parts of Wales. We are trying to reach out to the organisations working there, as well as to service users in those areas. We also want the public and businesses to be interested in this topic. Sean, do you want to add something about Wales? Getting structural funds targeted at families with children aged under 10 is a huge issue, unless that funding is for the training of the parents.

[79] **Jeff Cuthbert:** On that point, you refer to children and young people. What ages are we talking about? What do you define as a child in age terms?

[80] **Ms Williams:** The UN Convention on the Rights of the Child refers to children and young people up to 18 years of age, but the Assembly Government's policies refer to children and young people up to 25 years of age. So, we work within that age range.

[81] **Sandy Mewies:** Sean, did you want to comment?

[82] **Mr O'Neill:** No, I do not have anything to add.

<p>[83] Rhodri Glyn Thomas: O ran y Flwyddyn Ewropeaidd dros Frwydro yn Erbyn Tlodi ac Allgáu Cymdeithasol, beth yn benodol y bydd Plant yng Nghymru yn ei gyfrannu at y flwyddyn? Sut y byddwch yn ymwneud â'r flwyddyn honno? Beth fydd y gwaddol i'w ddwyn o'r flwyddyn honno i'ch mudiad chi?</p>	<p>Rhodri Glyn Thomas: With regard to the European Year for Combating Poverty and Social Exclusion, what will Children in Wales be contributing specifically to that year? In what ways will you get involved? What will be the legacy of that year that can be carried forward for your organisation?</p>
--	---

10.00 a.m.

[84] **Ms Williams:** The main outcome of the European year has got to be a more consolidated approach by the public, politicians and organisations towards an agenda for combating social exclusion. The programme of events that we are putting forward for the UK bid—and Sean can tell you about Wales's bid—includes raising awareness to engage organisations that work with the socially excluded to promote the importance of that. There is

not much money, but it is not so much about the money as the dissemination of the fact that this is an important topic. For example—and this is a small point—when the logo first came out of the European Commission, it was in English only, so we asked them to give us a Welsh logo. We now have a bilingual logo for the European year and all of our members can use it in all of their activities. So, that gets the debate going. This is about consolidation, discussion and developing closer links between organisations and those who are experiencing poverty and social exclusion and about children's view of what it is like for them. It is also a way of generating more activities.

[85] Therefore, across the UK, the annual conferences that we would normally hold will focus on that website on disseminating materials and briefings. The sort of activities that we would normally undertake will focus on that and will have that extra dimension. So, the outcome and legacy is important. The legacy is that more people will be engaged in this agenda, which will be ongoing. The UK bid from the four umbrella bodies—one in each country—was made to try to retain that. Perhaps that will then generate activities by the stakeholders themselves. One thing that has been difficult for us is that every year across Europe, there is funding for a 'people experiencing poverty' conference, which is great. So, we have been involved from the adult point of view, but never from the child's point of view. Children who experience poverty do not have a voice in Europe at the moment.

[86] **Mr O'Neill:** As I said in my introductory comments, we are hoping to secure funding to hold a national conference at the beginning of the year, around March, in relation to the funding criteria. That will provide an opportunity for Government to set out its target for next year and its target prior to this year. We have had an exciting time this year in terms of the child poverty agenda with the Children and Families (Wales) Measure going through the Assembly. It is clear that duties will be placed on local authorities and other public authorities to begin delivering on child poverty, which is important.

[87] At a UK level, there is the Child Poverty Bill, which is going through, and which will enshrine the 2020 child poverty eradication target in law. So the EU 2010 programme that we are discussing today fits in nicely with that agenda. However, one thing that we hope to achieve through this national conference is being able to flag up what is happening on the ground: which programmes are or are not working and where the funding can be better spent in the future by hearing from people who are delivering on some of these Government programmes and programmes funded by other means. We will also hear again from the recipients of some of these programmes. For example, if we are showcasing work under the Flying Start programme, we need to engage with some of its recipients to see where that is or is not working, how it can be improved and how we, as other outside stakeholders, can help to support that.

[88] On the question on the lasting legacy, a key issue for me is that there should be a greater awareness of the issues and barriers that people face as a result of child poverty because there is a blockage in relation to public support for and understanding of child poverty issues. The European year can help to raise the understanding of the person on the street of what poverty means in general and what it means on a daily basis for a family who cannot afford fuel because of fuel and transport poverty issues. There are also childcare challenges. I could go on, but some of these key messages need to come out through this European year so that people can have a better understanding. The knock-on effect of that would be more support for programmes to invest in child-poverty solution programmes.

[89] It is important that we have a dialogue beyond 2010. As I say, some of the dialogue already started with the Children and Families (Wales) Measure and the duties coming through this year. Hopefully, we will have a very strong national child poverty strategy in place with clear duties, targets and milestones for Government and other stakeholders to deliver on.

[90] Finally, for me, the lasting legacy would be improved outcomes for children and young people. That is crucial because we can raise awareness as much as we like, but we need to have actions at the end of the day that improve the outcomes of children who are currently struggling.

[91] **Nick Bourne:** My question follows on from the question and response on the lasting legacy. When Catriona made her presentation—and I thank her for that; it was very clear—she mentioned the diffuse nature in which child poverty is dealt with by the Welsh Assembly Government. One can understand that to a degree because, obviously, there are health and education issues and I suppose that it would be the principal responsibility of the social justice portfolio. If there were one thing that could be done within the Welsh Assembly Government that we might be able to influence, what would that be? For example, I know that the Minister referred to the fact that we do not have sufficient data to be able to identify whether some of the targets are being met, which looks like a fundamental problem. Are there things of that nature on which we could lobby or put some pressure? What would you say, in policy terms, is the one thing that we should focus on?

[92] **Ms Williams:** I will respond on this in relation to Europe and Sean will respond in relation to Wales. Last week, we brought in Eric Marlier who chaired the task group in the European Union on child wellbeing indicators and on combating poverty. Sean was there last week to finalise a report on how we should measure child wellbeing. A commitment to measuring it is essential. Wales is part of the way down that route, so the implementation side of that is important. However, at the European Union level, it is essential that all member states agree, and this is where the problems lie. Eurochild has been campaigning to have, not so much an EU target, but an agreement that every country should try to reduce child poverty by a certain percentage. However, we need an agreement that that is an important agenda. Sean chairs the child poverty network in Wales, so I will hand over to him now. I might add a few things, but I will let Sean start.

[93] **Mr O'Neill:** Coming up with one thing is always an interesting challenge because I could list several things, but a big challenge for me and what has been quite stark is that we have the highest unemployment level across the whole of the UK and there are challenges, in particular, around young people not in education and training. So, the Assembly Government could do more work on that.

[94] If we look at the countries that have been successful in this respect, that has happened because the childcare issues have been the key focus. I am not only talking about any old childcare, but good-quality, effective childcare. That is something that the Welsh Assembly Government could place a greater focus on because if we are trying to help and enable families or lone parents to get back into work for the first time, we need to provide quality childcare across Wales for all children. That has been successful in the Nordic countries and is another reason why they have had such low child poverty rates over many years. That would be one of my key calls, namely to focus greatly on improving childcare.

[95] My other issue is related to the UK level because what we raised in our paper, which we have not yet mentioned, is the 2010 target to halve child poverty. That was a UK Government commitment, set in 1999, and supported by the Welsh Government. That target is up next year. The £5 billion that economists said was needed to lift children and families across the UK out of income poverty has not materialised and it does not look like it is going to materialise. While we support a target of child poverty eradication by 2020, that does not help people who are struggling in income poverty today. So, we need to keep putting pressure on the UK Government to invest as best it can in out-of-work and in-work benefits in order to lift those people who are currently struggling.

10.10 a.m.

[96] **Ms Williams:** If I had to choose one thing to focus on, it would certainly be the recent involvement that we have had at Eurochild's annual conference, and the recent Organisation for Economic Co-operation and Development's report. The clear message from Canada, and from the OECD countries, is that the gross domestic product of a country rises significantly if you invest in very young children. The preventive services are an easy target in a way, particularly in times of economic difficulties. However, the figures from Canada are astounding, and I could share the paper with whoever is interested afterwards. The figures are almost unbelievable about how great an impact that investing in young children can have on GDP. An immediate connection is not made; it is not just about the development of individuals, it is also about the cost reductions in all sorts of services for the whole population and the productivity of a country. Therefore, investing in children could improve current outcomes and general poverty levels, and could potentially lift everyone out of poverty.

[97] **Sandy Mewies:** I thank you both for what was an interesting paper. If you could send the paper from Canada to the clerk, I am sure that she will circulate it to Members so that they can see it. Thank you for your contribution today.

[98] **Ms Williams:** Thank you for the invitation.

10.11 a.m.

Cynnig Trefniadol Procedural Motion

[99] **Sandy Mewies:** We will now move on to agenda items 4 and 5, which, if Members agree, will be held in private session. Therefore, I move that

the committee resolves to exclude the public from the remainder of the meeting in accordance with Standing Order No. 10.37(vi).

[100] I see that the committee is in agreement.

*Derbyniwyd y cynnig.
Motion agreed.*

*Daeth rhan gyhoeddus y cyfarfod i ben am 10.12 a.m.
The public part of the meeting ended at 10.12 a.m.*