



The Scottish Parliament  
Pàrlamaid na h-Alba

## Official Report

# MEETING OF THE PARLIAMENT

Wednesday 30 September 2015

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## Wednesday 30 September 2015

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# Scottish Parliament

Wednesday 30 September 2015

*[The Deputy Presiding Officer opened the meeting at 14:00]*

## Portfolio Question Time

### Infrastructure, Investment and Cities

**The Deputy Presiding Officer (John Scott):** Good afternoon, everyone. The first item of business this afternoon is portfolio questions.

#### Road Network (Renfrewshire South)

**1. Hugh Henry (Renfrewshire South) (Lab):** To ask the Scottish Government what plans it has to invest in the road network in Renfrewshire South, including access to and from Glasgow airport. (S4O-04638)

**The Cabinet Secretary for Infrastructure, Investment and Cities (Keith Brown):** The completion of the M74 in 2011 has already made a significant improvement to journey times to Glasgow airport, but we continue to invest in Renfrewshire's strategic roads through maintenance improvements and we are exploring how the capacity of the M8 can be better managed using intelligent transport systems. In addition, we are investing £500 million to an infrastructure fund through the Glasgow and Clyde valley city deal, which includes proposals to improve the road network around Glasgow airport.

**Hugh Henry:** The cabinet secretary's colleague Derek Mackay will be well aware of some of the road issues in Renfrewshire, and not just in and out of Glasgow airport. One of the important roads through my constituency is the A737. Does the cabinet secretary accept that the A737 is in need of investment and improvement, and will he commit to that?

**Keith Brown:** We have a rolling programme of improvements to roads. I mentioned the £500 million for the city deal, so there is also a role—in addition to the relevant council's role as the roads authority—through the city deal to carry out improvements in the area. We also have, through the roads maintenance agreement with local authorities, the idea that we can work jointly with local authorities on such programmes.

We have a programme of improvements to roads. That has now been set out for a number of years. Of course, we look at any proposals that come forward or any requirement to invest in additional roads infrastructure, and we will do that in relation to the A737.

**John Mason (Glasgow Shettleston) (SNP):** Does the cabinet secretary consider that the investment that is being made in the east end of Glasgow on the M73, the M8 and the M74 will also benefit traffic that goes right through to Renfrewshire and Glasgow airport?

**Keith Brown:** That is a good question. I think that everybody who uses the M74 has seen the benefits over recent years, but the additional works that are taking place on the M74, the M73 and the M8 will also provide significant journey time savings and improved journey time reliability for businesses in central Scotland. That will also help to support sustainable economic activity for existing and future businesses including those in Renfrewshire, building further on the improvements to the M77, the M80 and the M74, as I mentioned.

#### Rail Freight Transport

**2. Gordon MacDonald (Edinburgh Pentlands) (SNP):** To ask the Scottish Government what plans it has to encourage rail freight transport. (S4O-04639)

**The Cabinet Secretary for Infrastructure, Investment and Cities (Keith Brown):** The Scottish Government recognises the importance of the rail freight sector in moving vital goods and materials across the country and beyond in a safe and sustainable way. A transformative programme of investment including a dedicated £30 million strategic rail freight investment fund will support significant improvements in the capacity and capability of the railway infrastructure for freight services.

Looking ahead, the Scottish Government expects to launch a public consultation to inform a refreshed rail freight strategy in the near future.

**Gordon MacDonald:** Does the cabinet secretary agree that the Government's continued investment in rail freight is necessary to ensure that we continue to decarbonise our freight industry and build a greener economy?

**Keith Brown:** Yes. Our track record on investment demonstrates that. Rail freight produces about 76 per cent less CO<sub>2</sub> than road freight, and each train can remove up to 76 heavy goods vehicles from the roads, also improving safety and efficiency and reducing congestion.

Of course, it is also true to say that we cannot act on this alone. It requires a firm commitment from the rail freight industry, and from industry more generally, to work with us and to invest towards growth.

**The Deputy Presiding Officer:** Question 3, in the name of Hanzala Malik, has not been lodged. A satisfactory explanation has been given.

### **Aberdeen Western Peripheral Route**

**4. Mark McDonald (Aberdeen Donside) (SNP):** To ask the Scottish Government whether it will provide an update on the progress of the Aberdeen western peripheral route. (S4O-04641)

**The Cabinet Secretary for Infrastructure, Investment and Cities (Keith Brown):** The Aberdeen western peripheral route project is on track for completion in winter 2017, which is earlier than originally programmed. Construction is well under way, and the Craibstone and Dyce junctions are expected to be open by autumn 2016, followed by the Balmedie to Tipperty section in spring 2017.

**Mark McDonald:** The opening of the Craibstone and Dyce junctions will be welcomed by businesses in the area.

The Queensferry crossing has generated huge savings since its budget was first announced. Have any lessons from the Queensferry crossing project been applied to the western peripheral route project?

**Keith Brown:** Yes, indeed. We take the opportunity to learn from all the major infrastructure projects. Perhaps the most critical lesson in relation to the AWPR came through the representations that we received and the concerns that we had about the diverting and laying of utilities. A great deal of preparatory work was done on that because it can impact on timescales and was one of the reasons why we were able to bring forward some of the elements of the project.

In the AWPR, we are also taking on one of the largest communications exercises on any major road construction project to date. As I am sure the member is aware, that exercise includes meetings with community councils and elected representatives as well as the provision of a community liaison team and a contact and education space that is similar to that of the Queensferry crossing project. That space can be used as a learning resource by local schools and colleges. We have also undertaken routine communications with communities and road users via e-zines, website updates, newsletters, flyers and public exhibitions.

**Lewis Macdonald (North East Scotland) (Lab):** The cabinet secretary will be well aware of the on-going discussions between the Scottish Futures Trust and the Office for National Statistics about the funding model that was used for the AWPR. Can he give us an update on those discussions? Will he assure us that the local government partners in the scheme will not face additional revenue costs? If there is the prospect of additional revenue costs, will they be fully funded by the Scottish Government?

**The Deputy Presiding Officer:** Thank you. I call Alex Salmond. I beg your pardon; I should have called Keith Brown.

**Keith Brown:** As the member said, discussions are being held between the SFT and local authorities along with others who are involved in hub projects. It is very important that such discussion takes place. Some of the projects that had been programmed are not ready because the local authorities or others have not reached financial close in relation to the project.

It is important that the financial discussions keep going at this stage, and that is what is happening. I know that the SFT is involved with those discussions because I have seen it happen. A continuing dialogue is being held with the ONS and Eurostat to see how we can resolve the question of additional revenue costs. The Deputy First Minister and Cabinet Secretary for Finance, Constitution and Economy reported to Parliament on 9 September and has undertaken to come back to update Parliament as soon as we get further information. In the meantime, we will continue with the dialogue that the member mentioned.

**The Deputy Presiding Officer:** I now call Alex Salmond.

**Alex Salmond (Aberdeenshire East) (SNP):** I could answer the questions if you wish, Presiding Officer.

On the relationship between the AWPR and the Inveramsay bridge on the A96, could the minister say a word about the benefits that that will achieve and the timescale? We in the north-east of Scotland have been waiting for 30 years through ineffective and useless Liberal Democrat representation, and the Scottish Government and my friend Dennis Robertson have achieved the Inveramsay bridge—

**The Deputy Presiding Officer:** Question, please.

**Alex Salmond:** Can the minister give an indication of the benefits of that major infrastructure improvement and its relationship to the AWPR?

**Keith Brown:** The member is quite right to talk about the delay of the Inveramsay bridge, but it is also worth bearing it in mind that people have been campaigning for the AWPR for the best part of 50 years. It has taken this Administration to bring that scheme to fruition.

The AWPR is the largest road scheme of its kind, and the Inveramsay bridge will bring huge benefits to Aberdeenshire by reducing congestion, improving journey time reliability by avoiding the existing bridge, and enabling the free flow of traffic. Once again, the current Administration has delivered real improvements for local people.

**Alex Johnstone (North East Scotland) (Con):**

In recent weeks, I have had talks with members of the North Kincardine community council and with landowners in the Stonehaven area about the liaison between the contractors and those who live along the route of the AWPR. Given that the reports that I have received from those people are not as positive as the ones that the minister has laid out, will he undertake to look at the way in which that liaison is conducted and ensure that we live up to the high standards that have been achieved around the Queensferry crossing?

**Keith Brown:** I am not sure from his question whether the member is saying that the method of engagement has not been as positive as some of the participants expected, or whether negative feedback has been coming through it. Either way, I undertake to look at the issue.

The other communities that have been affected seem to have had a very positive experience so far and we applied some of the lessons learned from the Queensferry crossing. Whether the member thinks that some concerns are not being addressed through the process, or whether the process itself could be changed to adapt to local concerns, I am more than willing to look at it and come back to the member.

### Elgin High School

**5. Rhoda Grant (Highlands and Islands)**

**(Lab):** To ask the Scottish Government what discussions it has had with the Scottish Futures Trust about the completion of the new Elgin high school. (S4O-04642)

**The Cabinet Secretary for Infrastructure, Investment and Cities (Keith Brown):** The Scottish Government engages regularly with the Scottish Futures Trust about a range of issues, including the delivery of the Scotland's schools for the future programme. The Scottish Futures Trust, on behalf of Scottish ministers, is working closely with Moray Council and other project partners to ensure that all possible steps are taken to progress the delivery of Elgin high school.

**Rhoda Grant:** I thank the cabinet secretary for that response. Can he tell us when decisions have been made and when we can expect the high school to be built? Like Lewis Macdonald, I would like to know whether the Scottish Government will meet the additional costs of the delay.

**Keith Brown:** My response to the latter part of the question is the same as my response to Lewis Macdonald. There is a discussion going on just now with Moray Council. The point that I made to Lewis Macdonald was that had Moray Council been able to proceed with the project when it was meant to proceed, it would have happened well before the European system of accounts 2010

ruling. The school would have been built—or, at least, work would have been started—well before we had the ESA 2010 ruling. That ruling is the measure that has brought uncertainty to the programme.

The Deputy First Minister has said that he will come back to Parliament as soon as he has hard and fast information, but it is our intention to make sure that the school is built at the earliest possible opportunity.

**Mary Scanlon (Highlands and Islands) (Con):**

Given that a recent report stated that every month's delay in building Elgin high school would add £100,000 to the costs, can the cabinet secretary guarantee that the additional cost, which is no fault of the local authority, will not fall on Moray Council taxpayers?

**Keith Brown:** All I can say is that discussions—both on costs and timescales—between the SFT and individual partners on the project will continue. I point out that the delay that has occurred is not the fault of the Scottish Government, either. The same has been true in many public-private partnership projects that other Administrations have taken forward. There are now serious concerns in the United Kingdom Government about the impact of the ruling on some of its programmes, and the ruling has also caused real concern across Europe. The situation is not the Scottish Government's doing; it is because of a change that came in in late 2014.

On costs and the timescale for delivery, all that we can do is ensure that we have the earliest possible resolution and that we have continuing dialogue between the SFT and, in this case, Moray Council.

**Jackie Baillie (Dumbarton) (Lab):** The cabinet secretary will be aware that all projects from September 2014, including Elgin high school, have not reached financial close and therefore have been affected by ESA 2010. Can he confirm that that is correct?

**Keith Brown:** Not all projects have been affected: some that would have been affected have been given the go-ahead, as the Deputy First Minister has previously reported to Parliament. It is quite right to say that other projects have not gone ahead. If they have not reached financial close, we want to wait to resolve the issue because to agree to the projects in the meantime would introduce a level of risk that we do not want. We will continue to have the discussions, resolve the issue and then move forward.

### Public Transport Links (West Scotland)

**6. Neil Bibby (West Scotland) (Lab):** To ask the Scottish Government what action it plans to

improve public transport links in the West Scotland region. (S4O-04643)

**The Cabinet Secretary for Infrastructure, Investment and Cities (Keith Brown):** We are, as a Government, committed to improving transport links in West Scotland. Examples of that include rail, in which we have already provided enhanced passenger services, including four trains per hour between Ayr and Glasgow Central and 38 new class 380 trains, providing 130 additional carriages, through the Paisley corridor improvements.

The Scottish Government is also providing funding of up to £40 million towards the fastlink bus route and up to £246 million for modernisation of the Glasgow subway. In addition to that, as I have mentioned, we are investing £500 million in a £1.13 billion infrastructure fund via the Glasgow and Clyde valley city deal, which includes proposals to improve public transport across the region.

**Neil Bibby:** Recently we have seen completion of the Borders rail link, but now it is time for the Scottish National Party Government to seriously invest in the West Scotland rail network. The Glasgow crossrail scheme would provide economic and transport benefits to Renfrewshire, as well as to Inverclyde and Ayrshire, by connecting those areas directly with central and eastern Scotland. That issue was raised with the minister, Derek Mackay, at a recent meeting of the cross-party group on rail.

**The Deputy Presiding Officer:** Question.

**Neil Bibby:** Would the cabinet secretary be willing to look again at the merits of Glasgow crossrail? If not, can the cabinet secretary provide clarity on why he and his Government do not support the Glasgow crossrail scheme?

**Keith Brown:** I have listened to those who are proposing that scheme, including the railquest group and others that have mentioned and promoted it. We have looked at the scheme in the past. Previous Administrations also looked at it; perhaps that is why previous Administrations and local councils did not take it forward.

The scheme does not, in our view, provide benefits that would justify the cost. Of course, if local authorities want to develop infrastructure proposals of their own, they can do so. We have said—in relation, for example, to the city deal that I mentioned earlier—that we will try to ensure that both Network Rail and ScotRail provide as much assistance as possible with regard to information about the impact of any rail improvements. However, we do not believe that the Glasgow crossrail project would provide benefits that would justify the cost.

## Infrastructure Investment Plan (Low-carbon Scotland)

**7. Angus MacDonald (Falkirk East) (SNP):** To ask the Scottish Government how it will ensure that its infrastructure investment plan will help to deliver a low-carbon Scotland. (S4O-04644)

**The Cabinet Secretary for Infrastructure, Investment and Cities (Keith Brown):** The “Infrastructure Investment Plan 2011: Progress for Report 2014”, which was published on 17 March, highlighted the various ways in which the plan is supporting delivery of a low-carbon Scotland.

**Angus MacDonald:** Does the cabinet secretary agree with the report from the Scotland’s way ahead initiative—which is chaired by Sarah Thiam of the Institution of Civil Engineers—which concludes that public sector investment in low-carbon infrastructure can deliver multiple benefits for Scotland?

**Keith Brown:** It is worth mentioning that our ability to achieve climate change targets and to address climate change challenges would be greatly enhanced if car manufacturers were honest about the emissions that come from the cars that they produce.

I agree with Angus MacDonald that our capital investments over the next decades will contribute to our emissions reduction, energy efficiency and renewables targets. They will also help to encourage innovation, to demonstrate best practice and to support businesses and skills development. They must also be adaptable to future climate change. They should not lock in high-carbon activity that would make meeting climate change targets more expensive and disruptive in the future. Our investments need to be fit for a low-carbon Scotland.

## Alford Community Campus

**8. Dennis Robertson (Aberdeenshire West) (SNP):** To ask the Scottish Government what discussions it has had with the Scottish Futures Trust about progress being made on the Alford community campus. (S4O-04645)

**The Cabinet Secretary for Infrastructure, Investment and Cities (Keith Brown):** There is regular engagement between the Scottish Government and the SFT about the schools programme. Construction of the new Alford community campus started in May 2014 and the project is due to be completed on programme in October 2015.

**Dennis Robertson:** I thank the cabinet secretary for that positive answer. I am sure that the families of Alford are absolutely delighted with that new development because it will bring a community library and a swimming pool. Will the



cabinet secretary confirm that superfast broadband will also go to the Alford community campus and the wider Alford community?

**Keith Brown:** I certainly hope that, as Dennis Robertson suggests, local communities will welcome the new campus. I am also happy to confirm that the Alford community campus is fully connected to broadband and has wi-fi throughout. In relation to the wider community, the Deputy First Minister is taking forward on-going programmes on digital connectivity.

### **A9 Dualling (Disruption to Residents and Motorists)**

**9. Murdo Fraser (Mid Scotland and Fife) (Con):** To ask the Scottish Government what it is doing to minimise disruption to local residents and motorists during the A9 dualling. (S4O-04646)

**The Cabinet Secretary for Infrastructure, Investment and Cities (Keith Brown):** We recognise that the A9 is vital to delivery of sustainable economic growth in Scotland. We are working closely with local authority partners to ensure that the A9 and the local roads network continue to operate, and that local access is maintained in the meantime.

**Murdo Fraser:** The A9 dualling is welcome. We have been waiting a long time for it, but the experience of too many of my constituents is that past repairs and improvements to the A9 have been held at the busiest times of the day, week and year. Given the importance of the A9 as a tourist route, how will Transport Scotland ensure that the upgrading works are scheduled as carefully as possible in order to minimise disruption to local residents and tourists?

**Keith Brown:** Murdo Fraser is right that we have been waiting a long time for the A9 dualling—decades, I think. Again, this Administration is taking that forward, unlike previous Administrations. He is also, of course, right to say that there will be disruption and that there can be frustration among people who are affected by it. However, I assure him that Transport Scotland, the operating companies and the contractors for the dualling works are experienced in such matters and will take into account when the heaviest traffic flows are likely, and try to minimise disruption as best they can.

In addition to the dualling works, we have some improvement works going on—a particular incident is causing some traffic disruption. However, we try to minimise such disruption, although we are well aware of the extent to which communities in Murdo Fraser's region and along the length of the A9 are affected by the works. In the end, it is important that we carry out the dualling.

## **Culture, Europe and External Affairs**

### **City of Edinburgh Council (Cultural Investment)**

**1. Sarah Boyack (Lothian) (Lab):** To ask the Scottish Government what recent discussions regarding new cultural investment it has had with the City of Edinburgh Council. (S4O-04648)

**The Cabinet Secretary for Culture, Europe and External Affairs (Fiona Hyslop):** I met councillors and officials of the City of Edinburgh Council on 5 August 2015 to discuss the council's vision and strategic priorities for cultural capital spending projects. Scottish Government officials had a follow-up meeting with the chief executive and the executive director of culture, city strategy and economy on 11 August.

**Sarah Boyack:** I welcome that engagement. Does the cabinet secretary support the proposal from St Mary's music school for a centre of excellence in the old Royal high school, which would be a win-win for culture? Will she support the development of a tourism levy so that the council can invest in the historic buildings and arts venues that the city needs if it is to retain its status as a global centre of cultural excellence, given the 8.5 per cent reduction in funding for local government that was noted by Audit Scotland this year?

**Fiona Hyslop:** I understand that the subject of the member's second point is part of the proposals for an Edinburgh city deal that the council has put forward. That would be subject to discussion with Cabinet colleagues across Government. There is some strong resistance to a tourism levy, which Sarah Boyack will be aware of, but it is important that we address the cultural engine that is Edinburgh and think about how we can drive forward that agenda.

I hope that Sarah Boyack will appreciate that, as I am the minister with responsibility for Historic Scotland, and given some of the issues around listed buildings, it is not possible or appropriate for me to comment on her first supplementary question.

### **Refugee Crisis**

**2. Alison McInnes (North East Scotland) (LD):** To ask the Scottish Government when it last discussed the refugee crisis with the United Kingdom Government. (S4O-04649)

**The Minister for Europe and International Development (Humza Yousaf):** When the First Minister and I met the Foreign Secretary, Philip Hammond, on 21 September, we welcomed the UK Government's recent decision to take more refugees and made the case for the UK to go

further than it has and set out a clear timetable for meeting its current commitments. On that date, I also met the UK Government's newly appointed minister with responsibility for Syrian refugees, Richard Harrington, to discuss in detail the practical actions that are necessary to co-ordinate the arrival of refugees.

Furthermore, representatives from the UK Home Office attend the refugee task force, which last met on Wednesday 23 September. The most recent weekly teleconference between Home Office officials, local government officials and Scottish Government ministers and officials took place on 25 September.

**Alison McInnes:** I share the minister's view that the UK should take more refugees than is currently planned. Has the Scottish Government assessed councils' capacity to take more refugees, and does he believe that the capacity is there for us to take more than Scotland's so-called fair share of what we both agree is a pitifully small number for the UK as a whole? If so, has he told the UK Government that our Government is willing to provide for more than our fair share, in order to boost the overall UK number?

**Humza Yousaf:** I acknowledge the member's interest over a number of years in refugees and those who seek asylum in this country.

In the three years that I have been in government, I have never before seen such a good effort as has been made by local authorities, the Scottish Government and the UK Government—particularly the Home Office—to work seamlessly together to co-ordinate our efforts across this important issue. That is positive. The response from local authorities has been overwhelming.

On the detail of the capacity in each local authority area, I know that the Convention of Scottish Local Authorities is collating that information. It would be wrong to breach any of the confidences that COSLA has shared with me, but I can say that I am confident that, if refugees were to arrive tomorrow, we would be in a good place to provide them not only with appropriate accommodation but with the appropriate wraparound services. I am happy to keep the member up to date on that.

As for increasing the number of refugees that we will take beyond the roughly 10 per cent that is regarded as being our fair share of the UK number, it should be said that, if we can do more, the Scottish Government has never been found wanting in its response to refugees.

**Claire Baker (Mid Scotland and Fife) (Lab):** Although the UK Government has committed to taking 20,000 refugees over five years, the minister will know that there have been calls for a

front-loading of the number of refugees. Has the minister discussed with the UK Government the possibility of Scotland front-loading the number of refugees we are looking to support?

**Humza Yousaf:** That is an important point. The member will know that the Scottish Government does not disagree with her proposal. I discussed the issue with the minister with responsibility for Syrian refugees; he is actively considering it and the Home Office is thinking about it. I do not think that I would breach any confidences if I said that the Home Office understands that this will not be a 4,000-a-year or 5,000-a-year job. It is thinking about how it can immediately help. We would be happy to consider any assistance that Scotland can provide, including taking people immediately.

### Refugee Crisis

**3. Willie Coffey (Kilmarnock and Irvine Valley) (SNP):** To ask the Scottish Government whether it will provide an update on its response to the refugee crisis. (S4O-04650)

**The Minister for Europe and International Development (Humza Yousaf):** The First Minister convened a refugee summit earlier this month to bring together a wide range of stakeholders. At that summit, she announced the setting up of a task force, which I chair and which has now met three times and established two sub-groups—one is looking at refugee accommodation and the other at refugee integration. Both those sub-groups met for the first time last Tuesday.

The Scottish Government has made available an initial £1 million to ensure that services across Scotland are prepared to deal with the arrival of refugees. The response from local authorities has been positive and we are ready to assist refugees as soon as they arrive.

**Willie Coffey:** Will the minister give us a further update on any numbers that have been agreed by local authorities and on whether any additional central support has been requested to assist with issues that might arise, such as language difficulties?

**Humza Yousaf:** The member makes an important point. The Convention of Scottish Local Authorities is collating that information, as I mentioned in a previous answer. We need to give it the appropriate time to do that.

The refugee emergency summit was convened just over three weeks ago, so we are moving at a heck of a pace, but Willie Coffey is right to say that local authorities will have to think about the financial pressures that they are already under and the financial pressures of taking in refugees. The tone of the discussions between the Home Office and local authorities, in which the Scottish

Government is also involved, has been positive and constructive from all sides.

There will be gaps in service provision in particular local authority areas. Glasgow has a lot of expertise and has the integration services, but that is not the case for local authorities across Scotland. Where gaps exist, the Scottish Government, the Home Office and local authorities will work together to plug them.

**Alex Johnstone (North East Scotland) (Con):** Since we previously experienced a comparable refugee crisis, the structure of public housing in Scotland has changed significantly. Will the minister undertake to ensure that, when the decisions are made about where refugees will be housed, we will avoid two key errors—first, housing too many people all in the same place and, secondly, creating a situation in which local authorities are forced to provide housing in pressured areas where there are already people who have been on the waiting list for a long time, who might feel alienated by the process?

**Humza Yousaf:** I thank Alex Johnstone for raising a couple of important points. It is important to recognise that, when refugees arrive here, they will have the same rights as anybody else under the homelessness legislation that we have. The points that Mr Johnstone makes are well understood by the task force that I convene. We do not want, in effect, to create ghettoisation, which we know is not conducive either to the refugees or to the communities in which they end up being housed. We are aware of that and would like refugees to be dispersed across a wider area.

I have been overwhelmed by local authorities across Scotland offering to take in their share of refugees. We understand that we will have to work closely with communities before refugees even arrive, to ensure that there is community buy-in, so the points about housing and housing pressures are well made. The refugee task force is conscious of the issue.

**Stuart McMillan (West Scotland) (SNP):** Is the minister open to considering the use of accommodation that is not local authority or social rented accommodation in dealing with the situation?

**Humza Yousaf:** There have been plenty of offers of accommodation, and the Government's preference is to work with local authorities to find the most suitable accommodation. If we can manage to do that within existing social housing stock, that will be the preference not just for the Government but for all the partners that are involved in the ministerial task force.

There have been generous and kind offers, and at the moment we are exploring and collating as much information as possible. I can tell Mr

McMillan that, if specific offers have come in to him, he should forward them on to us. We will keep an open mind on all those issues.

### Traditional Arts (Funding)

**4. Rob Gibson (Caithness, Sutherland and Ross) (SNP):** To ask the Scottish Government how Scotland's traditional arts are funded. (S4O-04651)

**The Cabinet Secretary for Culture, Europe and External Affairs (Fiona Hyslop):** The Scottish Government supports traditional arts through a number of its public bodies. For example, since Creative Scotland opened up its project funding in October last year, it has awarded £1.4 million to 156 applicant organisations and individuals, with a success rate of 37 per cent, which is significantly higher than that for other art forms. That is in addition to the £7 million for 2015 to 2018 to Creative Scotland's regularly funded organisations that work in traditional arts. On 15 September, Creative Scotland published on its website a full list of its support for traditional arts.

There is Scottish Government funding for the traditional arts from Bòrd na Gàidhlig, our youth music initiative, the festivals expo fund and BBC Alba. In addition, Radio nan Gàidheal has given significant exposure to traditional music and has contributed to its funding.

**Rob Gibson:** Generally, the Scottish traditional music sector has seen big improvements in its status since 2007, under the current Scottish Government. However, the Scottish Government's traditional arts working party agreed that an equivalent to national companies should be explored for the traditional arts in order to give parity of esteem. Is that proposal being taken forward?

**Fiona Hyslop:** That is an important issue, particularly in relation to parity of esteem, which the Government has worked hard to achieve. The concept of a national company might not suit the traditional arts. Nevertheless, I am interested in the member's proposals and will ask officials to look further into them. The member is right to refer to the idea as one of the proposals from the traditional arts working group. Although many other recommendations from the working group have been taken forward, to date that one has not.

**Mary Scanlon (Highlands and Islands) (Con):** In evidence to the Education and Culture Committee, the Traditional Music and Song Association of Scotland said that it was having serious difficulties—in other words, it was unsuccessful—in accessing funding to support young musicians to develop their careers as well as to bring their music to diverse communities in

Scotland. It was asking only for less than £15,000. Why did it not get that funding?

**Fiona Hyslop:** The member will be aware that ministers do not consider individual applications at that level for funds that Creative Scotland administers. She may be familiar with the fantastic work of Fèis Rois in delivering the youth music initiative. I visited Eden Court theatre in Inverness, which contains one of the new youth arts hubs that have been set up as part of our youth arts strategy. Fantastic traditional music activity is taking place that is being led from there.

I am aware that, on 15 September, Mary Scanlon raised the issue of support for traditional arts in the Education and Culture Committee. *The Scotsman* published an article that quoted her, which was subsequently withdrawn. An apology was published from the editor to the chief executive of Creative Scotland about the article's contents and the accuracy of the full picture.

#### **Victoria and Albert Project Dundee (Audit)**

##### **5. Jenny Marra (North East Scotland) (Lab):**

To ask the Scottish Government whether the V&A project in Dundee will be audited by Audit Scotland. (S4O-04652)

**The Cabinet Secretary for Culture, Europe and External Affairs (Fiona Hyslop):** A decision on whether to audit any aspect of the V&A Dundee project would be entirely a matter for Audit Scotland. The Scottish ministers have no role in any such decision.

**Jenny Marra:** I hope that Audit Scotland may take that consideration very seriously, then, and that the cabinet secretary may do all that she can to encourage that in whichever way is appropriate. She will know as well as I do that there are concerns about the spiralling costs of the project; there are also concerns about governance. The V&A project fits exactly into Audit Scotland's definition of an arm's-length external organisation.

**The Deputy Presiding Officer:** Will you come to the question?

**Jenny Marra:** I will. Audit Scotland requires ALEOs to consider governance at the outset, to scrutinise performance and accountability and to monitor cost, performance and risks. Does the cabinet secretary agree that the V&A project is indeed an ALEO of Dundee City Council?

**Fiona Hyslop:** On governance, the McClelland report identified a number of areas, particularly in relation to the original budget costs to which the member referred. The underestimates in the original budget were one of the key aspects of the increase in the overall budget costs.

On reporting and corporate governance arrangements, the McClelland report also

concludes that more frequent direct reporting on the V&A to members would have been helpful. Following adoption, the council has taken forward the project board since 2015 in order to ensure that there is more openness and transparency. I am sure that the council will listen to Jenny Marra's points. However, when she comes to the chamber, she must always remember to champion the V&A as a great project for Dundee. Those on this side of the house seem to do it; she seems incapable of promoting the V&A.

##### **Christian Allard (North East Scotland) (SNP):**

Will the cabinet secretary outline what benefits she believes the V&A will bring to Dundee, the north-east and, more generally, Scotland?

**Fiona Hyslop:** It is great to hear one of the members from the north-east promoting the V&A. It will act as a magnet for Dundee's regeneration, help inward investment, promote tourism growth and give the public access that will help their understanding of the extent of design collections, both from the V&A and from across Scotland's design heritage.

Importantly, also fundamental to its mission will be the fostering of creative design thinking among businesses to improve innovation, profitability and opportunity. It is very important to the economy of Dundee and all of Scotland.

#### **T in the Park 2015 (Financial Assistance)**

**6. James Kelly (Rutherglen) (Lab):** To ask the Scottish Government for what reason it provided financial assistance to T in the Park 2015. (S4O-04653)

**The Cabinet Secretary for Culture, Europe and External Affairs (Fiona Hyslop):** T in the Park is one of the most popular and successful cultural events in Scotland's annual events programme. It delivers significant economic impact, drives additional tourism and supports jobs. In 2014, the event generated £15.4 million for the Scottish economy.

The event faced unanticipated costs and reduced returns, and the funding was to support a successful transition to the Strathallan site and to support the format at that site in 2016 and 2017.

There is a clawback provision should the event not take place in Strathallan in 2016 and 2017. The detail and timeline of events that led to the one-off grant payment being made are contained within my answer to parliamentary question S4W-26910, dated 14 August 2015, and in my evidence to the Education and Culture Committee yesterday.

**James Kelly:** I think that after the cabinet secretary's appearance at the committee yesterday, there are more questions than

answers. Therefore, I ask the cabinet secretary whether she will agree to come before Parliament to provide a full statement and be open to questions before the full chamber.

I also ask her to confirm that T in the Park made a profit and, as such, to explain why £150,000 of taxpayers' money was used to support a venture that was making a profit and a company that has made multimillions of pounds in profit.

**Fiona Hyslop:** The member may not be aware—clearly from his question, he is not—that I provided answers during an extensive session with the committee yesterday.

The member is correct in identifying that the overall company is a profitable one, but companies judge whether to hold events on a case-by-case basis. If they see that there are unanticipated extra costs that will lead to reduced revenues, they might want to change the set-up. That might have meant that Glasgow would benefit from more individual single-stage, single-day concerts run by that company, but I do not think that that would be the T in the Park that many, many people across Scotland have grown to love and that many, many people appreciate.

As I mentioned earlier, there was an economic impact of £15.4 million, which was not just on Scotland's economy but on the local economy. We want to make sure that festivals are celebrated and enjoyed across Scotland, not just in our cities.

**Liz Smith (Mid Scotland and Fife) (Con):** In relation to the timeline associated with the financial assistance, which the cabinet secretary provided to the Education and Culture Committee yesterday, can she confirm whether ministers or their officials had any meetings or were engaged in any communication with DF Concerts beyond the completion of the T in the Park festival on 12 July?

**Fiona Hyslop:** I would need to check and come back on that point. However, Liz Smith will be aware that some of the major issues, which I believe it was she who raised, were about transportation and exit at the event, so I would expect that, particularly in relation to transport, there would have been some communication and contact.

After the event, we expect to get the reports that we required as part of the grant conditions. They will come to ministers at the appropriate time.

**Gordon MacDonald (Edinburgh Pentlands) (SNP):** The cabinet secretary will be aware that DF Concerts hosted a series of concerts in Glasgow this year—the Glasgow Summer Sessions. Is the cabinet secretary aware of any funding from the public sector for those concerts, and who provided it?

**Fiona Hyslop:** The Scottish Government did not provide DF Concerts with financial support for the Summer Sessions in Glasgow. However, we understand that Glasgow City Council provided £200,000 to provide delivery of the series. It was funded, through a commercial arrangement, in order to establish the Summer Sessions on a level commercial footing so that in future years it would generate money for the city.

**Liam McArthur (Orkney Islands) (LD):** Having reflected on the exchanges at yesterday's meeting, can the cabinet secretary confirm whether she asked her officials to establish what, if any, additional contribution DF Concerts had requested from the lead sponsor, Tennent's, to cover the additional transition costs?

**Fiona Hyslop:** There was extensive scrutiny from officials and the Scottish Government's state aid unit, part of which involved looking at the revenue and projected budget of DF Concerts. People would like to see the content of that, but commercial confidentiality has restricted their ability to do so.

## Employment

### **The Deputy Presiding Officer (John Scott):**

The next item of business is a debate on motion S4M-14405, in the name of Jackie Baillie, on employment.

14:40

**Jackie Baillie (Dumbarton) (Lab):** Our vision for Scotland is based on an idea that is embedded in our values and written in our history as a party and a trade union movement, that is, that Scotland succeeds when working people succeed.

For too many people, the link between the prosperity of Scotland and the prosperity of their family has been broken. Families across Scotland naturally look to their Government for answers rather than more excuses. Labour's values and vision are about an economy that works for all, a politics in which everyone's voice is heard and a society that is based on common good.

After eight years of inaction, Scotland needs a Government that is focused on the challenges of the future, such as renewal of the link between economic growth and living standards, and new thinking to build a broad-based productivity economy rather than remain a low-productivity economy. Scotland needs a plan to tackle structural challenges in the economy, not an economic strategy that is bereft of targets.

The solution will require new thinking and big reforms to how we use Government. It does not necessarily require big spending, but it does require boldness and big thinking from the current Government.

It is incumbent on Governments of all colours across developed economies to maximise the benefits of globalisation and technological change. That challenge will require renewed focus from the Scottish Government if it is successfully to be navigated. Failure to rise to the challenge will result in rising inequality, increasing reliance on low-skill work and a lack of economic growth, which no member of this Parliament wants to see.

### **John Mason (Glasgow Shettleston) (SNP):**

Will the member confirm that there was rising inequality in the United Kingdom between 1997 and 2010, when Labour was in power?

**Jackie Baillie:** Rising inequality is nothing new; the challenge for the Parliament is how we work together to tackle it. I would rather look ahead than look back, as the member seems to want to do.

The London School of Economics and Political Science growth commission found that

"An economy that grows at 2 per cent per annum in real terms"—

in line with the average growth rate before the financial crisis—

"doubles its material living standards every 35 years."

However, it is regrettable that the principle that everyone will gain from economic growth is no longer people's experience in Scotland. As the Resolution Foundation has argued,

"Growth makes rising living standards possible—but it doesn't guarantee it."

Indeed, in recent years the link between rising gross domestic product and rising living standards has been broken, with the proceeds of economic growth simply not being passed on in increased earnings for the average worker. Businesses grow, but people get left behind.

The record of the Scottish Government is not good in that regard. Here are the facts: real wages have continued to stagnate throughout this session of Parliament; too many families still work too many hours, with too little to show for it; and the employment rate in Scotland remains 0.9 per cent below the pre-recession level, although the rate across the United Kingdom has rebounded.

**The Minister for Youth and Women's Employment (Annabelle Ewing):** Will the member give way?

**Jackie Baillie:** In a second.

Since the current First Minister came to power, our economy has lost jobs. I will be grateful if the minister explains how that has happened.

**Annabelle Ewing:** Is the member aware that the most recent labour market statistics show that, compared with the UK as a whole, Scotland has a higher employment rate, a lower economic inactivity rate, higher female employment and higher youth employment? Are those not benchmarks that the member welcomes, in that they show steady progress in the Scottish economy?

**Jackie Baillie:** The minister failed to answer the question that I put to her. I share with her that unemployment in Scotland today, at 5.9 per cent, is higher than the UK average, which is 5.5 per cent. The difference might seem small in percentage terms, but it represents thousands of people.

The proportion of people in poverty who work has risen considerably under the Scottish National Party. More than half of working-age adults in poverty are in working households. In Scotland today, the real-terms drop in income has been accompanied by structural shifts in the labour market that have increased people's insecurity. The number of workers who earn less than the living wage and who are on zero-hours contracts has increased; the number of those who work part

time, because they cannot get the full-time hours that they need, has increased; and the number of those who are in self-employment and temporary employment has increased since 2011.

The SNP Government recognises the problem of inequality, which I absolutely welcome, but it is that recognition that makes its response so inadequate. Earlier this year, the Scottish Government published an analysis of inequality in our country. Here is the stark reality of what it told us. The wealthiest 10 per cent of households own 44 per cent of the wealth. The wealthiest 2 per cent of households alone own 17 per cent of all personal wealth. In contrast, the least wealthy half of households in Scotland own a mere 9 per cent of total wealth.

In that context, I am genuinely confused as to why the SNP blocks opportunities for progress such as extending the living wage through public procurement. A Government that continues to fail to build an economy for all or dedicate its full resources to tackling inequalities should step aside for one that will work every day to secure the jobs of the future for all Scots. We need action, not the trickle-down approach to which the SNP Government—a Government that is committed to cutting tax on corporations and air travel for the few—repeatedly returns.

The pressure that families across our nation face goes beyond those statistics. Even when people work full time, it is harder than it should be to get ahead. That is not just a hangover from the financial crisis. Scotland's economy will not fulfil its potential until we change course on the stagnation of working people's jobs and incomes. We must measure our success by something more than our GDP or a Government press release on jobs figures. We must measure whether we are creating meaningful work that gives a sense of purpose, pays a wage and provides a family with security. When working families do not have money to spend, it is harder for our economy to grow, which is why a winner-takes-all system means that our economy cannot truly succeed. That is the central challenge of our times. Every policy that the Government pursues should be aimed at answering that challenge.

We believe that we should work towards jobs for all that are secured in the industries of the future. Building the jobs of the future requires world-class training today. Just as the internet opened the door to new areas of economic activity, new technology will transform how we work in the future. We would welcome a renewed focus from the Scottish Government on connectivity and building a digital economy. In particular, the rapidly growing sharing economy offers a new dynamism that we should ensure serves to empower individuals.

I know that, in that spirit of sharing, those on the Government benches will welcome the appointment of Joseph Stiglitz as an economic adviser to the Labour Party. Members will be familiar with the professor's conclusion that equal access to education is a solution to tackle inequality. Our economy needs every one of our people to be successful, so this Scottish Government should follow Stiglitz's advice, as the next Labour Government will.

Education is the single most important investment that we can make in our future. It is our young people, and the schools, colleges and universities that educate them, who will shape the Scottish economy well into the 21st century. How well we do today in ending the attainment gap will set the conditions for working people in the future. I hope that we can unite on that across the chamber.

We have seen huge cuts to colleges, which have cut off the chance at learning that so many need and deprived our employers of the skilled workforce of the future. There are 140,000 fewer students, 93,000 of whom would have been women.

In school, the least deprived pupils are twice as likely to gain one or more highers than their most deprived peers. We need to invest in the classroom to support basic literacy and numeracy. We should all be ashamed that the attainment gap in reading is 12 per cent, in writing it is 21 per cent and in maths it is 24 per cent; and that 6,000 kids are still leaving primary school unable to read properly.

Scottish Labour has committed to use the new tax powers that are being devolved through the Smith process to deliver a 50p top rate of tax to invest in education. The SNP has voted against that. It chooses instead to maintain a Tory tax cut at the expense of children's education. I hope that that changes.

A Labour Government would take action so that companies such as Starbucks and Amazon pay their fair share of taxes. It speaks very much to the choices made by the SNP Government that a company such as Amazon, which failed to pay a fair share of tax, received more than £10 million in regional selective assistance grants and other public support from Scottish taxpayers. It should hang its head in shame.

We have an SNP Government that has failed to deliver for working people and has been blinded to transforming our economy by an on-going constitutional distraction. It is time for the Scottish Government to take action. Let me offer it some thoughts. Let us bring forward a new industrial strategy that focuses not only on the hi-tech sectors but on supporting those sectors that are

big employers, such as retail and social care, so that they can win a race to the top and not get dragged into a race to the bottom. Let us refocus on inward investment, so that the number of jobs that it supports increases, rather than what happened this year, when the number fell. In addition, preparations should be under way to devolve the working programme to local areas, so that we match support back to work with local circumstances.

As an outward-looking nation, Scotland can prosper from free and fair trade. Alongside those opportunities, there is a potential slowdown in the world economy, and the corresponding risk of contagion to our economy is no longer confined to the eurozone but extends to a Chinese slowdown. Both those realities make it all the more important that action is taken now.

My party feels frustration when we hear people say that having a woman in power is an inspiration, as if that by itself is enough to transform the lives of young women in Scotland, because action, not just words, is the Labour way. *[Interruption.]* SNP members may laugh, but theirs is the party that is good at talking and big on rhetoric but rubbish at taking action.

Although it is not everyone's bedtime reading, let me remind members what our 1945 manifesto said. *[Interruption.]* I think that those on the Government front bench should listen. It said:

"It is very easy to set out a list of aims. What matters is whether it is backed up by a genuine workmanlike plan conceived without regard to sectional vested interests and carried through."

Young women are told in this country, "If you are good enough and work hard enough, you can achieve anything," but that just is not true in Scotland today. It ignores the barriers to succeeding that women face in our society, whether that is about access to science and technology skills, about tackling the gendered violence that one in four women will face or about the motherhood penalty, where women lose positions or promotions for simply going on maternity leave.

That brings me to the Government's record on jobs, particularly for women. Again, those on the front bench seem more interested in talking to each other than listening. The culture of low-paid, low-skilled work is the feature of this SNP Government's record. The lowest-paid jobs are in the hospitality, retail and care sectors, where women disproportionately work. Those are exactly the sectors that have seen growth since the SNP took power. Around six in 10 of the new jobs over this session are in low-paid sectors—in other words, 42,000 out of the 73,000 total additional jobs are in low-paid sectors

It would benefit the public debate and the lives of women across Scotland if the Government championed high-skilled, well-paid jobs for women and then took the action to make that a reality. Future releases from the Scottish Government should make good on that change. Targets should be not just about headline employment but about secure employment in the jobs of the future, particularly for women trapped in low pay and insecure work.

A job for all—that should be our ambition. When people have decent wages and feel secure at work, they can spend more, and that creates jobs, too. That is what will build a modern, prosperous economy. It should be the central mission that guides the full efforts of our Government, based on the fact that when working families prosper, Scotland prospers, too.

I move,

That the Parliament believes that the Scottish Government must ensure that the benefits of economic growth improve the lives of working people and reduce inequalities; believes that the Scottish Government must be more ambitious to improve employment and economic performance; notes with concern that Scotland's Economic Strategy provides no targets to measure success; notes that the employment rate in Scotland remains 0.9% below pre-recession levels; recognises that, since 2008, the proportion of people in Scotland in full time jobs has fallen, while the proportion of people working part time has increased, along with underemployment; notes that the proportion of those in in-work poverty is increasing; believes that the Work Programme should in future be devolved to give local authorities the ability to find local solutions to get people back to work; welcomes progress in promoting the living wage in the private sector, but believes that the full weight of the Scottish Government should be behind this effort, including through procurement, and believes that the foundation of Scotland's economic strategy must be a successful education policy and that, therefore, tackling educational inequality must not only be a political priority but also a spending priority.

14:55

**The Cabinet Secretary for Fair Work, Skills and Training (Roseanna Cunningham):** I see that Corbyn's new, cuddly, kinder version of Labour has not quite reached Scotland yet. Jackie Baillie gave us an interesting tour of cross-portfolio issues in a speech that sounded a bit more like a belated leadership bid, but at least she said one true thing—she is "genuinely confused".

The Scottish Government's programme for government sets out a clear vision for employment in Scotland in which fair work improves people's lives and strengthens businesses so that everyone shares the benefits of a stronger, growing and more inclusive economy. "Scotland's Economic Strategy" builds on that vision by showing that tackling inequality and economic growth are not mutually exclusive but fundamentally linked.



The relationship between employers and their employees must be at the heart of that, and I think that we might be one of the first Governments to have made a crystal-clear statement about that linkage. Fair work strengthens businesses and improves people's lives so that everyone shares the benefits of a stronger, growing and more inclusive economy.

There is growing evidence that delivering sustainable growth and addressing long-standing inequalities are reinforcing rather than competing objectives. Recent work by the Organisation for Economic Co-operation and Development found that rising income inequality in the UK reduced gross domestic product per capita growth by 9 percentage points between 1990 and 2010, and bodies such as Oxfam and the Joseph Rowntree Foundation have shown that good-quality jobs have a positive impact on people's physical and mental health.

UK Government ministers such as Iain Duncan Smith suggest that moving into work will benefit people but, sadly, that is not the case for everyone. We know that 59 per cent of children in poverty live in households in which at least one person is working. We also know that the impact of poor working conditions and low pay can be just as damaging to people as being unemployed. That is why we want to support businesses to create better jobs in which people feel valued and engaged.

Many employers are actively embracing those challenges and reaping the benefits. They are being recognised through the business pledge, living wage accreditation and investors in young people, and we will build on that progress. The independent fair work convention, which was established earlier this year, brings employers and trade unions together to develop a blueprint for what fair work should look like in Scotland, which will be completed by March 2016. When the convention reports, we will work closely with our partners and the convention to develop an implementation plan that will drive change and promote a new dialogue between Government, employers, employees and trade unions.

Ahead of that, we will continue to do everything that we can to promote good working practices within the powers that are available to us. Our forthcoming procurement guidance on fair work practices has a clear focus on the living wage and sets out how we will consider a whole range of other progressive workplace practices when we award Government contracts.

For our young people, we are building on the firm foundations of curriculum for excellence and the developing the young workforce strategy to raise attainment and develop our young people's skills. That is an investment that will ensure that all

our young people achieve their potential, benefiting individuals, the Scottish economy and society alike.

Earlier this month, I announced £5.8 million of developing the young workforce funding for local authorities for 2015-16. That will help local government to provide increased opportunities for high-quality work-related learning for all young people, and it underlines our spending commitment to help our future workforce.

Although the powers that will potentially come to Scotland through the Scotland Bill are limited, we will use them to their full potential to promote fair work practices. For example, we have made it clear that, as soon as we have the power to do so, we intend to abolish fees for employment tribunals. In relation to the powers that are coming to the Parliament, we are already consulting widely on the replacement for the work programme and work choice. That is a public discussion on how new employment services could work in a modern Scotland. We are speaking to individuals and their families and to communities to design a new approach to replace the discredited work programme with alternative provision that better meets the needs of individuals and delivers for those who need help most.

Local authorities are fully involved in those discussions, but no decisions on delivery options have been made yet, and I am not going to pre-empt the consultation, which closes on 9 October. We will complete the process, listen to the views of everyone involved and consider those views in the context of the best available evidence before we decide on the best mode of delivery. What I can say is that getting the right balance of national standards and local flexibility will need to be at the heart of any model.

Although we have the opportunity to develop a new approach to helping people into the labour market, Scotland also has the opportunity to lead the way in creating a more productive and equal workplace. By working closely with employers and employees, we will show that progressive and fair workplaces can drive the productivity and growth that will be critical to the success of our economy and central to our approach to creating a fairer and more equal society.

I understand the pressures on businesses, and I recognise the desire of the majority to engage positively with the agenda. There are many examples where Scotland-based companies are seeing those approaches deliver real benefits. Earlier this year, I visited CMS Window Systems in Cumbernauld, a company that not only has full-heartedly embraced the living wage's benefits but prides itself on supporting young people into employment and ensuring that they have the skills

and training they need to make a career for themselves. The company is the recipient of a number of awards but, most important, it recognises the real business benefits of an engaged and skilled workforce.

It is great to be able to celebrate such successes, but I conclude by being clear that I do not underestimate the distance that we need to travel to achieve our aims. I recognise many of the challenges that Jackie Baillie has set out today. I agree that the levels of in-work poverty are unacceptable, that there is too much underemployment and that too many people are stuck in low-quality jobs, with low pay, limited security and no prospect of progression. We know that there is still a significant and unacceptable attainment gap both within and between our schools in Scotland; indeed, that is why we have made tackling the attainment gap our top priority.

However, we differ on the answer to some of those problems. Through the Smith process, we sought additional employment, trade union, taxation and welfare powers for the Parliament to allow us to deliver the changes that we need in employment in Scotland and the creation of fairer workplaces. At the time, that call was supported by a range of organisations, not least the Scottish Trades Union Congress.

In contrast, Scottish Labour was

“concerned that devolution of employment law would result in a race to the bottom on worker protection, potentially resulting in the reversal of great advances for workers’ rights, such as the minimum wage, paid leave and flexible working.”

Of course, that is precisely what is happening now under its preferred option of leaving powers at Westminster and in the hands of the Tories. Since the election in May, the Conservative Government has tried to cynically undermine the living wage and, according to independent bodies such as the Resolution Foundation, the removal of tax credits will leave the majority of workers worse off. The devolution of those powers would have meant that Scottish workers would not now be facing an attack on their fundamental rights in the workplace.

I know the depth of feeling that lies across the chamber about those cynical policies, which will erode working conditions in Scotland as they will across the rest of the UK. We believe that there is a different and fairer way to look at work, and we believe that having the full range of powers available and the support of the majority of the chamber would let us take a different approach.

The real answer is to get the powers out of the hands of the Tories and into the hands of this Government and this Parliament. The Scotland Bill offers us a golden opportunity to protect workers

and lift people out of poverty in Scotland, which is why I urge members to call for the transfer of more powers on employment to Scotland and to support the amendment in my name. Needless to say, we will not be supporting the Tory amendment today.

I move amendment S4M-14405.2, to leave out from first “the Scottish Government” to end and insert:

“Scotland’s Economic Strategy provides a clear framework for reducing inequalities and promoting sustained economic growth; celebrates the Scottish economy having experienced its longest period of uninterrupted economic growth since 2001; notes that, at 74%, Scotland has a higher employment rate than the UK as a whole and independent forecasters expect growth of around 2.4% in 2015; supports the work of the Fair Work Convention to produce a blueprint for fair work in Scotland that will help to deliver a better deal for workers, recognising that a positive relationship between employers and their employees must be at the heart of this; encourages employers to pay the living wage; calls for the full and swift devolution of powers over employment law to Scotland to ensure the protection and promotion of the rights and responsibilities of workers in Scotland; opposes UK Government plans to further restrict the right to strike, and agrees that this protection should be underpinned by powers to deliver better employment support services for the unemployed and fair access to employment tribunals.”

**The Deputy Presiding Officer:** There is a little time for interventions.

15:04

**Murdo Fraser (Mid Scotland and Fife) (Con):** I thank the Labour Party for bringing this important subject to be debated. After the events of this week, it is encouraging to learn that the Labour Party is able to agree on at least one subject that it is prepared to have a debate on.

This is the first time that we have had a debate in the chamber from Labour in its new Corbynite clothes, and I look forward very much to hearing how the Corbyn approach will be reflected in the Labour speeches this afternoon. Perhaps we had a flavour of that from Jackie Baillie earlier, when she took us back to 1945.

I welcome Jeremy Corbyn’s election. As a Conservative, I am delighted that he is now leader of the Opposition at Westminster. However, I am surprised to see that the new real power in Scottish Labour, and Jeremy Corbyn’s vicar on earth, is missing from the Labour benches. I refer, of course, to my good friend Neil Findlay. He is the true believer in Corbynism on the Labour benches. Unlike Kezia Dugdale, who said that Jeremy Corbyn would leave Labour shouting from the sidelines, Mr Findlay was a true believer from the start. He is the one with the hotline to his boss, and he is the most powerful man in the Scottish Labour Party now. As we speak, he is no doubt down in Brighton plotting his Corbynite purge of the moderates. The Fauldhouse Robespierre will

be convening his committee for public safety. If I were Jackie Baillie, I would be very afraid.

**Jackie Baillie:** Although what the member says is, in passing, quite amusing, when will he get to the subject of the debate, which is employment?

**Murdo Fraser:** I am sure that Mr Findlay will reflect on Jackie Baillie's desire to move the debate on from Jeremy Corbyn as quickly as possible. I do not think that that will stand her in good stead.

It will do Jackie Baillie's prospects in the Corbyn Labour Party no good at all when I say that I agree with much of her speech. We certainly agree that the Scottish Government needs to be more ambitious if it is to improve employment and economic performance, although we might well differ about the policies that are required to deliver those things.

Jackie Baillie's speech was sadly lacking in one aspect. She failed to properly attribute success for increasing employment to the Chancellor of the Exchequer, George Osborne, who is the true author of that policy. Our amendment seeks to remedy that deficiency in recognising that employment in Scotland has increased by 175,000 since 2010, not by accident but as a result of the policies pursued by the UK Government. Those policies, of course, have been continually opposed and criticised by the Labour Party.

Do members remember Ed Balls? He is now a figure in the distant mists of Labour memory who was once a significant figure in the Labour Party. Some of us can even remember him claiming that the chancellor's approach would not work. It was Mr Balls who, in a famous speech to the STUC in 2012, warned:

"we ... risk a lost decade of slow growth and high unemployment which will do long-term damage."

None of that came to pass, of course. We also remember Labour's favourite economist, Professor David Blanchflower, claiming that unemployment would go up to 5 million, with widespread social unrest. Both have been proven to be totally wrong. Perhaps an apology from Ms Baillie in her speech would not have been amiss. In fact, we have seen growth in employment, in full-time employment and in the number of hours worked. We have also seen increases in wages, and wages are now rising ahead of inflation.

However, we recognise that there is more to do. In particular, wages among the poorest in society have to be tackled, which is precisely why the UK Government has introduced the national living wage. That will come into effect from next April and rise to £9 an hour by 2020. It is hard to imagine any measure that will have a more positive impact on earnings for the least well-off,

and it was no surprise that it was warmly welcomed by the Living Wage Foundation. That is coupled with increases in the tax threshold, which mean that many of the poorest are paying no income tax at all on their incomes.

**Kezia Dugdale (Lothian) (Lab):** Murdo Fraser proclaims how proud he is of the Tories' moves on the living wage, but does he recognise that, at the same time, David Cameron is taking more than £1,000 in tax credits away from the poorest families? Is he proud of that?

**Murdo Fraser:** Many families will benefit on a net basis from the living wage. Following George Osborne's announcement, the director of the Living Wage Foundation, Rhys Moore, said:

"We are delighted that the announcement made in the Budget this lunchtime will see over 2.5 million workers receive a much needed pay rise ... We agree with the Chancellor that work should be the surest way out of poverty."

I would have thought that Kezia Dugdale would agree with that.

**Roseanna Cunningham:** Will the member take an intervention?

**Murdo Fraser:** No. I have taken two interventions, and I need to make some progress.

I also agree with the Labour Party that education is vital if we are to see a growing economy benefit everyone. Our amendment makes reference to the Scottish Government's failing record on education, in terms of

"a fall in literacy and numeracy",

with Scotland slipping down the international league tables;

"a failure to close the gap in attainment between the most and least well-off school pupils";

and, on top of all that,

"the cut to 140,000 further education college places."

To have a truly successful economy, we need an education system that is fit for purpose. Too many of our children are being failed, and the Government appears to have no imagination when it comes to addressing that most serious of issues. Children from better-off families will always do well in school. They get the support that they need at home and their parents can always buy a better education by going for independent schools, by buying in extra hours of tuition or by buying a house in the catchment area of a better-performing school. Those options are not available to those from less well-off backgrounds. I firmly believe that the Scottish Government must level the playing field, not by pulling down those who are doing better but by giving a leg up to those who are falling behind. It is a sad indictment of the Government's record that, far from improving

under its watch, the situation is actually deteriorating.

Perhaps I can close by agreeing with the Labour Party—even the Jeremy Corbyn-led Labour Party—that the Scottish Government's focus needs to be on improving educational standards. I have pleasure in moving the amendment in my name.

I move amendment S4M-14405.1, to leave out from first “believes” to end and insert:

“recognises the achievement of the UK Government in increasing employment by 175,000 in Scotland since the 2010 General Election; acknowledges that there has been considerable growth in full-time employment and number of hours worked; welcomes that wages continue to rise ahead of inflation and the positive impact on earnings that will be brought about by the national living wage premium announced in the Chancellor's summer budget; considers that education is one of the most important drivers of economic prosperity, and expresses disappointment with the Scottish Government's record on education, which has brought about a fall in literacy and numeracy, a failure to close the gap in attainment between the most and least well-off school pupils and the cut to 140,000 further education colleges places.”

**The Deputy Presiding Officer:** We move to the open debate. Gordon MacDonald will be followed by Lewis Macdonald. You have a generous six minutes.

15:11

**Gordon MacDonald (Edinburgh Pentlands) (SNP):** The Labour motion states that the

“Scottish Government must be more ambitious to improve employment and economic performance”.

What is the position in Scotland? The Chartered Institute of Personnel and Development stated recently in written evidence to the Economy, Energy and Tourism Committee that

“Scotland's economy is generally performing well, with high levels of employment and low levels of unemployment. In ‘Old European’ terms, we are streets ahead of others in ... labour market engagement.”

In its written evidence for the committee's inquiry on work, wages and wellbeing in the Scottish labour market, Unison highlighted that

“In Scotland almost all public sector employers pay the Scottish Living Wage and have a mechanism for uprating it. This is a significantly better position than the rest of the UK.”

The Scottish labour force survey shows that Scotland has the highest employment rate and the lowest inactivity rate of the four UK nations; the Scottish employment rate is 74 per cent, which is higher than that of any other UK nation. In Scotland over the past year, the employment level has increased and the unemployment rate has reduced, while youth employment in Scotland is at its highest level since 2005. The same survey

identifies that the Scottish female employment rate is higher than the UK's, and Eurostat figures that cover the period from January to March 2015 show that Scotland had the second-highest rate of female employment across Europe.

**Jackie Baillie:** Will the member take an intervention?

**Gordon MacDonald:** No, thanks. I want to get through all this.

The levels of positive school-leaver destinations, both initial and sustained, are at an all-time high, with the percentage of 2013-14 school leavers who were in a sustained positive destination in March 2015 reaching 92 per cent. Overall, the proportion of 16 to 64-year-olds who are economically active is higher in Scotland than the UK figure and higher than that of any other UK nation, and the number of young people who are not in education, employment or training is at its lowest level since 2004.

That does not mean that there is not more to do. In its written evidence to the Economy, Energy and Tourism Committee, Citizens Advice Scotland identified that

“18% of employees in Scotland are paid less than the Living Wage, equivalent to 418,000 individuals.”

That figure is far too high, but Scotland now has the lowest proportion of workers who are paid below the living wage of any UK nation. The Citizens Advice evidence also highlighted that a Joseph Rowntree Foundation report on a minimum income standard found that people who were being paid

“the National Minimum Wage and taking up all in-work benefit entitlements were short of a basic income as determined by members of the public”

of between £110 and £197 per week, which depended on their individual circumstances.

The Scottish Government does not have powers to adjust the national minimum wage or in-work social security benefits, and employment law is reserved to Westminster. Devolution of those powers is something that Unite called for in its response to the Smith commission, and it is something that the Labour Party failed to support.

What the Scottish Government can do until it gets legislative powers is influence public and private sector employers with a number of initiatives. The Scottish procurement policy note that was issued in February provides information on how and when employment practices and workforce matters, including payment of the living wage, should be considered in a public procurement exercise, as a key driver of service quality and contract delivery. A key point in the policy note states:

"Fair pay, including payment of the living wage, is one of the ways a bidder can demonstrate that it takes a positive approach to its workforce".

It continues:

"The Scottish Government considers the payment of the living wage to be a significant indicator of employer commitment in this regard."

We also have the Scottish business pledge, which is a partnership between the Scottish Government and business with the goal of boosting productivity, competitiveness, employment, fair work and workforce engagement and development. The pledge asks that employers pay the living wage, meet at least two of the other elements and have a longer-term commitment to meet all nine—paying the living wage, not using exploitative zero-hours contracts, supporting progressive workforce engagement, investing in youth, making progress on diversity and gender balance, committing to an innovation programme, pursuing international business opportunities, playing an active role in the community and committing to prompt payment.

Then there is the Scottish Government's support for the Living Wage Foundation. The Government has set an example to other employers by receiving accreditation as a living wage employer. Independent research on employers that have introduced the living wage has shown that it increases employee productivity and improves morale, motivation and commitment from staff, and it can be a cost-saving opportunity for companies because of higher staff retention rates and reduced sickness absence levels.

It would be helpful to know what Labour's position is on the living wage. The Labour shadow chancellor was reported in *The Independent* on Monday as saying that he

"wanted to raise the legal minimum wage to a full statutory living wage".

However, in the same article, Labour's shadow business secretary was reported as stating that

"George Osborne's significant increase in the minimum wage should have been done more slowly".

Given that a major discount supermarket is paying a higher minimum wage today than Labour wanted to introduce by 2020, it would be helpful to know what the Opposition policy actually is.

15:17

**Lewis Macdonald (North East Scotland) (Lab):** Improving the lives of working people and reducing inequalities are—rightly—at the centre of the debate. They are key to transforming the Scottish economy's productivity and translating economic growth into prosperity for all, and of

course they are what the Labour and trade union movement is—and always has been—all about.

It is important to recognise the scale of the challenge that we face. In comparison with seven years ago, employment rates have fallen and full-time work levels have gone down, while part-time working and underemployment levels have gone up. Real wages have fallen and in-work poverty has increased. Those problems affect men, and especially women, across the Scottish economy.

As we have just heard, the Economy, Energy and Tourism Committee is inquiring into work, wages and wellbeing in the Scottish labour market, and the committee heard more evidence this morning about the prevalence of poorly paid, low-quality jobs in parts of the economy and about the poverty and insecurity that they bring. Dave Watson of Unison Scotland described some of the "ugly" ways in which the worst employers in the care sector exploit their dedicated workers. Liz Cairns of Unite showed how commitments on paying the living wage can be and are avoided by employers subcontracting the work. Rob Gowans of Citizens Advice Scotland reported that half those who are awarded compensation by employment tribunals for unfair dismissal or other reasons are never paid in full, and that is not to mention all those who cannot afford the tribunal fee to bring their case in the first place.

Even in parts of the Scottish economy with high-quality, well-paid jobs, these are challenging times. In recent years, average salaries in the oil and gas industry in the north-east have been much higher than those across the economy as a whole but, in the past few months, that relative advantage has gone into reverse. Far from enjoying uninterrupted economic growth, the north-east regional economy is suffering its sharpest downturn in many years. Aberdeen and Grampian Chamber of Commerce describes that as a recession in confidence in the oil and gas supply chain.

The scale of the effect is not clear, because neither the Scottish Government nor the UK Government has yet seen fit to measure it. The industry has estimated that as many as 65,000 jobs have been lost across the UK supply chain in the past few months, but no public agency has yet attempted to measure what that means by country, region or sub-sector. It is time that they did so.

The impact of such a major downturn is not confined to the north-east. Thousands of jobs across the Scottish economy depend directly or indirectly on spending by oil and gas companies and their major contractors. Members from every part of Scotland will have seen jobs lost in their areas.

The Scottish Government needs to act now to quantify the numbers of jobs that have been lost in Scotland and to assess the impact on local and regional economies. Earlier this month, Fergus Ewing made a ministerial statement in response to calls from the Labour Party for him to do so. If employment and productivity in the Scottish economy are to be protected, we need his words to be followed by action.

One of Scottish Labour's proposals in today's debate is for devolution of the work programme to local authorities. I listened carefully to what Roseanna Cunningham said, and she is entitled to say that she will listen to and consider the evidence. However, it would be useful to know what ministers' instinct is. Is their instinct to devolve the work programme to the lowest level that is practically possible or is it to keep control at the centre?

**Roseanna Cunningham:** As a minister, my instinct is to wait until the end of the consultation and consider the responses.

**Lewis Macdonald:** I am always in favour of an evidence-based approach, but I have never yet met a politician whose political instincts were confined to listening to what other people had to say.

To allow local authorities to do their job, the work programme should be devolved. The powers could be used to help people get back to work, and local authorities could achieve that in ways that are informed by detailed knowledge of the local economy.

Ministers could start today by asking Scottish Enterprise and Highlands and Islands Enterprise to assess the impact of the oil jobs crisis council by council. That would allow councils to work with the enterprise agencies to address the loss of high-value jobs and to identify opportunities for diversification—for example, from offshore oil and gas to marine renewable energy.

Loss of high-value jobs is most critical in parts of the country where low-paid jobs are more prevalent. In the north-east, hundreds of jobs are set to go at Young's in Fraserburgh, and many of those who will be affected by those job losses might struggle to find good-quality jobs in the local economy.

Across the country, the growth in part-time jobs, zero-hours contracts and low-paid jobs affects disabled people in particular, women more than men and young people more than over-25s. Recent migrants are also more likely to be exploited, underemployed and underpaid.

Cracking down on criminal employment practices is essential, but it is only part of what is required. There is also a need to tackle

employment practices that are lawful but dishonest, whether we are talking about multinational corporations that are avoiding tax or businesses that are taking unfair advantage of zero-hours contracts.

There has to be support for positive employment practices. The next Scottish Government will have new opportunities to develop a social security system to help people into meaningful employment, but there is no need to wait for new powers to take forward new initiatives. Ministers can do more to use the Scottish Government's purchasing power as leverage for promoting the living wage and to use existing procurement rules that the previous Scottish Executive put in place to set a higher bar across the public sector.

We need ministers to take action to promote positive employment policies, and that action can be taken now without waiting for the next raft of powers to be devolved from Westminster. We need urgent action to address the impact of the oil jobs crisis across the Scottish economy, before it is too late for the Government to make a difference.

15:24

**Christina McKelvie (Hamilton, Larkhall and Stonehouse) (SNP):** Employment is fundamentally about empowerment and about people having the right opportunities to fulfil their ambitions, make a decent income and contribute to overall prosperity throughout their lives. Securing someone's life's ambition is not really about getting the maximum number of people into any available work as quickly as possible. It is time to think differently when we debate the employability landscape in Scotland.

We need to pull back from the immediate situation and take a long, hard look at what the Government can do, what civil society can contribute and how we can best develop the relationships between employers and employability. We are recognising that, and the Scottish Government has made significant changes that are having a positive impact on those seeking entry into the workplace. That involves people learning and developing new skills, and continuing in and returning to education, plus the provision of apprenticeships and close attention to the equality agenda in terms of sex equality and equality for disadvantaged people and those with disabilities.

I am proud to have been one of the first members of the Scottish Parliament to be an accredited living wage employer. It was not that difficult—I already paid my staff the living wage, so it was quite easy to live up to that standard. I have spent a long time in my constituency, through

many forums, encouraging businesses and organisations to do exactly the same. A living wage is not only good for the recipients; it is good for employers, too. Evidence shows that sick leave is reduced, profits are enhanced and staff take pride in their work when they feel that they are being paid properly.

Employment levels are better than they have ever been in Scotland and they are now running above those in the rest of the UK. The number of young people who are not in employment or education is at its lowest level since 2004 and the Scottish Government has committed £28.6 million between 2012 and 2016 to drive action on targets.

On that point, we have completely shifted the narrative and the culture of doing down all those young people. We do not use some of the very negative terms that we used to use; we have a much more positive way of describing our young people, talking them up, giving them opportunities and telling them that they can achieve. That is the type of thing that we should be proud of. We have created modern apprenticeships across the piece, dealing with some of the gender issues and with the underrepresentation of people from minority ethnic communities and improving the positive destinations for looked-after children.

However—I agree with Jackie Baillie on this, which does not happen often—that is where we can do more. We need more powers in this place over employment to make the changes that people in Scotland need. A pick 'n' mix devolution disnae work. Although the Government will have some powers—for example, over the work programme—we need a more complete portfolio to be able to act effectively.

Although the work programme and work choice will be devolved, the access to work scheme will not be devolved. Many people need that extra one-to-one support or an extra piece of equipment to make their workplace viable for them, so not devolving that scheme seems stupid. It seems ludicrous that that level of support is not being devolved along with the work programme and work choice.

We do not want to simply replicate all the problems and barriers of existing models. It will be possible for Scotland to meet the needs of its workforce only if we have the complete package of powers, so I ask the Labour Party—in the spirit of kind, straight-talking politics—to support the full devolution of employment laws and powers. In addition, let us work together to completely and utterly reject the Trade Union Bill in all its forms.

Over the past few weeks, the Welfare Reform Committee has heard from many organisations about issues with the work programme. As Lynn Williams put it in her briefing to us all today:

“The failure of the current approach, our changing demographic patterns and our politically advantageous times mean we need to be bold. At the heart of this must be a re-framing that focuses our attention on people's contribution to society rather than solely the ultimate goal of employment. We must also recognise that an individual's form of contribution, or employability needs, may change over time.”

We define work rigidly. Is a mother who is at home with two small children working? Is someone who is looking after an elderly relative with dementia working? Is a volunteer in a charity shop working, or a retired person who does some gardening for their neighbours? All those people are working and contributing, yet we want to push everyone into the short-term goal of getting into work in the conventional way, as defined by the UK Government.

The mood has become intolerant. Society seems unwilling to accept that some people are not in a position to work in the ordinary sense, although they are contributing in definable, cost-effective ways. Is it not about time that we recognised that? Is it not about time that we stopped calling people benefit scroungers? Is it not about time that we had a social security and work programme system in Scotland that actually supports people?

We all know that financial resources are limited and we have no idea what George Osborne has coming down the line for us. We need to grow from a single view of employment and start drawing in different kinds of work, different circumstances and different situations, so that we build a more all-embracing economy as a result.

Just plugging people into jobs does not achieve that. Square pegs do not fit in round holes. Barnardo's Scotland points that out clearly when it says:

“Back to work programmes are failing to meet the needs of disadvantaged young people who are furthest from the labour market. 68% of young people return to Jobcentre Plus after two years on the Work Programme having not found sustained work for 6 months.”

The work-first approach does not offer those young people the support that they need. We should provide that support with tailored services rather than simply relying on generic programmes. In my constituency, I have seen the hugely positive impact of bespoke services that are provided by many organisations, including Rathbone Training and South Lanarkshire Council. People's lives have been transformed. We need a more structured service.

The SNP has always argued that higher education should be about the ability to learn and not the ability to pay. Let us now apply the same criteria to our employment resources, which should be based on capability and not always on the pre-structured format of one size fits all,

because one size does not fit all. If we work together to give the Scottish Parliament the power to make the difference, we might be able to encourage possible future Labour Governments to follow our plans.

15:31

**Willie Rennie (Mid Scotland and Fife) (LD):** Christina McKelvie said that she was surprised that she agreed with Jackie Baillie on one thing; I am surprised that I agree with Christina McKelvie on three things. It must be the first time that that has ever happened.

I agree that employment is about empowerment. It is about giving people the life chances to get up, get on and achieve more for themselves and their families. It is about the combination of social justice and economic discipline that we need to create the jobs of the future to give our families prosperity and to give our neighbours, friends and communities the opportunity to get up and get on as well.

I am surprised that I agree with Christina McKelvie on a second point: I am also an accredited living wage employer. That was not difficult because I was already doing it but, nevertheless, it is important to show the way to other employers, who should also pay the living wage.

Even though the Liberal Democrats are no longer in government, I do not wish to disassociate myself from the economic progress that we have made in the United Kingdom in recent years. We got the economy back on track with 175,000 extra jobs since 2010 and 2.4 million private sector jobs in the UK as a whole, 85 per cent of which were in full-time employment. Now, with the United Kingdom, we are managing to compete with some of the best in the G7 countries.

That is good progress and the progress that we made was a direct result of some of the measures that were taken, such as cutting tax for people on low and middle incomes to make work pay and creating the £2,000 national insurance allowance to help smaller employers in particular to take on more apprentices and other employees. The deficit reduction programme also gave confidence to the wider economy that Britain was a good place to do business. Combined with that, the lower rates on corporation tax encouraged businesses to employ more people here and to recruit from, and grow their businesses within, the United Kingdom.

Although we are no longer in power, there is a record to stand on for the progress that we made in that period of government.

I am always amused when SNP ministers boast about the differentials between the employment growth in Scotland and that in the rest of the United Kingdom and then, in the next breath, complain bitterly about the lack of economic powers for the Scottish Parliament. I am not sure how the two can be said in the same paragraph. I am not sure how they can claim that all the progress is a result of their measures but that they cannot take any measures to make progress. Some squaring of that circle from the SNP Government would be helpful.

We need to consider some of the levers that the SNP Government is currently not using to try to advance the economy in Scotland. One of the key levers about which I hear from small businesses in particular is the procurement budget. It is an enormous budget and an economic development tool that the Government should use to encourage more smaller businesses to employ more people locally. The complexity of the system still drives out too many small businesses, as the Federation of Small Businesses agrees.

I urge the Scottish Government to use that lever. We have had the Procurement Reform (Scotland) Act 2014, but the system is still not working. Far too many small businesses find it particularly difficult to get access to that budget. That in itself could be a good economic generator for the local community and local economic development.

I am particularly keen on nursery education. Expanding nursery education not only helps people get back to work, but improves life chances, particularly for those from disadvantaged backgrounds. Children who get that early education have a better chance in later life. In Scotland we still lag behind the performance of the rest of the UK in that area.

The colleges are a big area in which the Scottish Government could have a massive impact in improving the skills of young people—and older people, as well. Older people seem to be excluded from the Government's plans, which put emphasis on the younger age groups.

**Annabelle Ewing:** Is the member aware that the number of full-time students over 25 years of age at colleges has increased by 25 per cent since 2006-07?

**Willie Rennie:** The minister again completely ignores the fact that 140,000 places have been cut in Scottish colleges. Ministers continue to deny the problem. They cannot keep focusing on one aspect of college courses; they need to look at the bigger whole. The reality is that they are prepared to look only at statistics that help their case.

**Mark McDonald (Aberdeen Donside) (SNP):** We would never catch you doing that, Willie.



**The Deputy Presiding Officer (Elaine Smith):** Order, please.

**Willie Rennie:** The big problem is that 140,000 college places have been cut and that is on the SNP Government's record. I urge the Scottish Government to finally change tack and make good the cuts that it has imposed on Scottish colleges.

In my final 30 seconds, I want to give a bit of warning to the Conservatives. I urge them to try to persuade their Government to change tack on a number of areas. The impact that the Conservative Government is having on the Scottish renewables sector will have an impact on Scottish jobs. The Trade Union Bill is so misguided—it is trying to create divisions in the workforce that do not exist now. The industrial record of the past few years has been good. It is as if the Conservatives are intent on stirring that up with the trade union movement. I urge them to back down.

Finally, I urge the Conservatives not to flirt with exit from the European Union. Above all else, that would have a dramatic effect on employment rates in Scotland. We would all be poorer if we go anywhere near exit from the European Union. That is my final plea to the Conservatives today.

15:38

**Stuart McMillan (West Scotland) (SNP):** I welcome this afternoon's debate on an issue that is important for the whole country. Employment and unemployment are everybody's business and every politician needs to treat the matter seriously.

In the past when we have debated this issue, the debate has tended to be heated. One or two contributions so far have had a bit of passion to them and I am sure that, as we go on with the debate, today will be no different from what has happened in the past.

However, by the time that the debate is over, I hope that we will all be able to agree on a few points: first, that the Scottish employment rate, at 74 per cent, is higher than that of any other UK nation; secondly, that youth employment, at 61 per cent, is at its highest level since 2005; thirdly, that the number of people not in education, employment or training is at its lowest level since 2004—down to 21,000; fourthly, that improving educational attainment is crucial to improving the life chances of our population; and, finally, that there is always more that we can do.

We have already heard about labour market statistics across Scotland. I believe that we should welcome the "Labour Force Survey", which indicates that the Scottish employment rate is at 74 per cent and is higher than those of the other nations in the UK.

We have come through a tough economic period. The fact that the economy is improving, albeit slowly, ought to be welcomed. I do not want the economy to crash and burn as it did in 2008—I do not think that anyone would want that to happen again. Sustainability and manufacturing are key to moving the economy and the employment situation forward. The days of boom and bust should be long gone: a thing of the past.

Last week the *Greenock Telegraph* published an article entitled, "Fewer people out of work in Greenock". The story highlighted that unemployment in Greenock is going down, although it is increasing slightly in Port Glasgow. There will be many factors behind that slight increase, but I am hopeful that the Port Glasgow figures will soon join the Greenock figures as Ferguson Marine Engineering in Port Glasgow starts to build for the future.

As members will know, Ferguson Marine has been awarded preferred bidder status for the £97 million order for two Caledonian Marine Assets Ltd ferries. Ferguson Marine has an ambitious set of proposals and plans for the yard. There is an initial £12 million investment for yard expansion, and the plan is to grow the yard to employ approximately 1,300 skilled workers by 2020. That will include a total of 150 apprentices, with the employment of 30 apprentices per year up to 2020.

The CMAL contracts for those two ferries will allow the yard to expand to around 400 workers. The facility that Ferguson Marine is currently building will, although it does not affect current production capabilities, enable four to six similar ships to be built at the same time and will have additional capacity for specialised offshore fabrication and renewables. It is planned that the facility will be ready by May next year.

Thinking back to the summer of 2014 when Ferguson Marine went into administration, we have to admire the hugely ambitious plans for the yard and for Port Glasgow and Inverclyde. In one year, Ferguson Marine has gone from employing seven people to employing 157, including 15 apprentices who have been hired for 2015. That number is only going to grow.

A further positive of the yard is the company's payment of the living wage. With the exception of apprentices, who begin on the living wage, the company is currently paying all its employees well above the living wage. Management were not previously aware of the living wage accreditation scheme until I mentioned it to them. They are now looking into the scheme so that they can introduce it to the yard.

The training that will be on offer will be first class, and the reindustrialisation of the lower Clyde is beginning. I am sure that MSPs who

represent Inverclyde in the future will receive complaints about the noise coming from the yard. If I am around at that time I will be delighted, because I will know that many people are working, building ships and contributing to the town and the economy.

I have focused my latter remarks on one company, but that was deliberate. As I mentioned, the company has grown from seven employees to 157 at present. It will grow to almost 400 if the two CMAL ferries contracts are ratified, with a target of 1,300 eventually. The yard can play a huge part in reducing unemployment in Port Glasgow, Inverclyde and the west of Scotland in general. It can help with training and with the whole economy.

Just before the yard closed last year, it employed one female apprentice out of six: the first female apprentice on the tools doing that particular aspect of the job. The yard still has one female apprentice, but the new owners want more. They want both sexes to consider shipbuilding as a career choice.

Jackie Baillie spoke about jobs for the future, but unfortunately she did not mention any industrial trades. If she does not think that shipbuilding is a job for the future, I am disappointed. The content of contributions from members on all sides of the chamber in today's debate has not been surprising, but the debate has not been as heated, certainly in some respects. However, any politician who thinks that we have nothing more to do is deluded, and anybody who talks down the achievements of the past few quarters talks themselves, and Scotland, down too.

I will support the amendment in the name of Roseanna Cunningham tonight, and I urge all colleagues in the chamber to do so.

15:44

**Siobhan McMahon (Central Scotland) (Lab):**

We in the Labour Party recognise the importance of having a growing and vibrant economy, but that matters little if we do not focus that growth to benefit the everyday lives of our constituents. Part of our motion focuses on the powers that are coming to Scotland. With powers over the work programme and other areas of welfare, we are presented with a real opportunity to offer help to the most vulnerable in our society.

We can show a better and more compassionate way of helping people into the workforce. The starting assumption of any devolved work programme should be that the vast majority of people want to work. Currently, the programme's funding structure does not take into account the progress that jobseekers have made. That can be

particularly problematic for the provision of help for people with mental health conditions. The approach has led to service providers negating the needs of unemployed people with complex conditions and focusing on the so-called easier cases. The programme needs to be structured in such a way that it does not simply come down to the question of whether someone is in work. Providers should be incentivised to work with all those who are on the programme to help them to reach their aspirations.

For those who require additional support, that person-centred approach to welfare has been shown to be more successful than the current Government work programme. The work choice scheme is specifically designed to help disabled people back into work, and its success outstrips that of the work programme. In the Scottish Association for Mental Health's work choice programme, 38 per cent of starts achieve job outcomes, compared with a figure of just 21 per cent for the work programme. That shows the merits of a person-centred approach and of including specialist organisations that have experience of working with specific groups in seeking to bring people into the workforce.

SAMH is a good example of that. It has delivered an employment support model for those with mental health conditions that has delivered high success rates at low costs. However, as of May, the SAMH programme was not available through the work programme. By drawing on expertise and showing the compassion for those who are in need that I am sure is shared across party lines, we can find a better way of doing things.

Our motion also mentions support for devolving the work programme to local authorities. As a member for Central Scotland, I can attest to the positive programmes that are in place across the council areas of Falkirk, North Lanarkshire and South Lanarkshire and which are helping people back into work. Programmes such as North Lanarkshire's working have shown positive results and have really demonstrated the merits of trusting our local authorities to meet the needs of their areas.

During the summer recess, I had the opportunity to visit successful employment programmes in Central Scotland, namely Routes to Work in North Lanarkshire and the new future employability and training centre in Falkirk, which is run by the Salvation Army. Such initiatives have a proven track record when it comes to delivering employment opportunities in our communities. Since August 2014, the Salvation Army in Falkirk has delivered 335 courses and, of the 925 registrations, nearly 200 service users have moved into employment. Routes to Work, a not-

for-profit social enterprise that has existed since late 2002, has supported upwards of 30,000 local residents to progress their employability aspirations and has assisted more than 13,000 local residents into work, including around 1,500 in the operational year that ended 31 March 2015. Members from across Scotland will be able to give similar examples of good practice in employment services. It is vital that we use those services and move away from the Department for Work and Pensions model of employability service to a more person-centred and caring approach.

Of course, employment does not solve all problems. Members from across the chamber will be concerned that in-work poverty is increasing. I do not doubt the sincerity of the commitment to tackle it from members on all sides. We must acknowledge that, although work can be the best way to lift people out of poverty, it is by no means a guaranteed route out. According to the living wage commission, 66 per cent of children who live in poverty are found in households with at least one adult in work. The Social Mobility and Child Poverty Commission found that, in 2014, 200,000 Scottish children were living in poverty, which equates to 20 per cent of all children. That is why it is so important that we ensure that the jobs that we create are secure and pay a decent wage.

Earlier this year, the Office for National Statistics released a report entitled “Poverty and Employment Transitions in the UK and EU, 2007-2012”, which demonstrated that 70 per cent of those who escaped in-work poverty did so only after their hourly rate of pay was increased. Our motion rightly welcomes some of the Scottish Government’s efforts in promoting the living wage. However, as colleagues have stated, the Government does not have a particularly stellar record on the matter. It voted down our proposals to make paying the living wage a requirement of companies that seek public sector contracts. Those proposals would have benefited the poorest staff working on contracts from the Parliament.

We should continue to recognise the efforts of groups such as the Poverty Alliance and of trade unions such as mine, the GMB, in the area, but it is important for parliamentarians to consider how we can most effectively assist them. I hope that the Government takes the opportunity to think again on the issue and will consider how it can use the power of the Parliament to promote the living wage and cajole companies into paying it.

**John Mason:** Does the member accept that we have consistently had advice from the European Union that we cannot enforce the living wage?

**Siobhan McMahon:** I do not accept that. I have consistently said in this chamber and in many of the debates on employment that the advice that I have been given through trade unions’ solicitors

and other solicitors is that we can do this. It is about action. It is about the Government taking the lead. The Scottish Government has taken the lead on many other issues on which it did not have legal advice when it thought that doing so was the right thing to do. Why not do it on the living wage?

In closing, I return to my original point. Broadly speaking, growth benefits all sectors of a society. However, it does not benefit all sectors equally. Our poorest communities do not see a thriving Scotland when they hear people say, “This percentage point is up” or, “That figure is looking better”. Those who are in work only know that their wages in work are low and stagnating, and those who are out of work only know that they are not receiving the help that they require to get back into the workplace. The Government has taken some steps to alleviate the problems that I have mentioned and we welcome them, but it can and should do so much more.

15:50

**Joan McAlpine (South Scotland) (SNP):** I would like to start by addressing the point that has just been raised about the living wage in public contracts. The Economy, Energy and Tourism Committee went to Labour-controlled Renfrewshire Council last week to discuss how it is encouraging, through negotiation, home care companies to pay the living wage. The council’s head of procurement was very specific: she said that the council cannot legally mandate the living wage, which is why it is negotiating with those employers. That is a Labour council.

**Jackie Baillie:** Will Joan McAlpine take an intervention?

**Joan McAlpine:** I will give way in a minute.

I also add that the Labour-controlled Welsh Assembly Government has taken legal advice—as have the Labour-controlled councils in Glasgow and West Lothian—that it cannot put the living wage into its contracts. [*Interruption.*]

**The Deputy Presiding Officer:** Miss Baillie, could you put your card in? It is not in properly.

**Jackie Baillie:** That kind of stole my thunder.

Is not it the case that Renfrewshire Council would have also said to you that it received that advice from the Scottish Government?

**Joan McAlpine:** No, it did not say that; the head of procurement was very specific that the council could not legally mandate the living wage. That is also the view of the Welsh Assembly Government, which is controlled by Labour and which I do not think takes its advice from the Scottish Government.

My colleague John Mason put it to Jackie Baillie that the Institute for Fiscal Studies figures show that from 1997 to 2010, when Labour had full control and all the tools in the box to tackle income inequality, income inequality increased. In reply, Jackie Baillie said that she prefers to look forward rather than back. I am not surprised that she does not want to look back, because Labour's record is so poor. Between 1997 and 2010, when it had the opportunity to tackle inequality and improve workers' rights, it failed to do so.

Labour set the minimum wage far too low when it introduced it. The veteran Labour MP Michael Meacher explained why in his blog. He said:

"The minimum wage was never meant to be as low as it is ... The original intention of Rodney Bickerstaffe, the former general secretary of Unison and main architect of its introduction in 1998, was that it should be fixed at half of the male median wage and then progressively raised to two-thirds.

It didn't happen. Blair appointed a Low Pay Commission headed by a CBI big-wig in order to ensure it started at far too low a level, £3.60, and it has never been increased at a rate slightly above the rise in average wages, as was intended".

On Labour's record, I also point out that the Economy, Energy and Tourism Committee has taken a lot of evidence that says that, as well as Government regulation, the way to improve pay and conditions in workplaces is by encouraging trade union organisation. In all the time that Labour was in power, it did not reverse one single anti-trade-union law that had been introduced by the Tories. For Jackie Baillie to come to Parliament and lecture the Scottish Government on what it can do with very limited tools is really a bit of a cheek, when we look at what Labour failed to do when it had all the tools.

We do not have to look back very far to see Labour failing to grasp the opportunities—we do not have to look back to the days of Tony Blair. As the cabinet secretary previously pointed out, Labour had the opportunity to get powers over the minimum wage, employment law and working benefits into the hands of this Parliament. That is what trade unions and anti-poverty charities called for, and it is what was the Smith commission called for. I will quote from the statement that Unite put out in response to the commission on the day that the Smith report came out. Unite said:

"Unite firmly believes that key arguments made by trade unions to tackle income and workplace inequalities have been largely ignored.

Unite Scottish secretary Pat Rafferty said:

"We would have wanted more definitive powers over employment law, including the power to replace the statutory minimum wage with the Scottish Living Wage, and this omission is a missed opportunity".

It is not too late to change that, as the cabinet secretary said. The opportunity was missed because Labour preferred to leave those powers in the hands of the Tories. However, even under Jeremy Corbyn's supposedly shiny new leadership, I have yet to hear a single proposal from Labour that would undo the mistakes that Labour made in the Smith commission. Why is that? If Labour wanted to look to the future and take the chance to show that it has changed in Scotland, it would call for a change in approach on those powers.

**Claudia Beamish (South Scotland) (Lab):** Will Joan McAlpine give way?

**Joan McAlpine:** No. I am sorry—I do not have much time left.

The Scottish Government does not have all the tools that it would like to have to tackle in-work poverty. However, as members have said, by appointing a cabinet secretary with responsibility for fair work and by establishing the fair work convention, the Government has made a clear and powerful statement of its priorities.

In evidence to the EET Committee this morning, Dr John McGurk of the Chartered Institute of Personnel and Development Scotland praised the Scottish Government's initiative, and when Unison's witness, Dave Watson, said that he had seen the draft regulations on public procurement—which the cabinet secretary mentioned—I have to say that he seemed to be very pleased with them and to think that they are strong. It is a matter of ensuring that regulations are properly enforced. I think that all members support that.

**The Deputy Presiding Officer:** Before we move on, I advise members that I have a little time in hand if they want to take interventions. However, that is a matter for members.

15:56

**Iain Gray (East Lothian) (Lab):** I am not often accused of being a ray of sunshine, but after those six minutes of utter misery I think that my remarks will be a beacon of consensus and positivity.

As Lewis Macdonald made clear, Labour members are always keen to debate what we can do about employment. The clue is in our party's name: the opportunity to create, through work, a full and fulfilling life for ourselves and our families is at the heart of what we stand for.

This is an opportune moment to debate employment. We face a number of significant opportunities around which there is, I think, a degree of consensus. Most of them have come up in one form or another during the debate. There is a degree of consensus around devolution of the work programme and work choice programme

through Smith and the subsequent Scotland Bill, around the Wood report, and around the need to make closing the attainment gap a priority for Parliament and the Scottish Government. All three areas will bring opportunities for us—if we can grasp them—to create a better future, especially for young people.

On devolution of the work programme, the important point is the degree to which we are prepared to devolve. It is clear to us that devolution of the programme simply to Scottish national level is not enough. Whatever replaces the current approach must be delivered at local level. We suggest that local authorities should lead on that; there might be other views. That is simply because when it comes to helping people into work, the more individualised and personalised the support, the more effective it is likely to be. Siobhan McMahon spoke eloquently about that.

The work choice programme, which is rather better than the work programme, has something like a 40 per cent success rate, even though its recipients are disabled and therefore further than many other people are from the labour market. That compares with a success rate of about 15 per cent for people in the work programme. That success is because of the personalised support that people on the work choice programme get. At local level, it is easier to pool the efforts of all the necessary partners—schools, colleges, the higher education sector and the voluntary sector—through projects such as those that members have talked about. An example from my constituency is the highly successful academies programme, on which schools in East Lothian, Queen Margaret University and Edinburgh College work together.

The work choice programme also allows support to be sensitive to the labour market. An example of that is in East Lothian, where 10,000 houses are being constructed. East Lothian Council and Edinburgh College are working together to put in place a construction academy so that local young people can benefit from the construction of those houses.

Earlier this year, a report from the Co-operative Councils Innovation Network suggested that local delivery of the work programme in the UK could save as much as £5 million, because it would be more effective and efficient. We must be prepared for that further devolution. Many of the partners are working to implement the Wood report's recommendations, which is another great opportunity to do not just something small, but something big. It would not be enough if, as a result of the Wood report, each secondary school began a partnership with its nearest college. We have an opportunity to reinvent the whole senior phase of school with our colleges, and to create many more new pathways for young people to find

the skills that will stand them in good stead in future employment.

When implementing the Wood report recommendations we must not lose sight of the role of businesses, which too often complain about the quality of skills and the employability of young people who leave our schools and colleges, but do not do enough to change those things. Only 27 per cent of employers offer any work experience at all, and that which is offered tends to be relatively low quality. Many more of our young people—in fact, all our young people—must have work experience as the norm, rather than as something exceptional or extra.

If there is a gap in attainment and achievement by the time a child goes to school at the age of five, how difficult will it be to ask agencies to work with the child when they are 16, 17 or 18, and furthest from achievement, attainment and the labour market, to try to put that right? Closing the attainment gap is such an important part of the issue.

My message is that we dare not be half-hearted about any of those opportunities. We have made it clear—Jackie Baillie made it clear again today—that £25 million a year towards cutting the attainment gap is simply not enough. We have suggested that increasing that investment is more important than, for example, cutting air passenger duty or avoiding reintroduction of a 50p tax rate. We must be prepared to increase that investment if we are going to seize the opportunities that we have to provide a better future for our young people. Jackie Baillie summed it up well when she said that we need boldness and big thinking. If we are bold and think big, we can ensure that, in this nation, no one is left behind.

16:03

**Mark McDonald (Aberdeen Donside) (SNP):**

This Monday, I will have the pleasure of presenting awards to 119 modern apprentices who will have completed their learning at ITCA Training in my constituency in disciplines including mechanical engineering, fabrication, welding, logistics operation management, and business and administration. This Government's commitment to modern apprenticeships goes without saying, given that more than 25,000 a year are being delivered, and that there is a new target of 30,000 a year by 2020. If we look within the figures, we see that 80 per cent of modern apprenticeship starts in 2014-15 were people aged 16 to 24. It is predominately young people who are being given those opportunities to develop skills and access employment.

Locally in Aberdeen, *The Press and Journal* has launched a campaign to create 100 apprentices in

100 days. I was advised by ITCA that it is about to graduate 119 apprentices in one day, but the newspaper campaign is an important one. It is about highlighting the value of apprenticeships across the north-east's economy and giving companies the opportunity to reflect on what they can do to support more young people through apprenticeships.

A view that is often held about the north-east is that it is an area of high employment and low unemployment, and the statistics bear that out. However, some individuals require support to access employment opportunities. A past difficulty, which is to some extent still current, has been that having a buoyant industry that can afford to pay a higher rate than other sectors means that some of those other sectors face recruitment difficulties.

With that in mind, over the past couple of years I have held two jobs fairs in the constituency. One was a general jobs fair, which had employers from across a range of sectors. The other, which took place just last week, focused specifically on the care sector, which has been mentioned a lot in the debate. The difference in attendance levels at the two events was interesting. Although the organisations that attended were positive about the events, attendance levels at the care sector jobs fair were noticeably lower. Part of that comes down to perception. We need to consider carefully how we get around that. There is often a misconception about what working in the care sector involves and the type and quality of work that is available. A job of work needs to be done to ensure that such sectors are given the opportunity to promote the valuable work that is available and the strong opportunities that exist.

I have met local companies to discuss living wage accreditation. I hear from my colleagues about their efforts to become accredited living wage employers. I had better get my act together and lead by example by becoming an accredited living wage employer, too. I noted in a Scottish Government response to a parliamentary question that we have many accredited living wage employers. Although that is absolutely fantastic, if we look at the percentage of the population who it is assumed are being paid above that rate, it shows that many companies have not yet taken the step to become accredited living wage employers. I want to promote to those companies the benefits that come from becoming an accredited living wage employer and the message that that sends out to their current and potential workforce.

On other employment issues in the north-east, the Wood commission report "Education Working For All! Commission for Developing Scotland's Young Workforce Final Report" has been mentioned. Aberdeen and the north-east have

been early adopters. The developing young workforce team is being led by Aberdeen and Grampian Chamber of Commerce, alongside Aberdeen City Council and Aberdeenshire Council and North East Scotland College. The work is designed specifically to look at how we can make easier young people's transitions through the education system and into the workforce. It takes very much the approach that Iain Gray highlighted. I do not think that we would necessarily be reinventing the wheel. A lot of councils are looking carefully at the senior phase of school and how it can be redesigned to complement better what young people will go on to, whether it is further education or higher education. The councils are trying to make those transitions and links a little bit more seamless.

Another area in which we face a difficulty in the north-east is the teaching workforce. A teaching summit is taking place today to talk about how we can attract more teachers to locate there. Perhaps we could look at the work of the energy jobs task force, because a number of people in the oil and gas sector who are facing redundancy will have science, technology, engineering, and mathematics qualifications and may be suitable for retraining into the teaching profession and could take on STEM teaching roles that are proving to be difficult to fill.

**Iain Gray:** Will Mark McDonald give way?

**Mark McDonald:** I see that I have gone beyond six minutes, so whether I can do so is at the Presiding Officer's discretion.

**The Deputy Presiding Officer:** I can give you a bit of time back if you wish to take the intervention.

**Mark McDonald:** I am happy to do so.

**Iain Gray:** I agree with the idea of trying to get people to retrain as STEM teachers, but it remains the case that, if someone chooses to retrain as a physics teacher in England, they will receive £25,000 in a tax-free bursary. That is not available in Scotland. Would not it be a good thing if it was?

**Mark McDonald:** Committing to such things is way above my pay grade, but in fairness I think that we need to look very carefully at the opportunities that are made available for individuals to retrain in teaching. Something that often puts people off retraining is the possibility of a year without pay. We need to look at making that transition better for people. Some local authorities are considering offering part-time teacher-training courses, which would allow people to train without necessarily having to give up work. There are a number of measures that we need to look at to improve the uptake of teacher training.

I will leave it at that. Some of the allegations that Opposition members have made probably merit

closer examination but, on the whole, it has been a fairly consensual debate, and I would hate to ruin that tone. All that I will say is that the Scottish Government should be commended for the work that it is doing on apprenticeships and the living wage, and that we need to talk up more the work that is being done to boost employment opportunities and employment performance in Scotland.

16:11

**John Mason (Glasgow Shettleston) (SNP):** I am very pleased that we have the opportunity to debate employment. The Labour motion covers a lot of ground, a lot of which has been covered in the debate, and it makes a number of points that I and many others would be able to agree with. I want to focus on just some of those points.

The motion refers to the fact that

“the benefits of economic growth improve the lives of working people and reduce inequalities”.

For me, that is a key theme and one that I completely agree with, but I agree slightly less with the previous words, which state that

“the Scottish Government must ensure”

that the benefits of economic growth do that. Frankly, I do not believe that the Scottish Government has the ability and the powers to ensure what the motion says it should ensure, if we take the word “ensure” literally.

We should remember that most of the levers over the economy and redistribution continue to lie at Westminster. As I suggested in my intervention on Jackie Baillie, we should also remember that between 1997 and 2010 inequality in the UK as measured by the Gini coefficient grew to the highest point since the 1970s. Especially in Labour’s third term, there was a sharp rise in income inequality, as well as a fall in the incomes of the poorest fifth of the population.

The motion also mentions in-work poverty and the living wage. That is another key area as far as I am concerned. If people are working but are not earning enough for them and their families to live on, there must be something fundamentally wrong. Every employer has a moral duty to pay their employees sufficient wages for them to live on. In my opinion, that also needs to be a legal duty or it will not work. The voluntary living wage is okay up to a point and I welcome it being rolled out as much as possible, but it will always be limited by the fact that it is voluntary. The statutory minimum wage is the long-term sustainable answer, and it should at least be at the level of the living wage, which is currently £7.85 per hour.

I have some sympathy for smaller employers who are struggling and are not sure whether they

can afford to pay the living wage to every employee, including the owner. We can look at targeted support for the likes of those employers, such as the support that the small business bonus scheme provides. However, I have no sympathy for large profitable companies that pay their chief executives several million pounds but do not pay their staff enough to live on.

Most members are familiar with the book, “The Spirit Level”, which has often been mentioned in debates in the chamber. It argues that more equal societies do better as a whole than do less equal societies. On Friday evening, I had the privilege of seeing the new film, “The Divide”, which was inspired by “The Spirit Level”. It was directed by Katharine Round, who took questions at the end of the film. I was really impressed by it, and I very much hope that at some stage we can get it shown here in the Parliament. Whereas the book goes into lot of facts and figures and can be a bit heavy, the film focuses on seven individual real-life stories primarily from the United States and England, with one story coming from Scotland. I will give the chamber a flavour of three of them.

The first story was about an American woman who worked for Walmart, which she said had been quite a good employer when she started and had looked after its staff. However, policies had changed, and the pressure on staff had increased. The woman was heavily in debt, very stressed out and on the verge of being evicted from her very modest home.

The second story was about another American woman, who worked for Kentucky Fried Chicken. She had turned her life around from a somewhat messed-up earlier life, and she was now working regular solid hours in a pretty pressurised job. However, she too was heavily in debt, and she talked about how the pressure that she was under had encouraged her to turn to alcohol to get a break from her struggle.

The third story was set in England and was about the care sector, which Mark McDonald and others have highlighted. Although the woman in question was doing an incredibly important job visiting vulnerable people, she was under huge pressure and not well paid.

For all three people, their work and their income were absolutely central to how their lives were going. The stress that they were all experiencing—and, for some, the resulting addiction problems—were very much linked to their low income.

It all leads me to wonder whether it is possible for Governments to reduce the disparity between the high and the low paid, especially in the private sector, or whether that is just how markets work. The best solution would be for people to be not so greedy and self-centred, which would mean that,

even if a business did well, it would be not just those at the top who would benefit from a pay increase. However, if that is not likely to happen—and clearly it is not—surely we have to consider a cap on top wages.

The argument against such an approach tends to be that companies, councils or whatever need the best people to run them, but it is clear that the best people were not running the banks in 2008 and have not been running Volkswagen in 2015. They might have been technically able, but they were certainly not the wisest, the most prudent, the most honest or those who took the longest-term view, all of which strike me as important attributes both for individual organisations and for the good of the whole economy.

I believe that, just as there is no such thing as victimless crime, there is no such thing as victimless high pay. Let us consider a few figures. If one person who earned £1 million could get by perfectly well on £200,000, one has to ask: what is happening with that extra £800,000? It is being taken away from people who deserve it. It could give 80 employees £10,000 more each or give 40 people without employment a job at £20,000 each. It seems to me that the two issues are very much linked.

In the film “The Divide”, people who were much better off were also interviewed. In America, that meant a focus on gated communities where people had paid a lot for their homes, had security at the gate and apparently felt a lot safer. To be fair, those who were interviewed came across as decent people who just wanted the best for their kids and their families. For many of them, it did not seem to cross their minds that they were taking too much from the system and that, as a result, others were getting too little.

To me, that proves that the free market is not working. We as a Parliament and Parliaments more generally have a responsibility to work to ensure a fairer sharing-out of the rewards of employment—and I should say in passing that that includes the developing world: if that does not happen, it should come as no surprise to us that people from other countries will come here.

I believe that there is enough money for full employment and decent wages for every person. The problem is how all of that is shared out.

16:18

**Claudia Beamish (South Scotland) (Lab):** In speaking in support of Jackie Baillie’s motion, I want to explore three employment issues, all of which merit further help from the Scottish Government and action from colleges, universities and employers.

The first relates to action to support the just transition framework for workers and communities with regard to the shift to a low-carbon economy. Last night, I was delighted to attend a reception for Scotland’s colleges that was hosted by Iain Gray and at which I met lecturers, students, apprentices and a local employer who is a plumbers merchant. The collective enthusiasm of the partnership, which is working to take forward the opportunities offered by emerging renewable technologies, was palpable.

Initially, these courses were financially supported by European Union money from the centre for renewable energy and sustainable technologies—or CREST—funding stream, which I had never heard of until last night. Transferable skills courses for experienced engineers are also being offered in solar thermal systems, heat pump systems and biomass installation and maintenance. All those will enable engineers to offer those new technologies to off-grid domestic customers, tackle fuel poverty and bring local employment to remote and rural Dumfries and Galloway.

There has been significant support through the energy skills partnership. In her closing remarks, will the cabinet secretary tell members how much that excellent initiative is spread out across Scotland and is being developed and what plans there are to support it in the future?

I turn to the urban context. Yesterday, I was at the launch of the Edinburgh Community Solar Co-operative share offer. In a recent speech on Scotland’s agriculture, I asked the Scottish Government about its commitment to developing co-operative models. They are relevant to the energy sector and across the sectors.

The community solar project is a really exciting adventure in co-operative working. In partnership with the City of Edinburgh Council—which is, incidentally, a co-operative council—and with strong community involvement, the co-operative has secured space and planning permission on 25 municipal roofs just in time before the ill-fated and badly thought out Tory axing of the UK-wide feed-in tariff scheme arrangements for solar energy. That co-operative will bring local jobs and, equally important, a vision, and it is a fine model for other local authorities and communities.

The connection with Gylemuir primary school is also significant. There is a school project that is linked with the co-op launch in which pupils have made models of their renewables inventions: a solar-powered bike and a pair of solar-powered trainers—I could well do with them—to make people go faster, to be used with caution in combination with a solar-powered mowing machine. There are many budding inventors, designers and manufacturers—both girls and



boys—there and across Scotland at the primary school level.

I turn to support for women, which Jackie Baillie particularly emphasised in her motion and her speech. It is important that we have high-skilled jobs in the renewables sector and other sectors of the labour market that women can be trained for and can go into. The developing renewables sector is a significant opportunity to stabilise the gender imbalance. Without the barrier of entrenched inequality in a long-standing industry, women are making a valuable contribution to ensuring that our emerging renewables industry is globally competitive.

I was pleased to see that the Scottish Government committed to ensuring that policy delivery is adapted to helping women to reach their full potential in those roles. Continued research and monitoring are essential and key to fair funding and skills development opportunities for women, particularly women in rural areas who are starting their own businesses or community energy projects.

Another difficult transition that the Scottish Government must continue to consider and act on with great care is that of looked-after teens and young people who are leaving care. As we all know, the Children and Young People (Scotland) Act 2014 entitles young people to support up to the age of 26 in some circumstances. That was a considerable step towards providing the stability that is so valuable in moving towards an independent life.

As we all know but must keep on remembering, care leavers face on entering the labour market a number of irrefutably linked barriers that must be tackled. Poorer attainment and higher exclusion rates in school, homelessness and mental health problems are all more prevalent among those who are leaving or are in care. Those barriers, along with the stigma of care, which can very much affect self-esteem, mean that young people need flexible and holistic support in sustaining training and stable employment.

Without a continuum of support, looked-after young people are additionally at risk of sinking into a cycle of offending. Sadly, the figures for 2009, which are the latest that I could find, show that 50 per cent of prisoners in Scotland identified as having been in care at some point in their life. Securing employment that is considerate of a person's individual circumstances can be a stabilising and motivating force. Support is needed to maintain that. We as corporate parents owe it to those who are disadvantaged from the start to address those issues.

As the Scottish Government consults on a devolved work programme, I urge the cabinet

secretary to consider tailoring an approach for vulnerable young people. Currently, 68 per cent of all young people return to Jobcentre Plus after two years on the work programme. I thank Barnardo's for its valuable briefing and I hope that the Scottish Government will take it into account and bear in mind the comments from Labour members about supporting individual needs at a local level, which Iain Gray stressed.

Finally, in relation to Jackie Baillie's argument about in-work poverty, the national performance framework must be used to judge what the economic recovery really means for working people. The Scottish Government continues to fail to build the economy for the many and to tackle inequality for the people of Scotland. We need clear action by the Scottish Government now.

16:25

**Gil Paterson (Clydebank and Milngavie) (SNP):** I thank the Labour Party for bringing this debate to the chamber today.

Scotland, like the rest of the UK, felt the effects of the recession, and this is a welcome opportunity to discuss the progress of Scotland and its Government in improving employment. As it stands, Scotland has the highest employment rate—at 74 per cent—of the four nations of the United Kingdom. The Labour motion states that the rate is “0.9% below pre-recession levels”. However, every nation felt the effects of the recession, and Scotland's employment rate being 0.5 per cent higher than the UK average and 2.8 per cent higher than the rate for Labour-run Wales shows that we are making good progress.

One group feeling the effects of the improvement is our young people, because the youth employment rate of 61 per cent is the highest since 2005 and a staggering 7.2 per cent higher than the UK average. Equally, the number of NEET 16 to 19-year-olds in 2014 was 21,000, which was down 8,000 over the year and the lowest NEET figures since comparable records began in 2004.

Paying the living wage is the core commitment of the Scottish business pledge, which is a partnership between the Government and business to promote the shared ambitions of fairness, equality and sustainable economic growth. Signing the pledge is far beyond the signing of a piece of paper with empty promises, as with the better together vow. Businesses that sign the pledge demonstrate their commitment to the values of the pledge and to deliver through actions and future plans, such as not employing people on exploitative zero-hours contracts but paying the living wage. Businesses must meet two other pledge elements: investing in youth and

making progress on diversity and gender balance. They must also show a longer-term commitment to meet a further five elements of the pledge.

Over 100 Scottish businesses have signed the pledge, but the commitment in signing up to the living wage does not end with the private sector. Since 2011, the Scottish Government has required bodies subject to its pay policy to pay at least the living wage. That is just part of the Scottish Government's commitment to promote the living wage and, equally, to commit to having 500 Scots-based living wage accredited employers by 2016. Further, the Scottish Government has worked with the Poverty Alliance and the Living Wage Foundation to explore models to boost public and third sector uptake of living wage accreditation.

As it stands, there are 300 accredited living wage employers in Scotland, which represents 18 per cent or so of the 1,700 such employers across the UK and is well above Scotland's population share. Of course, the Scottish Government itself became a living wage employer on 3 June 2015—we should certainly be proud of that record.

The Labour Party must believe that rabbits come out of hats, because it also believes that the Scottish Government is invincible, beyond scrutiny and above the law. The Labour motion

“welcomes progress in promoting the living wage in the private sector, but believes that the full weight of the Scottish Government should be behind this effort”,

which, from the evidence that I have stated, the Scottish Government certainly is. However, Labour also says that it wants effort made through procurement. I am sorry to tell Labour that the Scottish Parliament and the Scottish Government are not invincible and they cannot do whatever they wish. Like the rest of the UK, we are subject to EU law, and the current law means that it is not possible for the Scottish Government to require contractors to pay the living wage.

I must be feeling a bit unwell this afternoon, because I welcome another statement that Labour makes in its motion:

“the foundation of Scotland's economic strategy must be a successful education policy”.

I certainly agree with that, and the Scottish Government understands it. That is why it is committing £1.5 million per year to the read, write, count campaign, which encourages parents and families to help children in primaries 1 to 3 to improve their literacy and numeracy skills, and investing £100 million in the attainment Scotland fund over four years. I am pleased to say that, of that, £1 million in the first year, rising to £1.3 million in the second year, is going to schools in West Dunbartonshire, which includes Clydebank in my constituency.

The fact that the Scottish attainment challenge is targeting primary schools in Scotland's most disadvantaged communities demonstrates the Scottish Government's clear commitment to reducing inequality in our communities and the important role that it sees for education in improving our economy.

Colleagues who spoke before me outlined many other positive statistics and wide-ranging programmes and measures that have been put in place to create and secure jobs. I commend the Scottish Government for its efforts and its commitment to improving Scotland's educational attainment, employment and the overall economy. I commend the cabinet secretary's amendment to the Parliament.

**The Deputy Presiding Officer:** We now turn to the closing speeches.

16:32

**Mary Scanlon (Highlands and Islands) (Con):**

I, too, thank the Labour Party for using its debating time to discuss employment. I put on the record the excellent reception that Iain Gray hosted last night for Colleges Scotland. There was barely room to move, but it was wonderful to go round and see the excellent work that the colleges are doing—and particularly West Highland College, whose graduation ceremony I attended last week. It is based in Fort William and has 10 outreach centres from Portree to Ullapool. It is a tremendously successful college and, to be honest, the Conservatives, Labour and the SNP can all take credit for its success. Let us not battle among ourselves; we have all played a part in the success of West Highland College.

With some predictable notable exceptions, the debate has been positive and constructive. In particular, Lewis Macdonald and Mark McDonald made good points about the oil industry. More needs to be done on that, and we need to think about the future of that important industry.

We can agree with Labour when it states that

“the Scottish Government must ensure that the benefits of economic growth improve the lives of working people”

and that the nationalist Government

“must be more ambitious to improve employment and economic performance”.

To be honest, the statistical difference across the UK is not huge, so I will not look at that too much. The main point is that there is positive economic growth thanks to the UK Government, which has taken tough decisions to get our economy back on track. With a GDP growth rate more than 1 percentage point above the European average and unemployment at 5.5 per cent, which is half the European average, we compare very

favourably with all the major trading nations in the EU. The OECD has predicted that we will be the fastest growing economy this year, and the public sector borrowing requirement, which was more than 10 per cent of GDP, is now half of that.

That has been done not just through efficiency savings and reform but by tackling fraud, error and uncollected debt. We should all welcome that, although there is more to do. In 2010, the structural deficit was £150 billion and it is down to almost half that this year. To reduce debt repayments, we need to tackle the structural deficit so that more money can be spent on public services—we can all agree on that—rather than on servicing the interest on our growing debt.

The Labour motion also mentions the work programme. The Scotland Bill's devolution of the work programme will give Parliament the flexibility to change and adapt the framework of support for the long-term unemployed. What matters is not necessarily devolving the work programme further to local authorities but local authorities and the Scottish Government working together with bodies such as Skills Development Scotland to promote work at all levels of government as well as harnessing local skills and knowledge. I listened to Roseanna Cunningham and thought that she made a good point on that. I hope that the Government continues to pursue the inclusive approach with all stakeholders in rolling out the work programme. That was very positive.

The main issue with the work programme is that it continues to succeed and provide up to two years of support for those people who are hard to reach. I particularly relate to those who have mental ill health. It should not just be a case of, "You've got a job; that's us finished." People need to be supported for up to two years when they are in the job and it is important that that support continues.

On promoting the living wage, this morning I was pleased to hear that Costa and Morrisons, which has 90,000 employees, announced their commitment to paying staff above the living wage. That is good for business and everyone else, as Christina McKelvie said.

Labour is also right to say that the foundation of Scotland's economic strategy must be education. It must also be a skills policy with workforce planning to ensure that opportunities in schools fit with places at colleges, universities and apprenticeships, and that they, in turn, fit with the jobs market. With underemployment about 1 per cent higher in Scotland, more needs to be done to fit skills and qualifications to the jobs market.

Annabelle Ewing intervened on Willie Rennie with figures from 2007. The figure of a loss of almost 150,000 part-time college places is from an

Audit Scotland report and covers the time between 2008-09 and 2013-14. The report is checked off by the Government; it can be factually corrected by the Government if necessary. There is no argument that there are 150,000 fewer part-time places and that there has been a cut of 74,000, or 41 per cent, in the number of over-25s at college.

A successful education policy should not just address inequality among students; it should also address inequality among lecturers. The SNP promised that there would be national pay bargaining for further education college lecturers following the merger process. It would be unacceptable for a teacher to be paid up to £5,000 less in salary for working in the Highlands and Islands, but that is what happens in colleges in the University of the Highlands and Islands network that deliver further and higher education. The SNP made that promise and it has a £40 million price tag. It has had plenty of time to fulfil that promise, but it appears that very little is happening. If the UHI further education colleges want to continue to attract the best students and staff, surely it is reasonable for us to request that they are valued and remunerated for the wonderful, innovative work that they do. We would not think that it was acceptable for a doctor, nurse or teacher in Shetland, Orkney or the Western Isles to be paid £5,000 less than they would be in Edinburgh, and it should be the same for lecturers.

I am getting that look from the Presiding Officer so I will finish there.

16:39

**The Minister for Youth and Women's Employment (Annabelle Ewing):** In the debate, we have heard a range of views on a number of issues, many of which go beyond the scope of the fair work, skills and training portfolio, so forgive me if I do not pick up on all those points. However, I am sure that if members wish to pursue those points, they will take them up with the relevant cabinet secretaries and ministers.

I think that it would be useful to put some emphasis on the context to the challenges that we face. Of course there are challenges but, as has been said during the debate, we can set those against a backdrop of strong economic performance in Scotland. The latest state of the economy report from the Scottish Government's chief economist highlights that the Scottish economy has now experienced 11 consecutive quarters of growth—its longest period of uninterrupted economic growth since 2001.

That demonstrates the underlying resilience of the Scottish economy as set against the continued difficult external and domestic challenges that we have seen during that period. As I stated in an

intervention earlier, our employment rate is above that of the UK, while youth unemployment is at its lowest level since May to July 2008. Our performance also ranks favourably in a European context, and we have the second highest female employment rate and the third highest youth employment rate in the European Union.

Therefore, although I very much welcome the opportunity to discuss the key issue of employment and to highlight the challenges that we continue to face, it would be instructive to place the discussion in the context of the improving picture for Scotland's economy.

I listened carefully to Jackie Baillie's speech. The Deputy First Minister, in response to a similar speech by Jackie Baillie in the debate on Scotland's economic strategy on 8 September, made the point that it was not until about six minutes or so into the speech—I am sure that Jackie Baillie will remember this—that we got to a positive outlook. I am not entirely sure that we reached that moment of positivity in the 14 minutes of her speech today.

Ms Baillie wanted to look back to the 1945 Labour manifesto—

**Jackie Baillie:** Will the minister take an intervention?

**Annabelle Ewing:** I will just finish my point. I wonder why Ms Baillie did not want to look at the most recent Labour manifesto, from the May 2015 Westminster elections, in which we saw a commitment to Trident renewal and to adhering to the Tory austerity plans.

**Jackie Baillie:** This debate is about employment. I ask the minister to take a little bit of time later on to look at the *Official Report* of this debate, because she will then see that, from my very first sentence, I set out Labour's values and vision. It was about a positive agenda for employment, which was something that I had hoped we could work on together, although clearly I have been disappointed in that regard.

**Annabelle Ewing:** Of course, on the issue of Trident renewal, if we were not going to waste £100 billion on weapons of mass destruction, we would have more money to spend on the important issue of workers' rights and pay levels.

Picking up on some of the issues that various members have raised, I note that Murdo Fraser let the cat out of the bag when he said that he could agree with much of Jackie Baillie's speech. That statement speaks volumes for the political climate we operate in in Scotland. [*Interruption.*]

**The Deputy Presiding Officer:** Order, please.

**Annabelle Ewing:** Gordon MacDonald gave a detailed overview of the range of actions being

taken by the Scottish Government to promote economic performance and, at the same time, to tackle inequality. Christina McKelvie focused on the importance of the living wage and the work that she is doing locally to promote its take-up. She also mentioned the illogicalities that inevitably arise from what she termed the pick'n'mix devolution approach thus far to the devolution of employment law powers to this Parliament.

Willie Rennie and Mary Scanlon spoke about the importance of colleges, and quite rightly so. We heard again the misuse of statistics, whereby the number of courses is looked at, not the head count. Even more important, figures were mentioned that do not reflect what I hope we are all trying to do, which is to ensure that college courses lead to jobs of progression. Surely that should be the priority for all of us, rather than short courses—of, for example, five hours—that do not lead to a job for a young person or to any kind of progression.

**Mary Scanlon:** Will the minister give way?

**Annabelle Ewing:** I am afraid that I have to make a bit of progress.

Stuart McMillan spoke passionately about the Ferguson Marine yard in Port Glasgow and the very positive outlook that that yard and its workforce now have, as well as the commitment on the part of the yard employers to pay not just the living wage but well above it. I agree with Stuart McMillan that that success story in Port Glasgow is likely to have a significant economic impact on inequality in Inverclyde.

Siobhan McMahon spoke about the importance of employment support services, in particular for people with a disability. I would say to her that that is precisely why we are seeking to involve as many people as possible in the consultation on the devolution of employment support services. It is important to say to Lewis Macdonald and Iain Gray—albeit that I recognise that Iain Gray's tone was softer—that we should not seek to pre-empt the outcome of that consultation. We are here to listen to the views of all the people who have sought to make their voices heard. I urge all members to make a submission if they feel strongly about the issue.

Joan McAlpine made a cogent case for the devolution of full employment powers to the Parliament. Mark McDonald spoke about the importance of the care sector in the north-east and the importance of promoting the strong opportunities that exist within it. John Mason and Gil Paterson spoke about the importance of the living wage to lifting people out of poverty.

Claudia Beamish made comments on the work programme. I urge her to set out her proposals in

the submission that she might wish to make to the consultation.

**Mary Scanlon:** Will the minister give way now?

**Annabelle Ewing:** I really wish to make some progress.

It is clear that in-work poverty is unacceptable. Work should be a route out of poverty and should not leave people trapped in cycles of deprivation and unable to make ends meet. We must recognise that the proposed Tory welfare cuts will simply exacerbate an already difficult situation. Therefore, it is a great pity that the Labour Party in the House of Commons sat on its hands at the second reading of the Tory Welfare Reform and Work Bill in July. What an abdication of responsibility to the most vulnerable members of our society that was.

A number of important points have been made in the debate. As ever, we will go away and consider the debate closely.

Scotland's economy is growing. We are leading the way with our fair work agenda and taking businesses with us in that. We recognise the importance of ensuring opportunities for all young people and of closing the attainment gap. However, without the devolution of full employment powers, we will not be able to do all that we wish to do on the matter. Therefore, I urge all members to support the full devolution of those powers to the Parliament, as does, for example, the STUC.

16:47

**Alex Rowley (Cowdenbeath) (Lab):** We brought the debate to the chamber because we believe that we must be ambitious and support all Scots to succeed, reach their full potential and live a life free from poverty. To achieve that aspiration, we must ensure that everyone in Scotland who can work has the opportunity of a secure job with decent pay and decent terms and conditions and we must make full employment Scotland's number 1 priority.

Throughout my political life, jobs have been a key issue. As a trade unionist, the leader of Fife Council and, now, the MSP for Cowdenbeath, when I have talked to people, I have found that their biggest concern is the lack, loss and undervaluing of jobs and the shortage of good-quality jobs.

Creating skilled and secure jobs for all and tackling unemployment and underemployment are the most pressing challenges that face Scotland. I want everyone to have the chance of a life in work, not a life on benefits. Jobs, not social security benefits, will increase living standards. What

matters most to people is the dignity of having a good, secure job in which they can take pride.

The combined impact of globalisation and technological change has destroyed many traditional jobs so quickly that it has transformed the occupational structure of our country. Manufacturing, mining and heavy industry once made up 40 per cent of Scotland's economy; today, they represent only 8 per cent of our workforce and the figure is still falling. The traditional manual industries have declined and, although the number of service jobs has risen, the rewards of lower pay, less security and, often, zero-hours contracts are not acceptable in a modern economy.

The SNP Government's record on tackling unemployment, low wages and work insecurity has not been good enough. That is why we will not agree to the SNP amendment. It takes a rose-tinted view that ignores the reality of unemployment, massive skills gaps, workforce shortages and skilled workforce shortages, and it ignores the Government's failure to tackle the deep-rooted social deprivation and exclusion that exist in communities up and down Scotland.

Last year, 170,000 people were unemployed in Scotland—that was an increase of almost 40,000 since 2008—and the unemployment rate accounted for 6.2 per cent of the working-age population. To put that in context, there are more unemployed people in Scotland than there are people living in Dundee. A population the size of that of the fourth-biggest city in Scotland is being denied the opportunity of work and the associated income.

The unemployment situation in Scotland is not improving fast enough. Statistics for the beginning of this year show the Scottish unemployment rate at 5.9 per cent, which is higher than the UK rate of 5.5 per cent, with 163,000 people in Scotland unemployed. Of those people, 59,000 were aged between 16 and 24, which is nearly 15 per cent of that age group. The number of 16 to 19-year-olds who are not in education, employment or training stood at 21,000 in 2014. Those 21,000 lost and forgotten young adults represent a population that is comparable to that of a town the size of Bathgate. Research has shown that young people are hit particularly hard by the economic and emotional effects of unemployment, so tackling youth unemployment must be a priority for the Government and Parliament.

However, for many people, even being in work is not a safeguard against poverty. A recent report from the Joseph Rowntree Foundation showed that, in the three years up to 2012-13, on average 41 per cent of the 920,000 people who were living in poverty in Scotland were working-age adults or children from working families. The report

highlighted the scale of low pay in Scotland and said that 600,000 people were paid below the living wage in 2013-14—250,000 men and 350,000 women. Those numbers represent 23 per cent of male employees and 31 per cent of female employees.

I therefore say to the Government that we should sit down together and examine how to use the procurement processes in the public sector to give hundreds of thousands more Scots a living wage. Mary Scanlon named supermarkets that announced this morning that they are introducing the living wage. I suggest that the care sector in Scotland is in danger of not being able to recruit enough workers because the pay is so low. In the majority of cases, it is the minimum wage. That is no longer acceptable. I appeal to the Government to get its act together and start to do something about that.

Willie Rennie made a point about how we can use the procurement system to support small and medium-sized enterprises and create more jobs.

**Annabelle Ewing:** Does the member agree that it would make much more sense for this Parliament to have full powers over employment, wage levels, health and safety and trade union laws? Would he support that?

**Alex Rowley:** I certainly will come to that point.

In Scotland today, underemployment is an issue. Substantial numbers of Scots are in work but would prefer to work more hours than they do. More than 215,000 people in Scotland in 2014 were deemed to be underemployed. Although the rate had decreased slightly from the previous year, 8.6 per cent of the workforce were still affected.

Although the Scottish Government holds no official records on the numbers of people who are employed on zero-hours contracts, it is estimated that 80,000 workers in Scotland suffer under those contracts.

**Neil Findlay (Lothian) (Lab):** Will the member take an intervention?

**Alex Rowley:** No, I have to—

**Neil Findlay** rose—

**Alex Rowley:** Well, on you go. [*Laughter.*]

**Neil Findlay:** Zero-hours contracts are a huge problem in Scotland, and they are used a great deal in the cultural sector. Is the member aware that many of the workers at T in the Park are on zero-hours contracts? Does he think that we should be funding a festival that does that to its workers?

**Alex Rowley:** One of the main reasons why we will not support the Government's amendment is that it does not recognise that such issues and

problems exist in Scotland. If we are to tackle those problems, we must start by acknowledging that they exist and taking off the rose-tinted glasses. It is vital that we continue to focus on in-work poverty alongside tackling unemployment and associated poverty.

I turn to the rest of the SNP's amendment. On Saturday I campaigned against the Trade Union Bill in the town of Galashiels, where I spoke to many people from all over the Scottish Borders and from Berwick and Carlisle. People were queueing up to sign the petition. The SNP amendment calls for

"full and swift devolution of powers over employment law".

Along with trade union colleagues in Scotland, I am keen to explore that further. We are clear that devolution is a journey and that, when there is a case for further powers to be devolved in areas such as employment law, we will work with trade unions and others to achieve that. We continue to examine such matters.

I suggest to the minister that she should take a lead. There is a consensus in the Parliament—excepting one party—in opposition to the Trade Union Bill. She should take the lead, pull together the parties in the Parliament and join the trade unions across Scotland to build an all-Scotland campaign that rejects the bill absolutely. I lay down to her a challenge to get involved.

We must talk about the powers that we have in Scotland. Will the Government commit to using the powers of the legislative consent process to block the key points of the Tories' Trade Union Bill and prevent it from affecting Scottish public services and employees? We must sit down and work together to look at how we can do that. I ask the minister whether she will line up with Labour and local authorities across Scotland by making it clear that, if the bill is passed into law at Westminster, the Scottish Government will not—I repeat, will not—enact any changes that would be detrimental to industrial relations with Scottish Government staff. Those steps are the best way for us in this Parliament and in Scotland to proceed in response to the bill, which is an attack on workers, public services and democracy.

I draw attention to the Barnardo's briefing that was sent to members earlier today. If we are serious about tackling inequality and poverty, we must recognise the many people who are furthest from the labour market. Part of the briefing focuses on young people and the future of employability support, and it emphasises that the work programme cannot focus, as it currently does, simply on helping those who are closest to the labour market.

We must be able to move beyond ticking boxes. We need a policy in place that recognises that

there are throughout Scotland thousands upon thousands of people who are not at the point of being able to qualify and get a job. There are hundreds of thousands of people in Scotland who do not have the qualifications or the skills for life. We need a focused programme that involves working with local authorities to give those people the best opportunities in life. I believe that full employment gives everybody the best chance in life, and we need to ensure that people have the skills and the opportunities to be able to participate.

## Business Motions

16:59

**The Presiding Officer (Tricia Marwick):** The next item of business is consideration of business motion S4M-14420, in the name of Joe FitzPatrick, on behalf of the Parliamentary Bureau, setting out a revision to the business programme for Thursday 1 October.

*Motion moved,*

That the Parliament agrees to the following revision to the programme of business for Thursday 1 October 2015—

delete

2.30 pm Parliamentary Bureau Motions

2.30 pm Stage 3 Proceedings: Human Trafficking and Exploitation (Scotland) Bill

and insert

2.15 pm Parliamentary Bureau Motions

2.15 pm Stage 3 Proceedings: Human Trafficking and Exploitation (Scotland) Bill—[Joe FitzPatrick.]

*Motion agreed to.*

**The Presiding Officer:** The next item of business is consideration of business motion S4M-14411, in the name of Joe FitzPatrick, on behalf of the Parliamentary Bureau, setting out a business programme.

*Motion moved,*

That the Parliament agrees the following programme of business—

Tuesday 6 October 2015

2.00 pm Time for Reflection

*followed by* Parliamentary Bureau Motions

*followed by* Topical Questions (if selected)

*followed by* Scottish Government Debate: Empowering Scotland's Island Communities

*followed by* Business Motions

*followed by* Parliamentary Bureau Motions

5.00 pm Decision Time

*followed by* Members' Business

Wednesday 7 October 2015

2.00 pm Parliamentary Bureau Motions

2.00 pm Portfolio Questions  
Education and Lifelong Learning

*followed by* Finance Committee Debate: Inquiry into Scotland's Fiscal Framework

*followed by* Financial Resolution: Inquiries into Fatal Accidents and Sudden Deaths etc. (Scotland) Bill

*followed by* Business Motions

*followed by* Parliamentary Bureau Motions 5.00 pm Decision Time—[Joe FitzPatrick.]

5.00 pm Decision Time *Motion agreed to.*

*followed by* Members' Business

Thursday 8 October 2015

11.40 am Parliamentary Bureau Motions

11.40 am General Questions

12.00 pm First Minister's Questions

12.30 pm Members' Business

2.30 pm Parliamentary Bureau Motions

2.30 pm Stage 1 Debate: Smoking Prohibition  
(Children in Motor Vehicles) (Scotland)  
Bill

*followed by* Financial Resolution: Smoking  
Prohibition (Children in Motor Vehicles)  
(Scotland) Bill

*followed by* Business Motions

*followed by* Parliamentary Bureau Motions

5.00 pm Decision Time

Tuesday 27 October 2015

2.00 pm Time for Reflection

*followed by* Parliamentary Bureau Motions

*followed by* Topical Questions (if selected)

*followed by* Stage 3 Proceedings: Harbours  
(Scotland) Bill

*followed by* Business Motions

*followed by* Parliamentary Bureau Motions

5.00 pm Decision Time

*followed by* Members' Business

Wednesday 28 October 2015

2.00 pm Parliamentary Bureau Motions

2.00 pm Portfolio Questions  
Social Justice, Communities and  
Pensioners' Rights;  
Fair Work, Skills and Training

*followed by* Scottish Government Business

*followed by* Business Motions

*followed by* Parliamentary Bureau Motions

5.00 pm Decision Time

*followed by* Members' Business

Thursday 29 October 2015

11.40 am Parliamentary Bureau Motions

11.40 am General Questions

12.00 pm First Minister's Questions

12.30 pm Members' Business

2.30 pm Parliamentary Bureau Motions

2.30 pm Scottish Government Business

*followed by* Business Motions

*followed by* Parliamentary Bureau Motions



## Parliamentary Bureau Motions

17:00

**The Presiding Officer (Tricia Marwick):** The next item of business is consideration of two Parliamentary Bureau motions. I ask Joe FitzPatrick to move motions S4M-14412 and S4M-14413, on approval of Scottish statutory instruments.

*Motions moved,*

That the Parliament agrees that the Qualifying Civil Partnership Modification (Scotland) Order 2015 [draft] be approved.

That the Parliament agrees that the Scotland Act 1998 (Modification of Schedules 4 and 5) Order 2015 [draft] be approved.—[*Joe FitzPatrick.*]

**The Presiding Officer:** The questions on the motions will be put at decision time.

## Decision Time

17:01

**The Presiding Officer (Tricia Marwick):** There are five questions to be put as a result of today's business.

The first question is, that amendment S4M-14405.2, in the name of Roseanna Cunningham, which seeks to amend motion S4M-14405, in the name of Jackie Baillie, on employment, be agreed to. Are we agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

**For**

Adam, George (Paisley) (SNP)  
 Adamson, Clare (Central Scotland) (SNP)  
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)  
 Allard, Christian (North East Scotland) (SNP)  
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)  
 Biagi, Marco (Edinburgh Central) (SNP)  
 Brodie, Chic (South Scotland) (SNP)  
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)  
 Burgess, Margaret (Cunninghame South) (SNP)  
 Campbell, Aileen (Clydesdale) (SNP)  
 Campbell, Roderick (North East Fife) (SNP)  
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)  
 Constance, Angela (Almond Valley) (SNP)  
 Crawford, Bruce (Stirling) (SNP)  
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)  
 Dey, Graeme (Angus South) (SNP)  
 Don, Nigel (Angus North and Mearns) (SNP)  
 Doris, Bob (Glasgow) (SNP)  
 Dornan, James (Glasgow Cathcart) (SNP)  
 Eadie, Jim (Edinburgh Southern) (SNP)  
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)  
 Ewing, Fergus (Inverness and Nairn) (SNP)  
 Fabiani, Linda (East Kilbride) (SNP)  
 FitzPatrick, Joe (Dundee City West) (SNP)  
 Gibson, Kenneth (Cunninghame North) (SNP)  
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)  
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)  
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)  
 Hyslop, Fiona (Linlithgow) (SNP)  
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)  
 Keir, Colin (Edinburgh Western) (SNP)  
 Kidd, Bill (Glasgow Anniesland) (SNP)  
 Lochhead, Richard (Moray) (SNP)  
 Lyle, Richard (Central Scotland) (SNP)  
 MacAskill, Kenny (Edinburgh Eastern) (SNP)  
 MacDonald, Angus (Falkirk East) (SNP)  
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)  
 MacKenzie, Mike (Highlands and Islands) (SNP)  
 Mason, John (Glasgow Shettleston) (SNP)  
 Matheson, Michael (Falkirk West) (SNP)  
 Maxwell, Stewart (West Scotland) (SNP)  
 McAlpine, Joan (South Scotland) (SNP)  
 McDonald, Mark (Aberdeen Donside) (SNP)  
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)  
 McLeod, Aileen (South Scotland) (SNP)  
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)  
 McMillan, Stuart (West Scotland) (SNP)  
 Neil, Alex (Airdrie and Shotts) (SNP)

Paterson, Gil (Clydebank and Milngavie) (SNP)  
 Robertson, Dennis (Aberdeenshire West) (SNP)  
 Robison, Shona (Dundee City East) (SNP)  
 Russell, Michael (Argyll and Bute) (SNP)  
 Salmond, Alex (Aberdeenshire East) (SNP)  
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)  
 Stewart, Kevin (Aberdeen Central) (SNP)  
 Sturgeon, Nicola (Glasgow Southside) (SNP)  
 Swinney, John (Perthshire North) (SNP)  
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)  
 Torrance, David (Kirkcaldy) (SNP)  
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)  
 Wheelhouse, Paul (South Scotland) (SNP)  
 White, Sandra (Glasgow Kelvin) (SNP)  
 Yousaf, Humza (Glasgow) (SNP)

### Against

Brown, Gavin (Lothian) (Con)  
 Carlaw, Jackson (West Scotland) (Con)  
 Davidson, Ruth (Glasgow) (Con)  
 Fergusson, Alex (Galloway and West Dumfries) (Con)  
 Finnie, John (Highlands and Islands) (Ind)  
 Fraser, Murdo (Mid Scotland and Fife) (Con)  
 Goldie, Annabel (West Scotland) (Con)  
 Harvie, Patrick (Glasgow) (Green)  
 Hume, Jim (South Scotland) (LD)  
 Johnstone, Alex (North East Scotland) (Con)  
 Johnstone, Alison (Lothian) (Green)  
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)  
 McArthur, Liam (Orkney Islands) (LD)  
 McGrigor, Jamie (Highlands and Islands) (Con)  
 McInnes, Alison (North East Scotland) (LD)  
 Milne, Nanette (North East Scotland) (Con)  
 Mitchell, Margaret (Central Scotland) (Con)  
 Rennie, Willie (Mid Scotland and Fife) (LD)  
 Scanlon, Mary (Highlands and Islands) (Con)  
 Scott, John (Ayr) (Con)  
 Smith, Liz (Mid Scotland and Fife) (Con)  
 Urquhart, Jean (Highlands and Islands) (Ind)

### Abstentions

Baillie, Jackie (Dumbarton) (Lab)  
 Baker, Claire (Mid Scotland and Fife) (Lab)  
 Baker, Richard (North East Scotland) (Lab)  
 Baxter, Jayne (Mid Scotland and Fife) (Lab)  
 Beamish, Claudia (South Scotland) (Lab)  
 Bibby, Neil (West Scotland) (Lab)  
 Boyack, Sarah (Lothian) (Lab)  
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)  
 Dugdale, Kezia (Lothian) (Lab)  
 Fee, Mary (West Scotland) (Lab)  
 Findlay, Neil (Lothian) (Lab)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 Gray, Iain (East Lothian) (Lab)  
 Griffin, Mark (Central Scotland) (Lab)  
 Henry, Hugh (Renfrewshire South) (Lab)  
 Hilton, Cara (Dunfermline) (Lab)  
 Kelly, James (Rutherglen) (Lab)  
 Lamont, Johann (Glasgow Pollok) (Lab)  
 Macdonald, Lewis (North East Scotland) (Lab)  
 Macintosh, Ken (Eastwood) (Lab)  
 Marra, Jenny (North East Scotland) (Lab)  
 Martin, Paul (Glasgow Provan) (Lab)  
 McCulloch, Margaret (Central Scotland) (Lab)  
 McDougall, Margaret (West Scotland) (Lab)  
 McMahon, Michael (Uddingston and Bellshill) (Lab)  
 McMahon, Siobhan (Central Scotland) (Lab)  
 McNeil, Duncan (Greenock and Inverclyde) (Lab)  
 McTaggart, Anne (Glasgow) (Lab)  
 Murray, Elaine (Dumfriesshire) (Lab)  
 Pearson, Graeme (South Scotland) (Lab)

Pentland, John (Motherwell and Wishaw) (Lab)  
 Rowley, Alex (Cowdenbeath) (Lab)  
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)  
 Smith, Drew (Glasgow) (Lab)  
 Smith, Elaine (Coatbridge and Chryston) (Lab)

**The Presiding Officer:** The result of the division is: For 63, Against 22, Abstentions 35.

*Amendment agreed to.*

**The Presiding Officer:** The next question is, that amendment S4M-14405.1, in the name of Murdo Fraser, which seeks to amend motion S4M-14405, in the name of Jackie Baillie, on employment, be agreed to. Are we agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

### For

Brown, Gavin (Lothian) (Con)  
 Carlaw, Jackson (West Scotland) (Con)  
 Davidson, Ruth (Glasgow) (Con)  
 Fergusson, Alex (Galloway and West Dumfries) (Con)  
 Fraser, Murdo (Mid Scotland and Fife) (Con)  
 Goldie, Annabel (West Scotland) (Con)  
 Johnstone, Alex (North East Scotland) (Con)  
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)  
 McGrigor, Jamie (Highlands and Islands) (Con)  
 Milne, Nanette (North East Scotland) (Con)  
 Mitchell, Margaret (Central Scotland) (Con)  
 Scanlon, Mary (Highlands and Islands) (Con)  
 Scott, John (Ayr) (Con)  
 Smith, Liz (Mid Scotland and Fife) (Con)

### Against

Adam, George (Paisley) (SNP)  
 Adamson, Clare (Central Scotland) (SNP)  
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)  
 Allard, Christian (North East Scotland) (SNP)  
 Baillie, Jackie (Dumbarton) (Lab)  
 Baker, Claire (Mid Scotland and Fife) (Lab)  
 Baker, Richard (North East Scotland) (Lab)  
 Baxter, Jayne (Mid Scotland and Fife) (Lab)  
 Beamish, Claudia (South Scotland) (Lab)  
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)  
 Biagi, Marco (Edinburgh Central) (SNP)  
 Bibby, Neil (West Scotland) (Lab)  
 Boyack, Sarah (Lothian) (Lab)  
 Brodie, Chic (South Scotland) (SNP)  
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)  
 Burgess, Margaret (Cunninghame South) (SNP)  
 Campbell, Aileen (Clydesdale) (SNP)  
 Campbell, Roderick (North East Fife) (SNP)  
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)  
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)  
 Constance, Angela (Almond Valley) (SNP)  
 Crawford, Bruce (Stirling) (SNP)  
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)  
 Dey, Graeme (Angus South) (SNP)  
 Don, Nigel (Angus North and Mearns) (SNP)  
 Doris, Bob (Glasgow) (SNP)  
 Dornan, James (Glasgow Cathcart) (SNP)  
 Dugdale, Kezia (Lothian) (Lab)  
 Eadie, Jim (Edinburgh Southern) (SNP)  
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)  
 Ewing, Fergus (Inverness and Nairn) (SNP)  
 Fabiani, Linda (East Kilbride) (SNP)  
 Fee, Mary (West Scotland) (Lab)

Findlay, Neil (Lothian) (Lab)  
 Finnie, John (Highlands and Islands) (Ind)  
 FitzPatrick, Joe (Dundee City West) (SNP)  
 Gibson, Kenneth (Cunninghame North) (SNP)  
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)  
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 Gray, Iain (East Lothian) (Lab)  
 Griffin, Mark (Central Scotland) (Lab)  
 Harvie, Patrick (Glasgow) (Green)  
 Henry, Hugh (Renfrewshire South) (Lab)  
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)  
 Hilton, Cara (Dunfermline) (Lab)  
 Hume, Jim (South Scotland) (LD)  
 Hyslop, Fiona (Linlithgow) (SNP)  
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)  
 Johnstone, Alison (Lothian) (Green)  
 Keir, Colin (Edinburgh Western) (SNP)  
 Kelly, James (Rutherglen) (Lab)  
 Kidd, Bill (Glasgow Anniesland) (SNP)  
 Lamont, Johann (Glasgow Pollok) (Lab)  
 Lochhead, Richard (Moray) (SNP)  
 Lyle, Richard (Central Scotland) (SNP)  
 MacAskill, Kenny (Edinburgh Eastern) (SNP)  
 MacDonald, Angus (Falkirk East) (SNP)  
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)  
 Macdonald, Lewis (North East Scotland) (Lab)  
 Macintosh, Ken (Eastwood) (Lab)  
 MacKenzie, Mike (Highlands and Islands) (SNP)  
 Marra, Jenny (North East Scotland) (Lab)  
 Martin, Paul (Glasgow Provan) (Lab)  
 Mason, John (Glasgow Shettleston) (SNP)  
 Matheson, Michael (Falkirk West) (SNP)  
 Maxwell, Stewart (West Scotland) (SNP)  
 McAlpine, Joan (South Scotland) (SNP)  
 McArthur, Liam (Orkney Islands) (LD)  
 McCulloch, Margaret (Central Scotland) (Lab)  
 McDonald, Mark (Aberdeen Donside) (SNP)  
 McDougall, Margaret (West Scotland) (Lab)  
 McInnes, Alison (North East Scotland) (LD)  
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)  
 McLeod, Aileen (South Scotland) (SNP)  
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)  
 McMahon, Michael (Uddingston and Bellshill) (Lab)  
 McMahon, Siobhan (Central Scotland) (Lab)  
 McMillan, Stuart (West Scotland) (SNP)  
 McNeil, Duncan (Greenock and Inverclyde) (Lab)  
 McTaggart, Anne (Glasgow) (Lab)  
 Murray, Elaine (Dumfriesshire) (Lab)  
 Neil, Alex (Airdrie and Shotts) (SNP)  
 Paterson, Gil (Clydebank and Milngavie) (SNP)  
 Pearson, Graeme (South Scotland) (Lab)  
 Pentland, John (Motherwell and Wishaw) (Lab)  
 Rennie, Willie (Mid Scotland and Fife) (LD)  
 Robertson, Dennis (Aberdeenshire West) (SNP)  
 Robison, Shona (Dundee City East) (SNP)  
 Rowley, Alex (Cowdenbeath) (Lab)  
 Russell, Michael (Argyll and Bute) (SNP)  
 Salmond, Alex (Aberdeenshire East) (SNP)  
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)  
 Smith, Drew (Glasgow) (Lab)  
 Smith, Elaine (Coatbridge and Chryston) (Lab)  
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)  
 Stewart, Kevin (Aberdeen Central) (SNP)  
 Sturgeon, Nicola (Glasgow Southside) (SNP)  
 Swinney, John (Perthshire North) (SNP)  
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)  
 Torrance, David (Kirkcaldy) (SNP)  
 Urquhart, Jean (Highlands and Islands) (Ind)  
 Watt, Maureen (Aberdeen South and North Kincardine)

(SNP)  
 Wheelhouse, Paul (South Scotland) (SNP)  
 White, Sandra (Glasgow Kelvin) (SNP)  
 Yousaf, Humza (Glasgow) (SNP)

**The Presiding Officer:** The result of the division is: For 14, Against 106, Abstentions 0.

*Amendment disagreed to.*

**The Presiding Officer:** The next question is, that motion S4M-14405, in the name of Jackie Baillie, on employment, as amended, be agreed to. Are we agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

**For**

Adam, George (Paisley) (SNP)  
 Adamson, Clare (Central Scotland) (SNP)  
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)  
 Allard, Christian (North East Scotland) (SNP)  
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)  
 Biagi, Marco (Edinburgh Central) (SNP)  
 Brodie, Chic (South Scotland) (SNP)  
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)  
 Burgess, Margaret (Cunninghame South) (SNP)  
 Campbell, Aileen (Clydesdale) (SNP)  
 Campbell, Roderick (North East Fife) (SNP)  
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)  
 Constance, Angela (Almond Valley) (SNP)  
 Crawford, Bruce (Stirling) (SNP)  
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)  
 Dey, Graeme (Angus South) (SNP)  
 Don, Nigel (Angus North and Mearns) (SNP)  
 Doris, Bob (Glasgow) (SNP)  
 Dornan, James (Glasgow Cathcart) (SNP)  
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)  
 Ewing, Fergus (Inverness and Nairn) (SNP)  
 Fabiani, Linda (East Kilbride) (SNP)  
 FitzPatrick, Joe (Dundee City West) (SNP)  
 Gibson, Kenneth (Cunninghame North) (SNP)  
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)  
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)  
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)  
 Hyslop, Fiona (Linlithgow) (SNP)  
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)  
 Keir, Colin (Edinburgh Western) (SNP)  
 Kidd, Bill (Glasgow Anniesland) (SNP)  
 Lochhead, Richard (Moray) (SNP)  
 Lyle, Richard (Central Scotland) (SNP)  
 MacAskill, Kenny (Edinburgh Eastern) (SNP)  
 MacDonald, Angus (Falkirk East) (SNP)  
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)  
 MacKenzie, Mike (Highlands and Islands) (SNP)  
 Mason, John (Glasgow Shettleston) (SNP)  
 Matheson, Michael (Falkirk West) (SNP)  
 Maxwell, Stewart (West Scotland) (SNP)  
 McAlpine, Joan (South Scotland) (SNP)  
 McDonald, Mark (Aberdeen Donside) (SNP)  
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)  
 McLeod, Aileen (South Scotland) (SNP)  
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)  
 McMillan, Stuart (West Scotland) (SNP)  
 Neil, Alex (Airdrie and Shotts) (SNP)  
 Paterson, Gil (Clydebank and Milngavie) (SNP)  
 Robertson, Dennis (Aberdeenshire West) (SNP)  
 Robison, Shona (Dundee City East) (SNP)

Russell, Michael (Argyll and Bute) (SNP)  
 Salmond, Alex (Aberdeenshire East) (SNP)  
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)  
 Stewart, Kevin (Aberdeen Central) (SNP)  
 Sturgeon, Nicola (Glasgow Southside) (SNP)  
 Swinney, John (Perthshire North) (SNP)  
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)  
 Torrance, David (Kirkcaldy) (SNP)  
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)  
 Wheelhouse, Paul (South Scotland) (SNP)  
 White, Sandra (Glasgow Kelvin) (SNP)  
 Yousaf, Humza (Glasgow) (SNP)

### Against

Brown, Gavin (Lothian) (Con)  
 Carlaw, Jackson (West Scotland) (Con)  
 Davidson, Ruth (Glasgow) (Con)  
 Eadie, Jim (Edinburgh Southern) (SNP)  
 Fergusson, Alex (Galloway and West Dumfries) (Con)  
 Finnie, John (Highlands and Islands) (Ind)  
 Fraser, Murdo (Mid Scotland and Fife) (Con)  
 Goldie, Annabel (West Scotland) (Con)  
 Harvie, Patrick (Glasgow) (Green)  
 Hume, Jim (South Scotland) (LD)  
 Johnstone, Alex (North East Scotland) (Con)  
 Johnstone, Alison (Lothian) (Green)  
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)  
 McArthur, Liam (Orkney Islands) (LD)  
 McGrigor, Jamie (Highlands and Islands) (Con)  
 McInnes, Alison (North East Scotland) (LD)  
 Milne, Nanette (North East Scotland) (Con)  
 Mitchell, Margaret (Central Scotland) (Con)  
 Rennie, Willie (Mid Scotland and Fife) (LD)  
 Scanlon, Mary (Highlands and Islands) (Con)  
 Scott, John (Ayr) (Con)  
 Smith, Liz (Mid Scotland and Fife) (Con)  
 Urquhart, Jean (Highlands and Islands) (Ind)

### Abstentions

Baillie, Jackie (Dumbarton) (Lab)  
 Baker, Claire (Mid Scotland and Fife) (Lab)  
 Baker, Richard (North East Scotland) (Lab)  
 Baxter, Jayne (Mid Scotland and Fife) (Lab)  
 Beamish, Claudia (South Scotland) (Lab)  
 Bibby, Neil (West Scotland) (Lab)  
 Boyack, Sarah (Lothian) (Lab)  
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)  
 Dugdale, Kezia (Lothian) (Lab)  
 Fee, Mary (West Scotland) (Lab)  
 Findlay, Neil (Lothian) (Lab)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 Gray, Iain (East Lothian) (Lab)  
 Griffin, Mark (Central Scotland) (Lab)  
 Henry, Hugh (Renfrewshire South) (Lab)  
 Hilton, Cara (Dunfermline) (Lab)  
 Kelly, James (Rutherglen) (Lab)  
 Lamont, Johann (Glasgow Pollok) (Lab)  
 Macdonald, Lewis (North East Scotland) (Lab)  
 Macintosh, Ken (Eastwood) (Lab)  
 Marra, Jenny (North East Scotland) (Lab)  
 Martin, Paul (Glasgow Provan) (Lab)  
 McCulloch, Margaret (Central Scotland) (Lab)  
 McDougall, Margaret (West Scotland) (Lab)  
 McMahon, Michael (Uddingston and Bellshill) (Lab)  
 McMahon, Siobhan (Central Scotland) (Lab)  
 McNeil, Duncan (Greenock and Inverclyde) (Lab)  
 McTaggart, Anne (Glasgow) (Lab)  
 Murray, Elaine (Dumfriesshire) (Lab)  
 Pearson, Graeme (South Scotland) (Lab)  
 Pentland, John (Motherwell and Wishaw) (Lab)  
 Rowley, Alex (Cowdenbeath) (Lab)

Simpson, Dr Richard (Mid Scotland and Fife) (Lab)  
 Smith, Drew (Glasgow) (Lab)  
 Smith, Elaine (Coatbridge and Chryston) (Lab)

**The Presiding Officer:** The result of the division is: For 62, Against 23, Abstentions 35.

### *Motion, as amended, agreed to,*

That the Parliament believes that Scotland's Economic Strategy provides a clear framework for reducing inequalities and promoting sustained economic growth; celebrates the Scottish economy having experienced its longest period of uninterrupted economic growth since 2001; notes that, at 74%, Scotland has a higher employment rate than the UK as a whole and independent forecasters expect growth of around 2.4% in 2015; supports the work of the Fair Work Convention to produce a blueprint for fair work in Scotland that will help to deliver a better deal for workers, recognising that a positive relationship between employers and their employees must be at the heart of this; encourages employers to pay the living wage; calls for the full and swift devolution of powers over employment law to Scotland to ensure the protection and promotion of the rights and responsibilities of workers in Scotland; opposes UK Government plans to further restrict the right to strike, and agrees that this protection should be underpinned by powers to deliver better employment support services for the unemployed and fair access to employment tribunals.

**The Presiding Officer:** The next question is, that motion S4M-14412, in the name of Joe FitzPatrick, on approval of a Scottish statutory instrument, be agreed to.

### *Motion agreed to,*

That the Parliament agrees that the Qualifying Civil Partnership Modification (Scotland) Order 2015 [draft] be approved.

**The Presiding Officer:** The next question is, that motion S4M-14413, in the name of Joe FitzPatrick, on approval of an SSI, be agreed to.

### *Motion agreed to,*

That the Parliament agrees that the Scotland Act 1998 (Modification of Schedules 4 and 5) Order 2015 [draft] be approved.

## Nuisance Calls and Texts

### **The Deputy Presiding Officer (John Scott):**

The final item of business is a members' business debate on motion S4M-13714, in the name of James Kelly, on the Which? campaign calling time on nuisance calls and texts. The debate will be concluded without any question being put.

### *Motion debated,*

That the Parliament notes the aims of Consumer Association's campaign, Calling Time on Nuisance Calls and Texts; understands that a report published in *Which?* suggested that eight in 10 people find such calls and texts a disturbance to their daily lives; believes that they can be particularly distressing for older people, including those in Rutherglen, Cambuslang and Blantyre, and notes the campaign's aims, which include making senior executives more responsible for the actions of their companies, the introduction of mandatory caller identification to make it easier for consumers to report companies and the assessment of how data is collected, used and traded.

17:06

**James Kelly (Rutherglen) (Lab):** I start by thanking the members across all parties who signed the motion, thus allowing me to bring the issue of nuisance calls to debate in the Parliament chamber this evening. I also thank Which? for the work that it has done in support of the Consumer Association's campaign calling time on nuisance calls and texts.

In many ways, this is a timely debate, coming on the day that we see the company Home Energy and Lifestyle Management fined £200,000—a record fine by the Information Commissioner's Office—for its activity involving nuisance calls. I find it staggering that a company can embark on an activity that involves 6 million unsolicited calls. It is no wonder that there was a high level of complaints from members of the public.

It is quite clear that that kind of activity is completely unacceptable. A lot of it can end up focusing on people who are pensioners and those who are vulnerable. The job of the Parliament tonight is to unite in pledging that there will be an action plan to protect consumers, pensioners and vulnerable people and to send out the message to companies that embark on unscrupulous calling campaigns that their activity is not acceptable—it is not on and we will seek to root it out.

I mentioned pensioners. When I speak to people who have been the victim of such calls, it strikes me that for pensioners, many of whom live on their own, the telephone is a very important device. If they live alone, they do not have a lot of personal company, and they rely on the phone to get calls from friends and family. I know of cases where, because of nuisance calls, pensioners have become afraid to answer the phone and are

therefore caught in a situation where they might not answer the phone and so might not receive a call from a family member. At other times they answer the phone and on the other end is someone who is trying to take advantage of them and who is intimidatory in the calls that they make.

I have spoken to other members, and we all know that this is a big issue across Scotland's constituencies and regions. At the heart of the activities of those companies is that they are seeking to gain money from the people on the other end of the phone. Some of them do that through unscrupulous business activity and some are simply con merchants and scamsters. Someone phones up and says, for example, that they are from Windows technical team, your computer is broken and you need to give them your credit card details immediately in order to stop a virus moving through your computer. Someone else may phone and say that you are entitled to a free grant or a free payment, but it is all about trying to extract bank card information so that they can use it to take money unscrupulously. It is totally unacceptable.

There is no doubt that the scale of the problem is huge. A billion of these calls a year are made in the United Kingdom. Eight out of 10 people find such calls annoying and a third of recipients find them intimidating. The people on the other end of the phone can be aggressive and intimidating. That is also unacceptable.

Nuisance calls are a big issue in my constituency. There are a lot of pensioners in Rutherglen, Cambuslang and Blantyre, and many people have raised the issue with me as a matter of growing concern over recent years.

Some companies treat people and the process with absolute contempt. This week's *Sunday Post* revealed that, although fines of £1.4 million have been handed out for unacceptable activity, more than £1 million has not been paid. More must be done to ensure that companies realise that that is not on and that fines must be paid. One company that featured in the *Sunday Post* article, Cold Call Elimination, which had been fined £75,000, was phoning people and pretending to be from the Government or British Telecommunications. The contempt of such companies for people is totally unacceptable.

I would like the Government to publish an action plan to tackle nuisance calls, setting out that such calls and other unscrupulous activity are completely unacceptable. More can be done to ensure that companies take the issue more seriously, by requiring a director at board level to take responsibility for calls.

We need to focus on data and people's rights. Companies that make calls gather data from

emails and financial transactions; people need to be better advised of their rights in relation to the passing of data to other parties.

The Government could consider its procurement processes, so that if it farms out calling activity it ensures that it takes on only companies that act properly.

**The Minister for Community Safety and Legal Affairs (Paul Wheelhouse):** I want to highlight that, in relation to the example that the member gave, the Scottish Government was not responsible for the company's activities. However, I take on board the general point.

**James Kelly:** I accept that point from Mr Wheelhouse and I was careful not to make any link between the Scottish Government and the company that is in the news today. I am well aware that the Scottish Government does not use that company for the green deal.

More could be done to work with telephone providers to provide caller identification. The Telephone Preference Service could be made better use of, and a public information campaign could highlight the issues that I have talked about.

I think that there will be a lot of agreement among members, who are concerned about the activities of companies that make nuisance calls. We need to say loudly and clearly that such activity is unacceptable. We need to expose and root out the con merchants and the scamsters, to protect vulnerable people and pensioners in our communities and to ensure that they feel safe when they answer the phone in their own homes.

17:13

**Graeme Dey (Angus South) (SNP):** I congratulate James Kelly on securing the debate and commend his passion in articulating his concerns on the subject.

I signed the motion within seconds of finding it in my inbox. Its arrival could not have been better timed. I had just put the phone down on my 78-year-old mother. Mum had been telling me about an unsolicited call that she had fielded earlier that day. The call had come from a young man who was offering a bargain deal on a system that he claimed would ensure she never received cold calls again. She was told that she was getting a special offer because the area she lives in, just outside Aberdeen, had been targeted by unscrupulous firms. For the half-price rate of £2 a month for three years she could be assured of no longer being subjected to nuisance calls. All that she had to do—members will know what is coming next—was provide her card details, including the security number on the back of her card. When she told him that she had no intention of providing

such details, he promptly hung up. Who knows how many folk have fallen for that scam? As my mother rather amusingly put it, she has all her marbles

“but there are some poor old dears out there!”

It was good to see the cross-party support that the motion garnered, though perhaps that was not surprising, given that it was lodged during the summer recess when, if they were like me, colleagues were being exposed to the full annoyance of nuisance calling. Some days when I was at home over the summer, I felt under siege from automatically generated calls. The parliamentary office offered little respite, as it gets regular calls, too.

I am led to believe that the automated calls in which no one comes on the other end when you answer are actually probing in nature and aimed at determining whether anyone is at home during the daytime and therefore whether follow-up calls are likely to prove worth while. The unwarranted intrusion on people's lives—whoever they are—is frankly unacceptable.

I should declare a very personal interest in the subject, which is born of something that happened to my family a little under a year ago, when the shameless nature of these companies was laid bare to us. I had just taken a call from the hospital, summoning us to my dad's bedside as his health was deteriorating rapidly, when the phone went again. It was a gentleman phoning from India, I suspect. Before I could stop him, he had given me his name and advised that he was calling to discuss an issue that I was having with my computer. He was rather bluntly advised of how welcome his call was, that we were dealing with a family crisis and that he was not to call again. Fast forward a week. As we were about to leave home for dad's funeral, the phone went again. It was not only the same scamming firm but the very same individual.

On behalf of me, my family and many constituents, I offer my unreserved support to the Which? campaign. The problem is not going away. In a five or six-month period earlier this year, the Information Commissioner's Office received 61,000 official complaints about nuisance calls or texts. As it is reckoned that just one in 50 who receive such calls bother with contacting the regulator, we can deduce that in reality millions of them are being received.

I am grateful to Which? for providing sample comments from constituents who talk of receiving up to 20 calls a day from companies ignoring TPS registration; already challenging caring situations being impacted on by the menace; and a fear that the calls are being used to determine whether a house may be empty. As the constituency MSP

representing those folk, I am one of the eight out of 10 people who support greater accountability over nuisance calls, including the fining of company directors personally for rule breaches.

17:17

**Liam McArthur (Orkney Islands) (LD):** I apologise for the fact that I will need to leave the chamber early this evening. I congratulate James Kelly on securing this important debate, which mirrors one that I led three years ago on the same issue. As Graeme Dey rightly said, the problem is not going away, so it is important that Parliament has another opportunity to voice its strong and united support for the campaign to call time on nuisance calls.

The issue affects people across the country and the campaign enjoys strong cross-party support. I commend Which?—the Consumer Association—for its tireless campaigning on the issue. It is right to argue for more action and deserves credit for some of the progress that has been achieved. I do, though, have one complaint about its briefing for the debate. It fails to acknowledge the pivotal role played by my former colleague, Mike Crockart, who led the campaign at Westminster during the last Parliament. Indeed, Mike Crockart was instrumental in encouraging Which? to take up the issue and they worked extremely well together to gather support—from around 250,000 people at the last count—and secure important changes.

Credit is due to *The Sunday Post*, too, for championing the cause and encouraging people to share their experiences and sign up to the campaign.

The campaign has been successful. Since we previously debated the issue, the Information Commissioner's Office has received increased powers to take enforcement action against firms that make nuisance calls. Members in the previous debate all called for that, and I am pleased that those calls were heeded by the previous UK coalition Government. Under the change, the ICO no longer has to prove that calls are causing

"substantial damage or substantial distress"

before taking action. I dare say that the change played a role in the ICO earlier today handing out a fine of £200,000—the largest yet, as James Kelly said.

Although progress has been made, more is needed. Which? is calling for legislation to be introduced to hold board-level executives to account for the actions of their company. At the very least, we need companies—at board level—to take compliance with the law on consumer consent seriously. BT and SSE are leading the

way. Others must follow, and the UK and Scottish Governments can play a part in encouraging them to do so.

Which? also wants to see caller line identification made mandatory for all marketing calls. Without that, it is hard to see how those bombarded by nuisance calls and texts will be able to report a company or make a request to be removed from their database. That is imperative. Many of my constituents, like those of other members, have clearly found the telephone preference system to be ineffective, so those additional safeguards are needed.

I heard of a case earlier today in which a friend was called by the British Government grants department. In return for paying his taxes and maintaining good relations with the British Government—no mean feat for an ardent yes supporter, I would suggest—he was entitled to a grant of £1,800. When asked his age, my friend said 123, at which point the line strangely went dead. Such calls are a nuisance, but describing them as such risks underestimating the effect that they can have, particularly on the vulnerable. One Orkney constituent described them as being like a "personal assault".

The last time we discussed the issue I highlighted the case of a constituent whose elderly mother, a dementia sufferer, had been repeatedly called and pressed into taking a broadband package. She finally relented and signed up for the expensive offer, despite not even having a computer. It took months to get her money back. At least that case ended positively. Many more do not.

If companies were doing this face to face—if payday loans sharks or payment protection insurance litigators were knocking on the doors of the elderly and vulnerable in our communities and then either running away or bullying them into making claims—we would be up in arms. Just because the constant badgering and intimidation happens over the phone does not make it okay or any less frightening to vulnerable people, yet that is the everyday reality for far too many. It cannot continue; it must stop.

I again thank James Kelly for allowing the debate to happen, and apologise to him, to you, Presiding Officer, and to the chamber for not being able to stay until the end of the debate. I congratulate Which? and wish it well with its ongoing campaign to call an end to nuisance calls. I hope that Mike Crockart feels a sense of justifiable pride in a very worthwhile campaign that he helped to start.

17:22

**Christine Grahame (Midlothian South, Tweeddale and Lauderdale) (SNP):** I sincerely congratulate James Kelly on securing the debate. I endorse everything that has been said—in particular, what has been said on harassment, bullying and scamming of elderly and vulnerable people.

There cannot be one of us who has not raged against unsolicited calls. I have had to suffer them only when I am more likely to be home—during recess, for example—but goodness knows what other people have to put up with. I would just be stepping out of the shower, be weeding at the bottom of the garden or have my arms laden with ironing at the top of the stairs, when I would have to run to the phone—especially if I was waiting for a vital phone call—to find no one on the line or to hear a sales pitch. It got to the stage where I simply did not answer the phone and instead let the answerphone gather the bona fide messages. My sons used to ask, “Why don’t you pick up the phone, mum?” and I would say, “Because it’s always unsolicited calls.”

My late father was always full of mischief and had his own way of dealing with such calls. When he was in his 90s, he would settle himself down for a long meandering conversation with the caller and then, when he had had enough, he would declare that he had diarrhoea. Inevitably the caller would put down the phone. The caller is not to blame—the person is just doing their job and probably has a first-class chemistry degree. They would always apologise profusely to my father. I thought that what he did was entertaining until he deployed the same excuse on me when he was fed up talking to me.

It is mainly elderly and housebound people who cannot escape the telephonic bombardment. The campaign by Which? hits all the right buttons. Through Which? I have comments from my constituents in Midlothian. They tell us only what we already know. One person said:

“I am disabled and sometimes trip trying to reach the phone”—

before—

“it goes to answer machine.”

Another said:

“Normally I ignore calls from numbers I don’t know but recently due to having to deal with care agencies for a family member I have to answer my phone and when it is a nuisance call it infuriates me.”

Another person said:

“I’m a pensioner and they just don’t give up even when you say you’re not interested.”

They probably redouble their efforts in such cases. Another said:

“I receive nuisance calls, even at 8.30 on a Sunday morning. I want something done to stop them”

and another said that

“Many older people I know get very worried and frightened by these calls and feel they have to respond.”

I took things into my own hands, because I had had enough: I have installed my own solution. It is a BT phone that has a call-blocking device. I am not in product placement, so I will not tell members which model it is. The phone does not ring unless the caller identifies themselves. I have a list of callers who are automatically put through. If someone is not on my list, I accept their call, if I am in, by pressing 1, or a message has to be left. Therefore, if any member wants to get in touch with me, they will have to get on my special list. I have not had another nuisance call since I got the phone, so I am liberated.

People with such devices will no longer find themselves hearing the phone ring—when they are waiting to hear from their family in Canada or are in terrible circumstances such as those that Graeme Dey described—and rushing to answer it, only to discover that it is a nuisance call. The people who make such calls are only doing their job—it is a terrible job to do—but no matter how much you resist and tell them not to call, you will get calls again.

I no longer receive nuisance calls. Any member who wants to be on my list should come and speak to me. I recommend my solution to everyone; it is not too expensive. As I said, I am not in product placement—I am not getting paid to do this by BT, which has its faults—but if people go on the internet, they will find that it is a sound solution.

17:25

**Nanette Milne (North East Scotland) (Con):** Follow that.

I, too, extend my thanks to James Kelly for securing a debate on a practice that is not just an irritant but can be an extremely stressful experience for vulnerable people. Elderly people, who may live on their own, often feel disappointed when the phone rings and they struggle to the phone only to discover that, rather than it being a child or a grandchild on the line, it is a cold caller trying to sell insurance or whatever. Even more irritating is the increasing number of nuisance calls that are automated voice recordings.

I was off work for a few weeks recently, suffering from a rather nasty attack of shingles. Anyone here who has experienced that debilitating condition will be aware of just how painful it can be and the lethargy that goes with it. During that time, our phone rang at least half a dozen times every



day. The callers were from companies or lobbyists trying to sell me something and the calls were often automated, with only silence on the end of the line. Having to get out of my chair to answer the phone and being wakened from an exhausted sleep were not pleasant experiences. I assume that such calls are made every day, even when I am not at home, so I can imagine how irritating they must be to people who are housebound. They are also frightening when there is no voice on the other end.

I was still not feeling 100 per cent when, on returning to Parliament last week, I got on to the 5.46 train from Aberdeen, having been dropped off at the station by my husband. I had my luggage with me, but I suddenly realised that I had left my handbag in the car, so I was stranded in the station with no phone, no money and no cards. The very helpful ScotRail staff phoned home for me and gave me a welcome cup of coffee, but my husband very nearly did not respond, because at that time of the morning he assumed that it was probably a nuisance call. Fortunately, he eventually got the message and returned my handbag in time for me to get the next train to Edinburgh and arrive at Parliament shortly after the start of the Health and Sport Committee's meeting.

I mention those personal experiences to highlight how unsolicited telephone calls can affect people's everyday lives. I am grateful to Sarah Chisnall for working with Which? to provide me with some 300 comments from people in my region—North East Scotland—who have complained about such calls. Obviously, I do not have time to quote all the comments, but two stuck in my mind. One person said:

"I am fed up with my 80-year-old parents being pestered by computer companies, accident claim companies etc. They don't even own a computer but are constantly called by these people. And my 83-year-old father is receiving at least 6 unsolicited calls a day. His phone is his lifeline, and he is now scared to answer it due to these cold callers."

Like many other people, I have signed up to TPS, but it is consistently ignored, and I agree with the constituent who said:

"It's an invasion of privacy! We've opted into TPS and still get inundated with sales calls, including abusive scam computer calls from overseas."

If I may digress for a moment, it is not just nuisance calls that can be irritating. At home, we have a fax machine that can whirl away at 4 am offering products that we do not need and waking us up in the process. When the phone rings at that time of day, I immediately think that there must be some family emergency.

I very much welcome the proactive calling time campaign by the Consumers Association, because cold calling has gone far too far. I hope that this

week's action by the Information Commissioner's Office in giving a £200,000 fine to Home Energy and Lifestyle Management Ltd for making nuisance calls will set an example to others. I am not going to make any suggestions about what the UK Government should or should not do, but I feel that businesses that are based in Scotland should be encouraged to implement best practice and to make a voluntary commitment to tackling nuisance calls.

I again thank James Kelly for sponsoring the debate.

**The Deputy Presiding Officer:** Thank you, too.

17:29

**Kenneth Gibson (Cunninghame North) (SNP):** I, too, congratulate James Kelly on securing the debate.

It is unquestionable that the volume of nuisance calls has increased in recent years. With little oversight or accountability, more and more companies are using technology to create mass phone messages and unsolicited calls to individuals throughout the UK. Richard Lloyd, the executive director of Which?, described nuisance calls as a "scourge on people's lives".

Indeed, just before I left the office this evening, my assistant received a nuisance call on her mobile phone. It was not only an automated message but a fraudulent call that was aimed at scaring her by warning that her payment protection insurance was at risk. Ironically, she had just read about similar scenarios that had been received from constituents.

Fortunately, my assistant knew that the call was a scam and disregarded it; unfortunately, however, many others might not be so up to date with or aware of the latest tricks that are being employed during these calls. As colleagues have pointed out, many of our more vulnerable constituents might not discern the potential harm, even though some are at risk of having their personal information compromised and/or stolen.

Although fraudulent calls represent the most extreme of cases and although most calls are just irritating, action must still be taken to stop things escalating further. It has been said that six out of 10 householders say that nuisance calls are so bad that they no longer want to answer their own telephone. It is sad that more than half of our constituents no longer want to answer their own phone for fear of unsolicited callers, and it is time to hold unscrupulous businesses accountable before 10 out of 10 households no longer do so.

The Communications Act 2003 gave Ofcom the power to deal with the persistent misuse of a communications network or service, and Ofcom

included in such misuse the generation of unsolicited and unwanted calls and silent calls. Its research reported that during a six-month period in 2012 almost half of all adults with a land-line experienced a silent call. That figure was up a quarter on 2011. Over the same period, 71 per cent of land-line customers said that they had received a live marketing call and 63 per cent said that they had received a recorded marketing message.

Currently, the Information Commissioner's Office also enforces breaches of the privacy and electronic communications regulations. In April 2013, TalkTalk was fined £750,000 for making around 9,000 abandoned or silent calls in 2011 and, as James Kelly has pointed out, the ICO just yesterday fined the green energy company Home Energy and Lifestyle Management Ltd £200,000.

Although I am happy that some companies are being held accountable for their actions, such fines represent little compared with the action that still needs to be taken. Currently, a consumer can be taken off a calling list by including their number on the telephone preference service. However, as Nanette Milne has suggested, companies, undeterred by that, have found loopholes to contact consumers, and few penalties have been imposed on companies contacting those on the TPS list. One of my constituents has advised me that she receives nuisance calls every day, frequently from the same people; indeed, Graeme Dey highlighted the same issue. On most occasions, there is no number available and no method of redress. Despite being TPS registered, my constituent receives such calls incessantly. Which? has recommended the introduction of a mandatory caller line identification for all marketing calls that will provide a key piece of information when reporting an unwanted caller or when contacting a company to request removal from its database. Clearly that would be a welcome step in the right direction.

People might inadvertently give permission for unsolicited callers to contact them by ticking boxes on various websites; sometimes those tick-boxes provide permission for companies to give their information to third parties. I think that, in order to raise awareness, it would be beneficial to have an industry standard for privacy notices. Further to that, individuals should have more rights and control over personal data, and it should be made easier for them to revoke their permission or consent to be contacted.

There seems to be a lack of uniformity in nuisance calls and a reluctance to punish those who are in contravention of the rules and practices that are already in place. The Which? campaign to create legislation that will

"make senior executives accountable by law for their company's nuisance calls"

would make companies less likely to breach guidelines. Nevertheless, greater accountability, caller identification and more control over how personal data is used are badly needed to bring this problem under control and grant our constituents peace of mind.

17:34

**Paul Martin (Glasgow Provan) (Lab):** Like others, I congratulate James Kelly on highlighting an issue that many of us have raised, and I also congratulate Which? on its excellent campaign and raising this issue with parliamentarians.

Members have highlighted not only cases involving their constituents but their own personal experiences. I, too, have placed myself on the TPS, with the same results that others have had. Indeed, following my commitment to the TPS, I found that the number of calls increased as a result. Therefore, there are many challenges. In fact, I think that, if the industry does not wake up to some of the challenges that people face, people will disconnect their land-lines. I think that, if consumers did not require land-lines for broadband access, many people would disconnect them, as most people make mobile calls. They may move towards doing that if the issue cannot be addressed.

I have found from personal experience the same thing that other members have described—that answering telephone calls at home has just involved dealing with nuisance calls. That is a challenge that we face.

I want to highlight a particular case that was raised with me by Margaret and Jim Watson, who members may be aware of, as they gave evidence in the Leveson inquiry in connection with the sad loss of their son and daughter, Alan and Diane. They raised a specific issue with me in connection with the fact that Margaret received more than 80 calls a month from organisations that made unsolicited calls. She tried to raise that issue with many of those companies directly, and she made a very good point to me on a number of occasions. She asked how we make complaints about those companies and what the complaints process is when the individual at the other end of the phone will not identify the organisation. That is why I think that compulsory caller identification and requiring companies to give that information is crucial.

The consumer should not have to pay for that. That is another challenge. Christine Grahame set out a very effective way of dealing with those calls, but investment is required to do that, and many consumers are not in a position to put in place such call-barring systems. It should be up to the

telephone providers to provide that service free of charge.

**Christine Grahame:** I absolutely agree with Paul Martin. I was sick to death of such calls, and I was in a position to do that. However, I absolutely accept that people should not have to do it.

**Paul Martin:** That is where the industry can take matters forward. It needs to recognise that consumers will not be in a position to do that. Perhaps we could move forward if the default position was for providers to put in place a call-barring service, similar to the one that Christine Grahame described in talking about screening, to prevent those with unidentified numbers from making contact with people.

The industry has to consider technological advances and look at perhaps barring overseas calls. It has to deal with many challenges in that respect.

I want to touch on a relevant point that Kenny Gibson referred to. Many of us use price comparison websites and tick or untick boxes at the bottom of disclaimers. Who that information will be provided to has to be much clearer. That is the challenge that many of us face when we ask companies who provided information to them. That is usually a third-party marketing company, and it is very difficult to find out who disclosed the information in the first place. We should put in place an action plan to deal with that issue.

In conclusion, it is welcome that there has been a significant fine to deal with the green energy company Home Energy and Lifestyle Management. We need to think about whether automated calls in any form should be considered an appropriate way of contacting people. Should we look at a possible ban on automated calls? I do not know anybody who wants an automated call. We have to consider whether that is an appropriate means of making contact with consumers. Perhaps we should consider that practice in the future.

I say well done to James Kelly in the debate. I hope that we can move forward in partnership with the Government and with the appropriate action plan.

17:39

**The Minister for Community Safety and Legal Affairs (Paul Wheelhouse):** I thank members who have taken part in the debate. In particular, I thank James Kelly for initiating it and his work in recent months to highlight the issue of nuisance calls, which affect far too many people across Scotland.

I add myself to the list of people who have suffered the consequences of nuisance calls. For

many, nuisance calls and texts are perhaps an unwelcome annoyance. That is the limit of the impact that they have had on me, but we have to recognise, as many members have said, that they can have a far greater impact in many cases. They can cause significant distress, particularly for the elderly and the vulnerable.

James Kelly was the first of a number of members to mention the isolation that many elderly and vulnerable people feel and how much worse that becomes when they feel that they cannot pick up the phone, which could also mean missing a vital call from a family member. The people who organise the nuisance calls have to take a long, hard look at themselves and at the nature of the impact they are having on vulnerable individuals.

The contribution that Which? has made to promoting the consumer agenda, as well as the excellent work carried out by its task force, only serves to highlight how important this issue remains. As a number of members have stated, eight out of every 10 consumers surveyed say that they are regularly cold called at home. What is even more worrying, as some members have indicated, is that a third of those also suggested that the calls leave them feeling intimidated. If people are feeling intimidated by a sales call, that is clearly unacceptable.

Of course, regulation of nuisance calls and texts is currently reserved to the UK Government, although the new Scotland Bill will devolve certain consumer and competition powers to the Scottish Parliament that will give us more of a chance to shape a more effective Scottish response to those consumer issues. Notwithstanding that, I do not believe that the relevant clauses of the draft bill currently give full effect to the intention of the Smith agreement. However, we shall ensure that the further powers that do come to Scotland are put to maximum effect, and we will continue to seek to ensure that the bill's provisions fully reflect both the spirit and the letter of the Smith recommendations on consumer protection and competition policy. In that context, a consumer and competition policy working group is currently considering optimal arrangements for delivering consumer and competition services in Scotland under the bill.

At the heart of our approach is the need to put the interests of consumers first. The Scottish Government will work in partnership with interested groups such as Which? to create an integrated consumer protection regime in Scotland that provides greater clarity on where to turn for help and advice. In the meantime, we will continue to work with the UK Government to ensure that the regime governing nuisance calls and texts is made as effective as possible. The changes that the UK

Government has proposed to legislation around enforcement will have an impact and will make it easier to impose fines on companies that aggressively target consumers through unsolicited calls and texts. In that regard, I am sure that members across the chamber were horrified to hear of Graeme Dey's experience at a very tragic time for him. The fact that the same individual called back because he could not take on board that he was contacting someone at an extremely distressing time and should leave them alone tells us that we have a lot of work to do on this problem.

The UK Government has made a commitment to consult on mandatory calling line identification, which is an issue that James Kelly, Kenneth Gibson, Paul Martin and Christine Grahame raised in their speeches. I cannot recommend any particular company or technology, but it was interesting to hear that there are technologies available to cut out numbers that do not have calling line identification. If a mandatory calling line identification scheme was to be extended across the country, telemarketers would be required to display a valid telephone number and would not be permitted to withhold that number.

We believe that the UK Government can go further, as it is in the process of reviewing a number of other recommendations made by the Which? task force, including giving regulators, notably the ICO, further powers to hold individual board members to account when their companies use consumers' personal data for marketing purposes. The task force also proposes a review of the UK Government's nuisance calls action plan, to set out ways in which enforcement action could be made more effective. The task force also suggests that the UK Government lead the development of a cross-sector business awareness campaign to share best practice and that public authorities support the take-up of accreditation schemes such as the Telephone Preference Service. I have to stress my own experience of that, because I am registered with the TPS but unfortunately, like Paul Martin, I still get a high volume of nuisance calls.

This is a complex area and there are no instant solutions, but the Scottish Government believes that far more can be done at the UK level to make regulation and enforcement work more effectively for consumers, and we will work with the UK Government in so far as we have a role to make that happen. We believe that the UK Government should seek to work with industry to introduce a mandatory code of business practice and establish that personal consent to third-party marketing has a clear expiry date, which I think would help with a problem that Paul Martin and other members identified. It is also vital that the terminology used in consent boxes—Kenneth Gibson referred to

them—that indicate that the consumer has or has not agreed to receive calls or texts is clear, fair and fit for purpose.

The Scottish Government also believes that the current UK-wide regulation of nuisance calls and texts is needlessly fragmented in that the Telephone Preference Service, the Information Commissioner's Office and Ofcom all currently play a regulatory role. That fragmentation means that victims of nuisance calls and texts often face having to register their complaints with different organisations, depending on the exact nature of the complaint. Indeed, because of that situation, Which? has set up a web portal to direct consumers to the relevant regulator. Data shows that only around half the people who used it went on to make a full complaint, suggesting that many people find the current complaints process too onerous.

We appreciate the work that all three organisations do to articulate good practice and provide advice to businesses and the general public, but the Scottish Government believes that there is still room for improvement. That is why, in our paper "Consumer Protection and Representation in an Independent Scotland: Options"—I am not making this point for constitutional reasons—we made a strong case for a single body that would have had responsibility for regulation of nuisance calls and texts. That would have allowed for more effective protection of the public than is provided under the current UK regulation.

Nuisance calls can also lead to significant financial difficulties for consumers, particularly in the area of payday loans. We see too many cases in which unsolicited marketing calls from payday loan providers and debt management companies have resulted in a consumer's financial position being jeopardised. The devolution of power to reduce the proliferation of establishments that offer those services would allow the Scottish Government to address concerns more effectively.

Before I close, I want to address a point that Christine Grahame made in her intervention, if I can be added to her "special" list. Especially given my community safety role, I note that vulnerable people can suffer trips or falls trying to answer a phone call, perhaps when they are expecting a family member to call or waiting for an emergency call. Especially if the call comes at an inappropriate time of the day, they might expect it to be a family member in distress. If they have an accidental fall or trip, it could cause a house fire or a long-term injury, and we know that injuries such as hip fractures can be fatal for vulnerable individuals. Again, I urge the companies that are involved to look to their consciences on that front.

Nuisance calls and texts are undoubtedly an issue for which there is no quick fix. However, the Scottish Government is committed to acting decisively on the issue. We will work to ensure—with the UK Government, where that is appropriate—that the needs of consumers are put first, taking Scotland-specific issues into account in a way that the current fragmented arrangements have failed, perhaps, to do.

The greater powers on consumer and competition policy that are being devolved to our Parliament under the new Scotland Bill offer us the opportunity to transform consumer protection in Scotland, and I assure members that the Scottish Government will use the powers effectively in that respect.

**The Deputy Presiding Officer:** Thank you all for taking part in this important debate.

*Meeting closed at 17:47.*



This is the final edition of the *Official Report* for this meeting. It is part of the Scottish Parliament *Official Report* archive and has been sent for legal deposit.

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