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Pàrlamaid na h-Alba

Official Report

MEETING OF THE PARLIAMENT

Wednesday 20 January 2016

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Scottish Parliament

Wednesday 20 January 2016

[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. The first item of business today is portfolio questions. So that we can get as many people in as possible, I would prefer short and succinct questions—and answers to match.

Infrastructure Investment Plan (Climate Change)

1. Angus MacDonald (Falkirk East) (SNP): To ask the Scottish Government how the refreshed infrastructure investment plan will help to tackle climate change. (S4O-05264)

The Cabinet Secretary for Infrastructure, Investment and Cities (Keith Brown): The infrastructure investment plan 2015 confirms the priority that is given to tackling climate change and the range of steps that are being taken across the plan and individual portfolio areas, including health, education and transport, to address climate change.

To underline that commitment, energy efficiency has been designated a national infrastructure priority in the plan. Investment in domestic energy efficiency through Scotland's energy efficiency programme helps to tackle fuel poverty and reduce greenhouse gas emissions, and therefore helps to meet climate change targets and support the economy, by providing opportunities for regional small and medium-sized enterprises to be involved in the delivery of Scottish Government programmes.

Furthermore, by investing in the energy efficiency of our businesses, we will help to ensure that energy costs are affordable for our businesses, thereby helping them to remain competitive on the global stage. Such investment will provide local employment, benefiting local people and communities across Scotland and helping to grow our low-carbon economy.

Angus MacDonald: I would be keen to hear the cabinet secretary's view on the low-carbon infrastructure task force's recommendation that in future a much greater proportion of infrastructure expenditure must go towards low-carbon projects if we are to achieve our long-term climate change targets.

Keith Brown: We have welcomed the initiative, which provides a valuable contribution to the on-going challenge of tackling climate change and building a low-carbon economy in Scotland, and we will be interested in the outcomes of the consultation exercise that is currently being undertaken.

WWF has acknowledged the Scottish Government's achievements in areas such as renewables, but we recognise the need for a comprehensive approach to a low-carbon infrastructure and we continue to develop our understanding of Scotland's long-term infrastructure requirements in that regard. We recognise that investment in low-carbon infrastructure can not only help us to deliver on our climate change targets but make economic sense and drive growth, which is why, as I said, the refreshed infrastructure investment plan makes energy efficiency a national infrastructure priority and commits us to multiyear funding to deliver economic benefits to homes and businesses.

We have plans to highlight other areas of expenditure that support low-carbon projects, to help us to achieve our climate change targets. Such areas include low-carbon transport initiatives, with investment in cleaner technologies such as electric vehicles; active travel, by encouraging walking and cycling; street lighting replacement programmes; and, in relation to the Scotland's schools for the future programme and national health service boards, investment in more energy-efficient school buildings and healthcare facilities, which will use more renewables technologies and help to minimise energy consumption.

The Deputy Presiding Officer: Many thanks. Question 2 is from Cara Hilton.

Annabel Goldie (West Scotland) (Con): On a point of order, Presiding Officer. In view of your initial injunction to members, I note that the first question and answers have taken three minutes. How do you propose to ensure that the 10 questions that are listed get into the slot that has been allocated?

The Deputy Presiding Officer: That is not a point of order, but you have nonetheless made a point that perhaps needed to be made. Thank you.

Fife Council (Meetings)

2. Cara Hilton (Dunfermline) (Lab): To ask the Scottish Government when the Cabinet Secretary for Infrastructure, Investment and Cities last met Fife Council and what issues were discussed. (S4O-05265)

The Cabinet Secretary for Infrastructure, Investment and Cities (Keith Brown): I participated in a conference call with Fife Council

and business organisations on 8 December to discuss the closure of the Forth road bridge.

Cara Hilton: The closure of the Forth road bridge had a huge detrimental impact on the road network in my constituency, and the continuing restrictions on heavy goods vehicles are placing strain on the A985 and surrounding roads. The bridge closure demonstrated that the road and rail networks in west Fife have trouble coping with prolonged closures, and it does not take much imagination to envisage a situation in which such a closure happens again.

What additional investment will be made to improve the A985 trunk road and repair the damage that has been caused on roads around west Fife as a result of the extra HGV traffic? What action will the Scottish Government take to improve rail infrastructure in west Fife? What improvements will the Scottish Government deliver to ensure that we can cope better with future closures and that there is more consultation with and involvement of communities in the development of travel plans?

The Deputy Presiding Officer: Please be as brief as you reasonably can be, cabinet secretary.

Keith Brown: I concede the point that the Forth road bridge closure had implications for some surrounding trunk and local roads, including those in my constituency, such as the A977. We are very pleased that the bridge was opened as quickly as possible to general traffic, if not HGVs. We are conscious of the need to open the bridge to HGVs and we have a programme to complete the repairs. Pending the assurance that there are no similar issues on the rest of the bridge, we are on track to reopen it to HGVs in the middle of February.

If Cara Hilton wants to write to me with details of any damage to roads, of course we will be willing to look at them. We took action to ensure that the substitute roads that were and are still being used have been free of road works during the course of the diversion. We are willing to take action. If Cara Hilton writes to me, I will be happy to look at doing that.

Winter Resilience Plans (Transport Services)

3. Hanzala Malik (Glasgow) (Lab): To ask the Scottish Government how it will revise its winter resilience plans for transport services in light of the disruption to west coast main line services from storm damage. (S4O-05266)

The Minister for Transport and Islands (Derek Mackay): The trunk road operating companies and Network Rail are responsible for producing and implementing winter resilience plans. Both have taken action in light of the west

coast disruption and will ensure that outputs are incorporated into future resilience plans.

Hanzala Malik: The ScotRail alliance announced on Monday that Lamington viaduct will be closed for at least one month longer than was initially expected, due to the discovery of more damage and high water levels hindering repairs. Does the minister agree that winter resilience plans, which have focused on ice and snow, must look at other areas, particularly high winds and flooding? Will he ensure that a proper infrastructure protection plan is put in place? We had the fiasco of the Forth road bridge and now we have this problem. Will he look at the resilience plans?

Derek Mackay: I will separate out the issue of the Forth road bridge, which was an unforeseen fault, and focus on the Lamington viaduct, where the issue was caused by the weather. The high volume of water—the “scour”, as it is known—caused the severe damage to the viaduct’s structure.

I am conscious of time, so I say that I am happy to write to Hanzala Malik with full details of the action that we have taken to give the issue the attention that it deserves, including work with Network Rail, mitigation and engineering works. I am happy to share that important information with other members.

The issue is about weather impacting on structure. Satisfactory measures, including inspection and risk assessment, are in place to ensure the safety and continuity of our country’s infrastructure. Of course, we will always look at how we can improve that with transport operators, recognising that climate change is a factor that we are increasingly dealing with.

Scottish Canals (Flood Prevention)

4. Fiona McLeod (Strathkelvin and Bearsden) (SNP): To ask the Scottish Government whether Scottish Canals has any role in flood prevention. (S4O-05267)

The Minister for Transport and Islands (Derek Mackay): Scottish Canals has a role to play in water management and has canal and reservoir assets that play an active part in flood mitigation. Scottish Canals is represented on the Scottish Government’s flooding stakeholder group and is working with partners in the public sector to assist with water resource management and flood control.

Fiona McLeod: Given the recent adverse weather conditions, will we have to update Scottish Canals’ dredging programme?

Derek Mackay: We are deepening the strategy here—at this point the *Official Report* will record “loud laughter at the minister’s comments.”

There is a serious issue about the use of dredging. Scottish Canals is looking at practices and genuinely strengthening its expertise on dredging, and it is looking at where it can be deployed. In all seriousness, work is being taken forward on the issue. I am happy to give Fiona McLeod more information if she requires it.

Claudia Beamish (South Scotland) (Lab): How will working structures for flood prevention take into account the local knowledge of communities, businesses and land managers? How can they be made as robust as possible, to ensure that information flows both ways in the development of plans?

Derek Mackay: I am not one for passing responsibility, but that is more of a matter for my environment colleagues. I am more than happy to share Claudia Beamish’s question with Aileen McLeod and come back to her with the detail of the structures and their community and stakeholder involvement.

I cite Scottish Canals as an example of an organisation with which we work closely. It clearly has a role to play in issues of water use and management, flood attenuation schemes and so on. I am happy to pass on that exchange to the appropriate minister.

Aberdeen Western Peripheral Route

5. Kevin Stewart (Aberdeen Central) (SNP): To ask the Scottish Government how work on the Aberdeen western peripheral route is progressing. (S4O-05268)

The Cabinet Secretary for Infrastructure, Investment and Cities (Keith Brown): Construction work on the AWPR is now well under way and we are on programme to open the road in winter 2017. We will continue to work closely with the contractor to ensure the successful delivery of the project. We will also continue to provide regular updates to local communities and elected representatives.

Kevin Stewart: The western peripheral route is some feat of engineering and construction. It is a vital route for the north-east of Scotland. It will have 75 principal structures, two river crossings, one railway bridge and over 70 culverts.

Have the recent adverse weather conditions and flooding had any impact on the works? Is this major project still on schedule?

Keith Brown: Kevin Stewart is right to point out the scale of this massive project. People have been campaigning for this road, in some cases for

the best part of half a century. It is a very large project.

Kevin Stewart is right to point out that, in common with many parts of the north-east, the recent adverse weather caused flooding at some locations across the site. He is also right to highlight that, as with other parts of infrastructure, major projects can be impacted by adverse weather. However, the initial signs are that any effects of the flooding can be mitigated and absorbed into the programming by rescheduling activities, allowing the project to remain on schedule. That is a fairly standard approach for projects of this nature.

Lewis Macdonald (North East Scotland) (Lab): Can the cabinet secretary tell us whether progress on the western peripheral route will require any borrowing by the Scottish Government in this financial year or next?

Keith Brown: The Deputy First Minister laid out the nature of the financing for this project. Originally, the intention was to fund it through the non-profit-distributing model but, as the member knows, it has been reassigned to standard borrowing. Of course that has an impact on our budgets, but mitigation has also been taken, in conjunction with the United Kingdom Government, to ensure that we have cover for all the projects that we want to do. The member will also be aware that there is a commitment to provide—I think—around £75 million for each of the councils involved. Yes, there is borrowing involved in the project. That is how it is to be financed.

Public Infrastructure Projects (Cumbernauld Academy)

6. Mark Griffin (Central Scotland) (Lab): To ask the Scottish Government whether it will provide an update on its discussions with European Union officials regarding funding for public infrastructure projects, including the new Cumbernauld academy. (S4O-05269)

The Cabinet Secretary for Infrastructure, Investment and Cities (Keith Brown): That question is slightly related to the previous question. In relation to projects being taken forward as part of the hub programme, the Deputy First Minister recently confirmed that the views offered by the Office for National Statistics on proposed changes to the hub model meant that 10 affected schools and two health centre projects would now be able to proceed to financial close. The Scottish Futures Trust is working with procuring authorities to achieve that.

The trust is also working with partners to take forward the longer term hub pipeline, including future projects within Scotland’s schools for the

future programme, to enable them to proceed to financial close in due course.

Mark Griffin: I thank the cabinet secretary for that answer. As he pointed out, the Deputy First Minister made a statement to Parliament on 26 November updating members on the impact of the Government's infrastructure programme. He indicated that 12 of the projects would go ahead: 10 schools and two health centres. I was disappointed that Cumbernauld academy was not included in that list. Can the cabinet secretary set out, today, when the pupils and parents in Cumbernauld will know whether or not they will get a new school?

Keith Brown: From information that I have seen from the council, I think that parents have that assurance. The authority said that it has funding available to construct that school. The member is right to say that the Scottish Government's involvement in that is under consideration. There is no question that it was impacted by the decision of the ONS and the investigations that the ONS undertook in relation to the Eurostat decision. That has been considered.

In my original answer, I mentioned the future phase of the school projects that have taken place. The Government will make an announcement in due course on the issue of that school and other schools in that phase of the programme.

Scottish Water

(North Lanarkshire Contamination Incident)

7. Siobhan McMahon (Central Scotland) (Lab): To ask the Scottish Government when the Scottish Water report into the contamination incident in North Lanarkshire in June 2015 that affected 6,000 households will be published. (S4O-05270)

The Cabinet Secretary for Infrastructure, Investment and Cities (Keith Brown): The Scottish Water report has been submitted to the drinking water quality regulator for Scotland as part of her investigations into that incident. Until her investigations are complete and any necessary legal action that might arise has been taken, it would not be appropriate to release that report.

Siobhan McMahon: It is my understanding that the drinking water quality regulator for Scotland is investigating the circumstances of the incident and that Scottish Water's report forms part of that investigation. The investigation may result in the regulator making a report to the procurator fiscal.

It is now more than six months since the contamination incident, which affected many of my constituents, and they are still unaware of the cause of the contamination. Will the cabinet

secretary provide an assurance that the report in question will be made publicly available when the regulator has completed that work, given that those 6,000 households are still without any answers about what happened in June 2015?

Keith Brown: I appreciate what the member says about her constituents wanting to get answers on that matter; it is for that reason that it is being treated very seriously. The office of the drinking water quality regulator was set up some 14 years ago and it is independent from the Government, so we have to await that process. Of course more information will come out, either when the DWQR provides her report or, as I said, if legal action is taken it will come into the public domain at that time.

I undertake that, as soon as the current strictures no longer apply, I will be happy to give as much information as I am legally able both to the member and to her constituents, to update them on the circumstances.

Scottish Water (Meetings)

8. John Wilson (Central Scotland) (Ind): To ask the Scottish Government when it last met Scottish Water. (S4O-05271)

The Cabinet Secretary for Infrastructure, Investment and Cities (Keith Brown): I last met Scottish Water on 17 December 2015 when I announced a £120 million investment to improve the resilience of water supplies in Ayrshire. My officials, as you would expect, are in daily contact with Scottish Water on a wide range of matters.

John Wilson: I am aware that Scottish Water routinely carries out water quality testing of household water supplies. I ask the cabinet secretary whether he is aware of any issues that prevent Scottish Water from providing those test results to householders. If there are no issues arising from that, can he advise Scottish Water to ensure that householders routinely receive a copy of the results when a test is carried out?

Keith Brown: I am aware, not least in relation to the answer that I have just given to Siobhan McMahon, that there may be circumstances in which strictures apply that would not allow that information to be provided in the way that John Wilson suggested. Beyond that, I am not sure that there is any reason why the information cannot be provided. I am happy to investigate that with Scottish Water and to come back to John Wilson with the outcome of those discussions.

City Deals Programme

9. Annabel Goldie (West Scotland) (Con): To ask the Scottish Government what steps it is taking to maximise the economic growth potential and investment opportunities made possible by

funding from the United Kingdom city deals programme. (S4O-05272)

The Cabinet Secretary for Infrastructure, Investment and Cities (Keith Brown): The Scottish Government has been consistently clear that it views cities and their regions as the key engines of the Scottish economy. We are therefore committed to working with all of our cities to stimulate growth and deliver infrastructure investment.

We are making significant investments across Scotland and working with the UK Government to ensure that any funding proposals add to the work that we are already doing with our cities.

Annabel Goldie: A number of existing city deals in England have involved agreements with central Government and devolution of powers over areas such as skills and transport. What measures has the Scottish Government taken to deliver more local powers in city deal areas in Scotland?

Keith Brown: The nature of city deals has changed over the period, both in Scotland, where we have one already and others are being discussed, and in England and Wales, where there has been a very large one recently in Cardiff. Some of those have involved asks for additional powers, as the member mentioned, and some councils have talked about additional powers, for example in relation to things such as employment services, which are currently provided by the Scottish Government.

There is an ask there, but it has not been detailed as yet. Most of the city deals that we have advanced along with the UK Government have been centred around infrastructure projects and some other innovations, which we will obviously talk about as soon as those city deals are completed.

We are willing to respond to requests from local government to talk about such additional powers, but they have to be made specific. The final judgment will concern whether the powers that are asked for would add to the value of the city deal under consideration if they were further devolved—and at this point in time we do not even have some of the powers that we have been asked for. We remain open-minded and we will take suggestions forward as and when a case is made to us.

Alison McInnes (North East Scotland) (LD): Does the cabinet secretary agree that the need for regional investment in Aberdeen is even more pressing now than when the city deal was first proposed? Will he give an assurance that securing and financially supporting the Aberdeen city deal is a key priority of his Government?

Keith Brown: That is a good point. I discussed the issue with the UK Government minister responsible about 10 days ago. There have been subsequent discussions since then. I well understand the urgency of the situation in the north-east and in Aberdeen and we are taking things forward along with our partners. I have met the Aberdeen City Council and Aberdeenshire Council leaders as well as the UK Government. Both the Scottish Government and the UK Government understand the urgency and gravity of the situation.

Culture, Europe and External Affairs

Cultural Opportunities

1. Mark McDonald (Aberdeen Donside) (SNP): To ask the Scottish Government what steps it is taking to improve cultural opportunities for people from deprived areas. (S4O-05274)

The Cabinet Secretary for Culture, Europe and External Affairs (Fiona Hyslop): The Scottish Government is committed to supporting programmes that ensure that background is not a barrier and to giving people from all walks of life a chance to participate in and enjoy the arts. For instance, in 2016-17, we are providing the national collections with more than £46 million in running costs budgets so that the commitment to free access is maintained.

We support a number of programmes for children and young people. We are investing £10 million in the youth music initiative, which provided music opportunities for more than 225,000 children across all 32 local authorities in 2014-15. The initiative means that children from deprived areas are getting music-making opportunities.

From September 2015 to April 2016, the National Theatre of Scotland is working with Aberdeen City Council on the granite project, which is bringing a programme of performances, interactive installations and events to Aberdeen's streets. That includes the NTS and Aberdeen Performing Arts youth theatre working with several community groups across the city to make a large-scale production that will take place in the quadrangle of Marischal college.

The Deputy Presiding Officer: I remind members that short questions and answers would be appreciated.

Mark McDonald: I thank the cabinet secretary for that comprehensive answer. Will she advise members what steps are being taken to encourage local and national creative organisations to perform more outreach work in communities—particularly in communities of deprivation, where individuals often face barriers to travelling to central locations to access cultural

opportunities? That might enable cultural activity to take place in communities, which gives more of a sense of place.

Fiona Hyslop: Creative Scotland, which is the lead organisation in this area, is building on the fantastic 2014 cultural programme, which involved more than 12,000 events in all 32 local authority areas, with 2.1 million visitors all over Scotland. The member is right to identify the need to have performances and productions working with and in communities. Creative Scotland is looking to review its equalities, diversity and inclusion activity to ensure that all communities can access and participate in the arts. I will direct Creative Scotland to the member's interest.

Post-study Work Visa

2. Mike MacKenzie (Highlands and Islands) (SNP): To ask the Scottish Government what its position is on the United Kingdom Government's decision to rule out a return to the post-study work visa. (S4O-05275)

The Minister for Europe and International Development (Humza Yousaf): The Scottish Government was deeply disappointed by the UK Government statement that ruled out a return of the post-study work visa in Scotland. The statement ignored the consensus that exists among Scottish businesses, the education sector and every political party that is represented in this chamber that there is a clear need for the return of a post-study work visa. In our opinion, the statement also clearly went against the spirit of the Smith commission recommendations.

Mike MacKenzie: Given that the call for a return of the visa has been backed by businesses, colleges and universities and—as the minister just mentioned—has cross-party support in this Parliament, what discussions were held with Scottish stakeholders on the UK Government's decision?

Humza Yousaf: A lot of engagement has taken place with a multitude of stakeholders up and down the country. Most recently, at the end of last year, we held a workshop with more than 30 representatives from across academia, business, trade unions and other political parties. All of them were united in a consensus for the return of the post-study work visa.

It is worth saying that, during his appearance at the Scottish Affairs Committee yesterday, the Secretary of State for Scotland sought to distance himself from his own written statement. He indicated that, if sensible proposals were put forward, the UK Government would consider them. We look forward to having that discussion with the UK Government and to meeting the UK immigration minister, who has agreed to meet the

cross-party post-study work steering group, so I hope that we will be able to take the issue forward.

Cultural Activities

3. Linda Fabiani (East Kilbride) (SNP): To ask the Scottish Government how it ensures that people with additional support needs can access or participate in cultural activities. (S4O-05276)

The Cabinet Secretary for Culture, Europe and External Affairs (Fiona Hyslop): In 2015, Creative Scotland began a three-year programme of regular support worth £100 million to 118 organisations, including those that provide opportunities for people with additional support needs to take part in the arts. That includes Drake Music Scotland, which is receiving £350,000 to provide opportunities for people with disabilities to play, learn and compose music through specialist teaching methods and music technology. Other support for organisations includes £450,000 for the Birds of Paradise Theatre Company, £600,000 for Solar Bear and £300,000 for Paragon Ensemble.

In addition to having relaxed performances, which are designed to enable those with additional support needs to enjoy the arts in a venue setting, the national performing companies have developed programmes to engage directly with special schools, whose children have additional support needs.

Linda Fabiani: Does the cabinet secretary agree that it is important that arts and culture are there at a local level to promote participation, confidence, joy and wellbeing among those with special needs? Will she join me in celebrating organisations such as K-Otic Productions in East Kilbride, which works hard with adults who have special needs to enable them to perform for the benefit of the town as a whole? Will she consider joining me at one of the company's wonderful performances?

Fiona Hyslop: I thank the member very much for the invitation. Drama, productions and culture can be hugely empowering for all of us and particularly for those with additional support needs. Such activities can make a difference to their lives—to the quality of their lives and the joy in their lives. It is important that that is supported not just nationally but locally, and I would be delighted to take up the member's invitation should the opportunity arise.

The Deputy Presiding Officer: Excellent.

Refugees from Syria (Assistance)

4. Tavish Scott (Shetland Islands) (LD): To ask the Scottish Government what assistance it is providing to refugees from Syria and what further

discussions it has had with the United Kingdom Government on this matter. (S4O-05277)

The Minister for Europe and International Development (Humza Yousaf): The refugee task force that the First Minister established in September 2015 brings together Scottish ministers, the Convention of Scottish Local Authorities, the Scottish Refugee Council, the UK Government, local government and other stakeholders to co-ordinate Scotland's humanitarian and practical response to the refugee crisis. The task force has ensured that refugees have received the warmest welcome to Scotland. It is continuing its work to support the delivery of arrangements to help refugees settle into their new homes and communities and its work on integration. That effort will take not just days and weeks but a number of years. The Scottish Government is in regular dialogue with the UK Government about arrangements for the arrival of Syrian refugees in Scotland, and I spoke to the Home Office about the matter just last week.

Tavish Scott: I thank the minister for the sentiment of his answer. Does he share with me the concern that pupils from Aith junior high school in Shetland expressed to me last week—that the issue has fallen off the news agenda? We are not seeing the plight of Syrian refugees, particularly this winter, being covered by national or international television or other news outlets. Does he share the concern of pupils of that age that the moral imperative to act is still with us? What further proposals might he have in that regard? Does he consider that the comments of the Foreign Secretary on Radio Scotland this morning were very much at odds with the way in which many of us in Scotland feel?

Humza Yousaf: I have not seen a note of those remarks yet, but I will ensure that I do. I entirely agree with Tavish Scott and his constituents in Shetland that there is a danger that, following the disturbing images that we saw in the summer, the issues have come off our television screens and off people's radars.

There is a hell of a lot more that the UK Government, the Scottish Government and local authorities can do. We think that the figure of 20,000 that the UK Government has announced should be a floor, not a ceiling.

A number of organisations, such as Save the Children, have raised the issue of unaccompanied children. I know that Tim Farron, the Liberal Democrat leader at UK level, has approached the Prime Minister and the Foreign Secretary on the issue. The Scottish Government would support that call, too.

On a more positive note, the response from all 32 local authorities has been incredible as they

have expressed their willingness to get involved. As the Scottish Government, we have to harness the public attitude and desire to help the most vulnerable in the world.

Jamie McGrigor (Highlands and Islands) (Con): Does the minister agree that we should be proud of the United Kingdom's efforts to help the most vulnerable refugees from Syria who are unable to leave the region, which include providing more than 19 million food rations and allocating £1.2 billion in aid?

Humza Yousaf: Yes. I commend the efforts of the UK Government, which is one of the largest donors in that region. I also commend the efforts that it is making in relation to the Syrian vulnerable persons relocation scheme.

We have had some differences. We believe that the UK Government should opt into the European Union's resettlement and relocation scheme for refugees who arrive via the Aegean Sea. We also think that we can take more refugees and that, as I said in my previous answer, we should consider unaccompanied children. However, that is not to discredit anything that the UK Government is doing. It should be applauded for its efforts in the region, and the Scottish Government stands ready to assist where we can.

Culture Budget 2016-17 (Local Museums and Galleries)

5. Ken Macintosh (Eastwood) (Lab): To ask the Scottish Government what support it will provide to local museums and galleries following a reduction in the culture budget for 2016-17. (S4O-05278)

The Cabinet Secretary for Culture, Europe and External Affairs (Fiona Hyslop): The Scottish Government supports local museums and galleries primarily through funding to Museums Galleries Scotland. Funding for mining, maritime and fisheries, and industrial museums directly from the Scottish Government has not been reduced.

Although overall funding for Museums Galleries Scotland has, on the revenue side, been reduced by £110,000, I have made available an additional £200,000 of capital, thereby trebling the amount of capital available. There is, therefore, an overall increase of £90,000 of funding support for local museums and galleries from the Scottish Government, and I hope that the member will support that in the budget.

Ken Macintosh: I am sure that the minister will share my concern about the existing inequitable access to local museums and galleries and will agree that it is important that all our public policy and public finance decisions improve the enjoyment of the arts in our disadvantaged

communities and do not compound that disadvantage.

How does the minister intend to assess and monitor the impact of her cut, along with that of the £500 million cut that she is making in our local authorities' budgets, which is likely to impact most heavily on the non-statutory services such as local museums and galleries?

Fiona Hyslop: I challenge the premise of Ken Macintosh's question. He obviously did not listen to my answer. There has been no cut in the culture budget for local museums and galleries. That is an important protection that the Scottish Government has put in place, and we will continue to support it. In addition, the Scottish Government took on direct funding of the mining, maritime and fisheries, and industrial museums, and there is no budget reduction in that regard, either. It is important that when members come to the chamber they actually listen to the answers. I made it quite clear that we are protecting those elements.

It is important that the arts and culture budgets are protected in terms of what local authorities can do, and that has been the case up to now. I have confidence and faith that they will make the right decisions, as the Scottish Government has done. We are leading by example.

Sarah Boyack (Lothian) (Lab): Is the cabinet secretary in discussion with the Deputy First Minister about whether a tourism levy would assist local authorities to take pressure off their budgets, as well as enable them to invest more in local culture, which is under huge pressure in local authority areas across the country?

Fiona Hyslop: I am aware that Edinburgh city region has proposed such a measure. It is up to those who have proposed that to argue the case for it. I understand that there are different interests across Government, as represented by, for example, the Minister for Energy, Enterprise and Tourism, by the Cabinet Secretary for Finance, Constitution and Economy and by Keith Brown, who is the lead on the city deal. I will pay close attention to the issue.

Glasgow City Council (Meetings)

6. Johann Lamont (Glasgow Pollok) (Lab): To ask the Scottish Government when the Cabinet Secretary for Culture, Europe and External Affairs last met Glasgow City Council. (S4O-05279)

The Cabinet Secretary for Culture, Europe and External Affairs (Fiona Hyslop): I last met Glasgow City Council on 17 November at the launch of the Royal Scottish National Orchestra's new world-class facility at the Glasgow Royal Concert Hall, for which the Scottish Government has provided £9.2 million of funding.

Johann Lamont: I am sure that the cabinet secretary shares my great pride in the work that Glasgow City Council and local communities have done to contribute to the arts and culture over many years. Has the cabinet secretary made an assessment of the impact on Glasgow's proud heritage and culture of the cuts that her Government has made to local government, particularly to Glasgow, which has been disproportionately affected? Will she make representation to the finance secretary to think again about the way in which Glasgow has been funded?

Fiona Hyslop: The reduction to local government funding is 2 per cent and my budget has received a far greater reduction than that of Glasgow City Council. As far as management of my budget is concerned, as I said in my earlier answer, it has been possible for the culture portfolio to protect funding for local museums and galleries. I am not sure that Johan Lamont was in the chamber to hear my answer.

Yes, there are challenges, but if we have to live under the current Tory Westminster Government that is implementing austerity budgets that Johann Lamont wanted to maintain—as was evidenced by her position during the referendum—it is difficult for her to come to this chamber and to say after the event that she does not like the Tory Government's budget and its implications for Scotland.

The budget was hard and challenging. When compared to other portfolios, that 2 per cent reduction is a better position than the one in which many of us find ourselves.

David Bowie

7. Claudia Beamish (South Scotland) (Lab): To ask the Scottish Government what plans it has to recognise the contribution that David Bowie made to the cultural life of Scotland and beyond. (S4O-05280)

The Cabinet Secretary for Culture, Europe and External Affairs (Fiona Hyslop): The Scottish Government has no plans to recognise the cultural contribution of David Bowie although we are aware that there are numerous connections to Scotland.

As a great artist, David Bowie sought to challenge and change perceptions and made great music, drama and visual arts. His influence in changing the worlds of the lesbian, gay, bisexual and transgender communities was enormous. He was an icon of the modern world. One of the most immediate responses that captured that combined sense of loss and appreciation was the organist at Kelvingrove

museum playing “Life on Mars”—as seen by millions on the internet.

Claudia Beamish: I thank the cabinet secretary for her answer, not just because I have been a fan of David Bowie since his first Glastonbury gig, when he sang

“Turn and face the strange”—

in “Changes”.

David Bowie symbolises a visionary approach to life that inspired so many people across generations, and helped to give confidence to those who were afraid of change. He opened up opportunities to explore our own identities and have the courage to constantly reinvent ourselves. I appreciate the recognition in the chamber—

The Deputy Presiding Officer: What is your question?

Claudia Beamish: I ask the cabinet secretary whether we could confer to think about the future in those terms.

Fiona Hyslop: I am not sure whether Claudia Beamish was a “Rebel, Rebel” or otherwise.

On the more serious point about how we see ourselves, we live in a modern world that has been shaped by those who are prepared to be challenging. Great artists challenge how we see ourselves and what we think. That is why, in my passion for the arts and culture, I will always recognise artists who are inspired by Bowie and others to seek to change how we think. In this place of all places, we should sometimes be challenged on how we think, be visionary in how we think and show tolerance, respect and understanding.

Cabinet Secretary for Culture, Europe and External Affairs (Visits to Dumfries and Galloway)

8. Joan McAlpine (South Scotland) (SNP): To ask the Scottish Government when the Cabinet Secretary for Culture, Europe and External Affairs will next visit Dumfries and Galloway. (S4O-05281)

The Cabinet Secretary for Culture, Europe and External Affairs (Fiona Hyslop): I have no engagements in Dumfries and Galloway in the near future.

Joan McAlpine: I was recently privileged to speak at the reopening of the Theatre Royal, which is Scotland’s oldest working theatre. It was refurbished by a number of partners including Creative Scotland. Given that the theatre has a strong association with Burns and Barrie, and has an excellent youth programme, can I recommend that the next time the cabinet secretary visits

Dumfries and Galloway, it would be well worth her while to drop in?

Fiona Hyslop: I would be pleased to do so if the opportunity were to arise. I visited the Theatre Royal in Dumfries in April 2013 at the start of the refurbishment and I am keen to see the progress.

European Union Charter of Fundamental Rights

9. Roderick Campbell (North East Fife) (SNP): To ask the Scottish Government whether the Cabinet Secretary for Culture, Europe and External Affairs considers that the EU charter of fundamental rights is of benefit to Scotland. (S4O-05282)

The Minister for Europe and International Development (Humza Yousaf): Yes. The EU charter protects important fundamental rights in areas ranging from civil liberties to consumer protection. It has effect in the specific context of EU law. The Scottish Government strongly supports the EU charter.

Roderick Campbell: We await the UK Government’s proposals on a British bill of rights, but does the minister agree that, short of United Kingdom withdrawal from the European Union, the charter of fundamental rights will apply throughout the UK when matters of EU law are engaged, and that any proposals that the UK Government makes need to take that and the benefits of the charter fully into account?

Humza Yousaf: Yes—I entirely agree. The safeguards in the EU charter will continue to apply for as long as the UK remains a member of the EU. That will be the case irrespective of what emerges from the UK Government’s promised consultation on a British bill of rights. Repeal of the Human Rights Act 1998 would not alter the requirement to comply with EU law or the charter. It would be cause for grave concern if the UK Government sought to use the charter as part of the renegotiation. We would strongly oppose that, as we have strongly opposed any dilution of human rights in EU legislation.

Jobs in Scotland's New Economy

The Deputy Presiding Officer (John Scott):

The next item of business is a debate on motion S4M-15356, in the name of Patrick Harvie, on jobs in Scotland's new economy.

14:41

Patrick Harvie (Glasgow) (Green): I am grateful for the opportunity to bring this debate to the chamber. I am sure that I can speak to my motion with confidence that the Parliament will respond to the debate with rather more seriousness than those in the media who have already, perhaps predictably, chosen to use absurd misquotes in an attempt to misrepresent the Green position on the issue.

Nobody treats job losses in the north-east trivially. It is a serious matter that impacts on communities in that region and on our wider economy. Even those of us who have long argued that we are overreliant on the fossil fuel industries would never argue that the impact of job losses on this scale is trivial. However, simply comparing one headline, "Oil sector 'has lost 65,000 jobs'", with another, "Oil and gas production rises for first time in 15 years", is enough to demonstrate that the mantra of maximum economic extraction is not the same as securing maximum economic benefit for our society, nor does it guarantee the security and safety of jobs in that industry or the wider economy.

Many will recognise the context in which the current situation has arisen. Low oil prices bear a great connection with wider geopolitical factors such as the behaviour of Saudi Arabia and others, as well as the long-term decline in North Sea production, which I hope none of us is any longer in denial about. The notion that the North Sea will get back to the levels of production that it once had is not credible. There is overreliance on fossil fuels throughout our society and our economy, not just for energy but for a wide range of other economic and industrial activities.

However, there are additional aspects to that context that will, in my view, require us to face up to the long-term transition that is required and a necessary move towards embracing the change that that transition will bring about. The first aspect is the carbon bubble, the argument on which is set out in the Intergovernmental Panel on Climate Change's fifth assessment report, which was the first to include an assessment of the overall carbon budget of the planet. By some estimates, it has to be kept to something like 1,000 billion tonnes of carbon emissions or equivalent to give us a likely chance of achieving the 2°C

threshold—that is, not allowing climate change to exceed 2°C above pre-industrial levels.

It was estimated that more than half that budget had already been emitted by 2011, so, according to a variety of interpretations, there is somewhere between 446 billion and 616 billion tonnes left to emit if we want to have the reasonable likelihood of restraining climate change. However, other estimates put the position even more starkly and say that the additional warming factors from the way in which carbon dioxide is emitted mean that there is as little as 270 billion tonnes left in the global budget.

That situation is dramatically at odds with the level of fossil fuel reserves left on the planet. We already know that we have far more fossil fuels than we can afford to burn if we are remotely serious about achieving the likelihood of restraining climate change. That argument does not come only from the IPCC—I hope that the minister is still able to hear me—which is the global intergovernmental body that advises all of us, and it is certainly not an argument that comes only from environmentalists and campaigners. Just a few months ago, Mark Carney, the governor of the Bank of England, made much the same argument. Speaking not to campaigners or activists but to financiers in the City of London, he warned of the financial stability risk that this country faces because of our massive overexposure to the carbon bubble.

The fossil fuel industry is profoundly overvalued because its values are based on the assumption that all its reserves will be turned into economic resources, put on the global market and burned. Mark Carney said that the IPCC's carbon budget

"amounts to between one-fifth and one-third of the world's proven reserves of oil, gas and coal.

If that estimate is even approximately correct it would render the vast majority of reserves 'stranded'"

and

"literally unburnable ... which itself alters fossil fuel economics."

I have put that case to the Scottish Government on a number of occasions, and the previous climate change minister appeared to understand. In October 2013, I asked him about the IPCC report and the growing consensus on the carbon bubble, and he answered:

"I do not have a figure to give Mr Harvie for the percentage of fossil fuels that I would like to see remain under the earth, but I accept the point that, if we were to burn all the fossil fuels in the world, we would be doing untold damage to our environment."—[*Official Report*, 1 October 2013; c 23073.]

Sadly, Scotland's energy minister has repeatedly failed to endorse that basic argument.

All of that came, of course, before the most recent development in this context, which is the Paris agreement. The carbon budget in the IPCC's fifth assessment report is based on the 2°C target—the idea of keeping climate change to a limit of 2°C above pre-industrial levels. However, the Paris agreement goes further and

“Notes with concern that the estimated aggregate greenhouse gas emission levels in 2025 and 2030 resulting from the intended nationally determined contributions do not fall within least-cost 2 °C scenarios”.

The agreement states that there should be a goal of achieving a global temperature increase of well below 2°C and even a 1.5°C target. That will dramatically shrink even further the global carbon budget and pose a challenge to all fossil fuel-producing countries to recognise that those resources are not a value to the economy but a vulnerability.

The Minister for Business, Energy and Tourism (Fergus Ewing): Does Mr Harvie accept that carbon capture and storage is a technology that is necessary to achieve the objectives that he describes? Will he join us in condemning the United Kingdom Government's decision to withdraw support for the Shell and SSE CCS project that we were all looking forward to going ahead at Peterhead and making a contribution to climate change?

Patrick Harvie: I have certainly condemned the decision to scrap the funding for the scheme. I have done so in debates when the minister was present. However, I do that in the context of recognising that research on CCS will tell us whether it is something that we can come to rely on in future. At the moment, it is not a technology that will work straight out of the box and it is not something that we can rely on. Even if funding was in place, we would still need to find out whether it could play a role.

There will be those who will pretend that the Greens and others do not care about job losses and the communities that are currently overdependent on fossil fuel industries, but nothing could be farther from the truth. We are the ones setting out the case for Scotland to move away from an agenda that is not only polluting, not only destructive to the environmental life-support system that we all depend on for our survival and not only incompatible with the IPCC's budget but fundamentally short lived. The word “unsustainable” is not jargon; it means that it cannot last. Because it will not last, we need to be investing in the alternatives that will.

Chic Brodie (South Scotland) (SNP): Does Mr Harvie accept that, as indicated in the University of Dundee report on climate change, Scotland is leading the way at the top of the European league for emission reductions? Based on 2011 data,

emissions in Scotland fell by 29.6 per cent, whereas the European average is 17.1 per cent. What can we do to ensure that that kind of message is being given?

Patrick Harvie: A great deal has been done by Scottish ministers and many of us to welcome and congratulate the consensus on the setting of targets. Not enough has been done to reach those targets.

The point that I am making is not about our tailpipe emissions. It is about the carbon that we are digging out of the ground and pumping out from under the sea. Whether that ends up on Scotland's emissions inventory or someone else's, if that fossil carbon is taken out of the ground, it will end up in the atmosphere. That is the responsibility that fossil fuel-producing countries will have to acknowledge. I do not believe that any has yet.

We are setting out the case that the changes are not only desirable and inevitable but already upon us. Those countries that deny that reality will fail to realise the positive opportunities that that change brings about. Already, there are those bidding for oil and gas decommissioning jobs in Scotland, and they are up against competition from other countries. If we allow others to develop the global reputation and the skillset to undertake that decommissioning work, we will be left behind in the race to build that alternative industry.

Scotland has been here before. Let us not go there again. Let us not see an economic, industrial change coming down the line and fail to be ready to adapt to it, leaving communities stranded as a result.

Bruce Crawford (Stirling) (SNP): Does Patrick Harvie agree that, if the decommissioning process accelerates too much, there is the potential that we will lose a lot of the skills that are involved in the North Sea and will not be able to re-engage when the oil price recovers and the time comes to exploit the 22 billion barrels that we have left in the North Sea?

Patrick Harvie: A recovery in the oil price does nothing to change the fundamental context of the world's global carbon budget and the world's overvaluation of the industry. We will still be overreliant on an industry that is overvalued. That is an economic bubble, not just an environmental problem. We all know what happens when economic bubbles burst. How reliant do we want to be on that industry when that moment comes?

I want to mention the Scottish Trades Union Congress's warning, in its evidence to the Economy, Energy and Tourism Committee's recent short inquiry into the oil and gas industry. We were told that, even if we took climate change right out of the equation and focused on the

change in the economics of the oil industry, we would still have to be looking towards

“the transition happening much earlier than was previously anticipated”.

We were told that

“we have to be planning for the North Sea to have a shorter lifespan than previously thought”.—[*Official Report, Economy, Energy and Tourism Committee*, 25 November 2015; c 31, 32.]

The question is not whether we share the view that this is a desirable change. The change is upon us and we must be ready, prepared and investing in the alternative.

There is the opportunity for us to get back on track with our own carbon emissions, making up the lost ground of the 10 million extra tonnes of CO₂ that we put into the atmosphere when we missed the targets. That is something that I hope we can do despite the reductions in funding in the current Scottish budget for climate change and energy efficiency of 10 per cent and 13 per cent respectively. If we reverse that in the budget, we have the opportunity to get back on track with the climate change agenda.

However, we must also open up the opportunity for transition, look at the opportunity for the new industries that will emerge, not only in energy production—clean, green, renewable energy production—not only in decommissioning but in other sustainable industries, whether that is the retrofit job that has to be done on our built environment and the huge number of jobs that can come out of that agenda or the development of new science. No one can tell me or convince me that Scotland does not have what it takes to put in some of the research effort that the world is going to have to undertake to find alternative chemical feedstocks when these hydrocarbons are no longer available. There will be a period when they will be too valuable to burn, but we are not going to be able to pretend that they will continue to flow for ever.

My argument is that ministers of any political party in this Parliament have been at their best when they have been put under pressure by a Parliament bold enough to push them further, whether that be on the fracking moratorium, which I am sure Mr Ewing was delighted to have to announce, community ownership, climate change or whatever. The Green Party has a strong track record of pushing the Government beyond its own comfort zone, but it is the only political party that is willing to acknowledge that Scotland requires this transition from an overreliance on fossil fuels and which has set out the opportunities for making such a transition beneficial and good for our society and economy and ensuring that it brings

us into line with the ecological limits that the planet sets down.

The Deputy Presiding Officer: You must close, please.

Patrick Harvie: With a bolder Parliament, Scotland can make this change—and make it a better change for everyone.

I move,

That the Parliament considers that recent North Sea job losses and dramatic oil price fluctuations demonstrate a compelling reason to plan the transition away from Scotland's current over-reliance on fossil fuels; notes the STUC's comments to the Economy, Energy and Tourism Committee that “we have to be planning for the North Sea to have a shorter lifespan than previously thought”; further notes the ambitious goals set out in the Paris climate change agreement and the warning issued by the Governor of the Bank of England that economic reliance on fossil fuels represents a risk to financial stability; believes that the Scottish Government knows that the scale of employment previously supported by North Sea oil and gas extraction cannot be sustained, but that it has failed to produce a plan for transition; recognises that transition can ensure that a managed decline in fossil fuels captures the skills, experience and dynamism of energy workers and can generate many more new jobs in sustainable industries; considers failure to plan such a transition to be reckless, and calls on the Scottish Government to collaborate with workers, trade unions, industry and other governments to build a just transition to a secure sustainable economy for workers of today and the future.

The Deputy Presiding Officer: We are very tight for time today. I call Fergus Ewing to speak to and move amendment S4M-15356.2. Mr Ewing, you may have 10 minutes or thereby.

14:56

The Minister for Business, Energy and Tourism (Fergus Ewing): I welcome this debate as an opportunity to highlight the energy sector's importance to Scotland. It is important that we realise that Scotland has an abundance of energy resources including oil, gas, wind, hydro, wave and tidal, and that that affords us the opportunity to develop a rich and diverse energy mix that is both resilient and secure. The twin Scottish Government objectives of developing a low-carbon economy and ensuring good stewardship of our oil and gas resources are extremely important to our nation's economic wellbeing.

The oil and gas industry in Scotland has achieved great things in its first half century, and we need to recognise the enormous asset that the industry has been to Scotland and the huge contribution of its workers. However, it is no exaggeration to say that in January 2016 the industry faces the most severe challenges, and what is required from us all in this place, and everyone in any position of power or responsibility, is to respond positively and do everything of practical benefit that we can to help the industry

through these difficult times. That applies to the Scottish Government, every MSP, the UK Government, local government, banks, industry, the workforce and trade unions—in other words, to us all.

Just last week, Sir Ian Wood said that we must not panic. There are a huge number of successes that we can point to. Production is, in fact, rising. Projects, contracts and developments are being progressed well—we read of them each day in the *Press and Journal* and publications such as *Scottish Energy News*. Many new or newly refurbished fields are coming into production, including BP's Clair field and its Quad204 and eastern trough area projects; Statoil's Mariner field; Maersk's Culzean field; EnQuest's Kraken field; and many more besides. Merchants of doom peddle false wares.

Equally, we have a unique opportunity in Scotland, where the expertise gained from half a century of exploitation of oil and gas in the waters around our country gives us a particular advantage in the development of renewables technology. Countries such as Norway, Sweden and Denmark show that there is no contradiction between making use of—as in the case of Denmark—substantial gas reserves while leading the transition to a low-carbon economy.

The energy expertise from oil and gas can often help in renewables, as is evidenced by many companies working in Scotland that are involved in both sectors. I believe that a good example is Statoil, which is developing not only the new Mariner field but the world's largest floating offshore wind development. That is, in my view, very exciting, and it has been enabled by decisions taken by the Scottish Government.

I have just returned from a two-day visit to Caithness, where I visited Scrabster harbour. I heard how its new facilities, which were part funded by Highlands and Islands Enterprise, have served the oil industry with half a million tonnes of goods over the year, as well as serving the renewables industry. Scrabster is well placed to serve west-of-Shetland fields such as the Clair field, the Total fields of Laggan and Tormore, and Premier Oil's new Solan field, which will come on stream shortly, but it also plays a part in the renewables industry, because it is just along the coast from the MeyGen project, which is going to be the world's largest commercial tidal array.

I also visited JGC Engineering and Technical Services, which is in Janetstown, just up the road from Scrabster. It is a quality growing engineering company whose work spans oil and gas and renewables. The company has just produced a large number of 200-tonne ballast blocks for the MeyGen project, whose onshore facility I visited on Monday.

The point that I am making is a very simple one: many companies, many ports and harbours and many people are engaged in work in which oil and gas and renewables go hand in hand. Expertise in one area lends itself to gaining success in the other.

Patrick Harvie: The minister is quite right to say that there are skills that can be transferred into new industries, but my central question is this: for how long can the two industries operate hand in hand? Will the minister acknowledge the central argument that the world has far more fossil fuel reserves than we can afford to burn and tell us what proportion of them he thinks that it is responsible for a country such as Scotland to extract in the future?

Fergus Ewing: The member asks several questions. If all of us do not support the work that companies in Scotland do right now in 2016 and for the foreseeable future, we will not see companies go into transition; we will see companies go into administration, because that is what will happen if the Green recipe is adopted.

The low oil price shows no sign of abating. Many people believe that the oil price will remain lower for longer, although most people believe that it will recover in due course. The question is what can be done. I am wholly convinced that political point scoring is not what is wanted. What the people who work in the industry and the people who are facing redundancy want from us—and what is required from us all—is a variety of different support.

First, they want us to support the work that they do in a clear and unqualified way, to value it and to recognise that it is of the highest order.

Secondly, they want us to recognise that the industry faces the primary challenge of reducing costs and increasing efficiency. The industry recognises that—if members ask any company, it will say so. It is necessary to heed and learn from the gains that have been made in the supply chain. Alfred Campbell of the oil and gas industry leadership group, which we co-chair, profoundly believes that the supply chain has an enormous amount to contribute but that it has perhaps not been properly heeded in the past. Progress has been made in cost reduction. The challenge is to make progress without jeopardising safety, which must remain paramount.

Thirdly, at the oil and gas day in London last December, which I attended with the industry, the Oil and Gas Authority and the UK Government, I asked specifically that the workforce be listened to and learned from. Nexen adopted the practice of going out to members of the workforce and asking what they thought could be done to improve matters. It came back with many measures,

techniques and changes to working practices, many of which were adopted. They increased wrench time—that is, productive time—in a shift offshore enormously. By listening to the workforce, we can help to improve things together. The Scottish Trades Union Congress's role is invaluable there.

Fourthly, the Scottish Government must continue to play its part. Last January, the First Minister announced the creation of the energy jobs task force. I could talk in detail about that work, but we are determined to carry on with it and ensure that it is supplemented, where necessary, in every possible way to bring practical benefit to individuals who face redundancy.

Jamie McGrigor (Highlands and Islands) (Con): Will the minister take an intervention?

Fergus Ewing: I am sorry—I have little time left.

Fifthly, we need to ensure that we defer cessation of production and extend late-life assets fields. I believe that there are some practical measures that the UK Government must take. Principally, it must sort out the lack of clarity on liability for decommissioning costs. The major point that several companies and operators raised with me in my most recent visit to Aberdeen a couple of weeks ago was that that lack of clarity is stalling and preventing deals that would bring new investment to the North Sea.

We must have measures from the UK Government that address and improve the tax deal for the industry; we need more support for exploration; we need the UK Government to look again at tax rates; we need to look at extending the investment allowance to enable late-life fields to continue their work; and we need to continue our good work on decommissioning. We in the Scottish Government, through our economic development agencies, have worked closely with many players, and we have done a great amount of work on decommissioning—I cite as one example the work that is taking place in Lerwick with the partnership between the Lerwick Port Authority and Peterson, which is a major company in the field.

It is in all our interests to have a thriving and successful oil and gas industry that navigates these most severe challenges, just as it is to have a thriving and successful renewables sector. As the energy minister over the past five years, I know that we have made considerable efforts to achieve both objectives; we will certainly continue to do so.

I move amendment S4M-15356.2, to leave out from first “considers” to end and insert:

“recognises the challenges faced by the oil and gas industry; notes that the sector is still a major employer supporting a substantial number of jobs across Scotland;

understands that Scotland needs a diverse and balanced energy portfolio to provide secure and affordable heat and electricity for decades to come; notes that Scotland has ambitious renewables and climate change targets and is making good progress toward them; further notes that Scotland's policies on electricity generation, renewable heat and energy efficiency are progressively reducing use of fossil fuels and will help Scotland in its ambitions to decarbonise electricity generation; believes that a successful oil and gas sector will assist with diversification of Scotland's energy supplies and that the skills and expertise employed in Scotland's oil and gas industry will be crucial in the future success of the sector, mobilising low-carbon technologies and maximising the economic benefits from decommissioning, and believes that it is vital that Scotland continues to ensure good stewardship of all of this country's huge energy resources, with management of offshore resources being complementary with decarbonising the Scottish energy system over the long term.”

15:06

Murdo Fraser (Mid Scotland and Fife) (Con): I welcome the opportunity presented to us by the Green and Independent group for a debate on North Sea oil and gas. It is, indeed, a well-timed debate: it was only on Monday that the Economy, Energy and Tourism Committee produced its report “Future prospects for oil and gas in Scotland”.

Patrick Harvie sits on the Economy, Energy and Tourism Committee. To be fair to him, I should highlight that he dissented from four of the recommendations in the committee's report. I noticed that he was in the press yesterday describing the report as “reckless”. That is rather unfortunate language to use about a report that was supported by all other members and parties on the committee—a report that is, in my view, measured and balanced and which has been warmly welcomed by those in the sector and those whose jobs depend on it.

The timeliness of the debate is probably the kindest thing that I can say about Mr Harvie's motion, for it is a remarkably downbeat, depressing view of a sector that is still of great importance to the Scottish economy.

The Economy, Energy and Tourism Committee's overwhelming view was that, with the appropriate support from Governments and enhanced collaboration, a sustainable industry can emerge from the downturn.

Of course, it is not so long since we heard the Green Party banging on about peak oil. Our memories in this chamber do not need to be too long to remember Mr Harvie and his colleagues telling us that oil production was at record high levels, that the oil was going to run out soon, that oil prices were on an endlessly upwards trajectory and that oil would become an increasingly unaffordable commodity. Today, as we look at an

oil price of just \$28 a barrel, those predictions have as much validity as the prediction that the finances of an independent Scotland would be based on an oil price of a \$110 a barrel or more.

Having got that spectacularly wrong, the Green Party has now changed its tune. It is now saying that the decline in oil price means that there must be a transition away from fossil fuels towards a new economy.

Patrick Harvie: Will the member give way?

Murdo Fraser: Yes. Mr Harvie can remind us of everything that he said about peak oil, if he wants to.

Patrick Harvie: I am sure that Mr Fraser understands the reality of peak oil arguments, which bears no relationship to his words a few moments ago. Will he at least acknowledge that, whether oil prices are high or low, our key argument is that burning all that we have is simply incompatible with our own survival? Will he recognise that the context is one of geology and not geopolitics and economics?

Murdo Fraser: The fundamental problem with Mr Harvie's argument is that he assumes that the only use to which we put hydrocarbons is to burn them. We put hydrocarbons to many other uses. If he visits the Ineos plant in Grangemouth, he will see that they are used as the raw material in the production of a whole range of products. There is hardly anything that we use in the modern world that does not include some element of hydrocarbons as a source material. Therefore, we have an industry that produces material not just to burn, but to provide essential components in virtually every area of modern life.

Not unlike other members of the Economy, Energy and Tourism Committee, I am well aware of the decline in the sector, with some 65,000 jobs thought to have been lost so far and new job losses being announced almost on a weekly basis. However, we also know that the industry is cyclical in nature. If we look back at changes in the oil price over the past 40 years, we see that prices go up and down. Although none of us can accurately predict the future, we can expect that there will be a recovery sooner or later and that there will be an industry to support in the coming decades. Our role today is to ensure that the industry gets the support that it needs in the interim.

There are three areas where action is required. The first is in driving out cost inefficiencies, on which the industry is already taking action. Undoubtedly the low oil price is a driver in making that happen more quickly than otherwise would be the case.

The second is relates to tax. The industry was very pleased with the changes that were brought

in by the chancellor in the budget last year. Although there is always room for more changes to be considered—I know that the chancellor will be considering the issue in the run-up to this year's budget—the evidence suggests that further tax changes are not high on the list of industry demands at the present time.

Mark McDonald (Aberdeen Donside) (SNP): Will the member take an intervention?

Murdo Fraser: No, I need to make some progress, if Mr McDonald will forgive me. If he checks the evidence that was given to the Economy, Energy and Tourism Committee, he will see that the issue is covered in it.

Thirdly, there is the question of regulatory changes that are being driven through by the Oil and Gas Authority, which is still a relatively new body and one that is winning industry respect.

All those things are necessary to ensure that we have a viable industry for the foreseeable future. However, they do not change the fact that we have a downturn, which might last several years or more, and that those who have lost their jobs need support to find alternative employment. Here I have some sympathy for the notion of a transition to the new economy.

Our amendment makes specific reference to some of the opportunities that are available. The Beatrice offshore wind farm, a 588MW scheme in the Moray Firth, is expected to commence commercial operations in 2018-19, backed by an early investment deal under the UK Government's contract for difference programme. That 110-turbine scheme could create up to 5,000 jobs. Along with other Mid Scotland and Fife members in the chamber, I have been backing Burntisland Fabrications as the bidder for the contracts from SSE to install those offshore turbines. BiFab is an important local employer in Fife, which has seen significant contraction recently, and the opportunity from the contract could be of considerable value in securing jobs, and creating new ones, in the local area.

Fergus Ewing *rose—*

The Deputy Presiding Officer: Draw to a close, please, Mr Fraser.

Murdo Fraser: I am sorry that I do not have time for the minister.

It is not just in offshore wind that we have an opportunity for low-carbon energy. The new Hinkley Point C nuclear power station will provide some 20,000 jobs in the construction phase. Three Scottish companies—Doosan Babcock, SPX ClydeUnion Pumps and the Weir Group—are preferred bidders for contracts that are worth more than £1.3 billion. Those contracts could secure thousands of jobs in Scotland that utilise

engineering skills—skills that are transferable from the oil and gas industry.

We cannot support the negative, backward-looking Green Party motion today. We are happy to support the Scottish Government's forward-looking amendment, which argues for a balanced approach to energy provision and continued support for the oil and gas sector in the North Sea. I have pleasure in moving the even more forward-looking amendment in my name.

I move amendment S4M-15356.2.1, to insert at end:

“, and welcomes both the economic opportunities for Scottish businesses and the employment prospects from investment in new low-carbon energy projects, including the Beatrice Offshore Windfarm in the Moray Firth, which could create up to 5,000 new jobs, and the Hinkley Point C nuclear power station in Somerset, where three Scottish companies, Doosan Babcock, SPX ClydeUnion Pumps and the Weir Group, are preferred bidders for contracts worth more than £1.3 billion”.

The Deputy Presiding Officer: I call Lewis Macdonald to speak to and move amendment S4M-15356.1. If members would confine themselves to six minutes, that would be a huge help.

15:13

Lewis Macdonald (North East Scotland) (Lab): Scotland faces an oil jobs crisis that demands an urgent and concerted response. Getting that response right should be the focus of our debate.

As we have heard, there are those who would abandon future production and rush to decommissioning in the North Sea. That would indeed increase the risk to the livelihoods of thousands of people in oil and gas and far beyond, and it would undermine the Scottish economy as a whole.

There are also those who have claimed that there is no crisis—only a downturn in the economic cycle—and that a modest increase in production means that all is well and that the industry can be sure of a bright future. That is equally misguided.

Neither collapse nor recovery is certain. What is certain is that those who understate the significance of the industry or the severity of the challenge are in danger of making the crisis worse.

The production of oil and gas from the North Sea has rightly been described as one of the most important episodes in our economic history since 1945, and the oil and gas sector is one of the pillars of the modern Scottish economy.

Before the current crisis, oil and gas accounted for 13 per cent of Scottish gross domestic product, business that was won by Scottish oil service companies around the world generated billions of pounds of income to the Scottish economy, and the industry supported, directly or indirectly, well over 200,000 Scottish jobs. Whatever the prospects of North Sea oil, it is not a bonus or an optional extra. It is of critical importance to us all.

Today, the industry is under threat. Thousands of jobs have already gone. In September, the industry's estimate was that 65,000 jobs had been lost across the UK economy. I am sad to say that the tally of jobs lost continues to rise. In the few days since BP announced 600 job losses in the North Sea, another 500 redundancies have been announced or confirmed by Sparrows Offshore Group, ConocoPhillips, EnerMech and Petrofac. Wood Group has said that it is moving office jobs from Aberdeen to India, and Amec has announced that it will cut the pay of offshore and onshore contractors by 7.5 per cent.

Every job cut or pay cut in the oil and gas sector in and around Aberdeen has a knock-on effect. Every part of the local economy takes a hit, from the travel agents who announced redundancies in the city yesterday to the fast-food vans that sell to workers at the factory gate. The people who are still in jobs are affected, too. It is bad enough for workers onshore when fewer people have to do more work; workers offshore worry about fatigue and stress when they are asked to go from two weeks on the platform to three, and they wonder whether the cost pressures on employers will affect the safe operation of the platform.

The impact on the wider economy reaches far beyond the north-east, from island communities where earnings from working offshore are combined with part-time agriculture to steel plants and engineering firms in west central Scotland that face the threat of closure. This week, the Federation of Small Businesses reported:

“Scottish small business confidence has fallen to its lowest level”

in three years, and the gap between Scotland and the rest of the UK is “widening”.

We therefore cannot discuss the oil jobs crisis or a transition to a low-carbon economy as if they were abstract issues. This is about working people who have lost their jobs, communities that are under pressure and businesses that are facing closure. The oil jobs crisis is a reality right now for thousands of people throughout Scotland. Claudia Beamish and others will say more from the Labour benches about how to achieve a just transition to a low-carbon future, but members must recognise that a transition that was driven by crisis and dislocation would be anything but just.

That is all the more reason why the Scottish Government must carry out an urgent and detailed assessment of the impact of the current low oil price on the strength and stability of the Scottish economy, as we call for it to do in our amendment. The setting up of a task force to help workers who are made redundant is welcome, of course, but on its own it is not enough. When one of the pillars of the Scottish economy is trembling, the first thing that Scotland's devolved Government should do is assess the nature and scale of the risk that we face. Either ministers have not yet done that or they have carried out such an assessment but chosen not to publish the results. Ministers surely have a duty to measure and report on the scale of the challenge, so that their enterprise agencies, local councils and other partners have information on which to act.

Chic Brodie: I think that the member and I share concern about the industry in the short term. Will Mr Macdonald give a view on why production of North Sea oil rose last year?

Lewis Macdonald: The short and simple answer is that under the immense pressure of the oil price, companies have finally begun to address issues of efficiency that they failed to address in past years.

I hope that the Scottish Government will support the Oil and Gas Authority, as the regulator that is charged with changing the culture of the UK oil and gas industry towards greater co-operation, encouraging it to continue to share risk and to extend the life of key infrastructure offshore, as happened through investment in exploration over the past few months.

Ministers should support the transfer of knowledge, skills and technologies from production to decommissioning and the big new opportunities such as offshore wind, but they should do so in the context of maximising the economic recovery of oil, rather than closing the industry down. They should carry forward the work of planning where jobs in Scotland will come from in future generations, without throwing away the jobs and businesses that we have here today.

I move amendment S4M-15356.1, to leave out from first "considers" to end and insert:

"notes that, while production of oil and gas from the UK Continental Shelf (UKCS) is in long-term decline, the sector remains critical to the success of the Scottish economy, not least in providing the skills, technology and experience required to enable the development of infrastructure for the low-carbon economy of the future; calls on the Scottish Government to undertake an urgent and detailed assessment of the impact of the current low oil price on the strength and stability of the Scottish economy; agrees with the conclusion of the Economy, Energy and Tourism Committee that 'it is vital for the Scottish economy that Governments, the industry and the trade unions continue to work ever more closely together in order to ensure that the

objective of maximising economic recovery of oil and gas from the UKCS is fulfilled' and calls for further development of the role of the Oil and Gas Authority toward that end; recognises that early action is required to enable Scotland's energy sector to take future opportunities, including the deployment of offshore wind and marine energy and the decommissioning of offshore oil and gas, and calls on the Scottish Government to develop a coherent economic strategy to support renewable energy, the creation of new low-carbon jobs and the use of low-carbon technology in infrastructure development as part of a just transition toward a new low-carbon economy in the future."

The Deputy Presiding Officer: We move to the open debate. There is no time in hand at all, so members have up to six minutes.

15:19

Mark McDonald (Aberdeen Donside) (SNP): The debate is of extreme importance to the constituency in Aberdeen that I represent; many of my constituents face an uncertain future as a result of the oil price downturn.

We face the political challenge of addressing the seriousness of the issue while avoiding talking down the industry's prospects. A number of commentators have said that the industry still has a long-term future, in terms of both exploration and production. The question is how the industry is supported during the current period—it is not a question of casting it adrift. That is the balancing act that we must perform.

I will deal with the issue that Patrick Harvie and the Greens have brought to the chamber today, which is the transition. From listening to what has been said and to some of the previous commentary, it would be easy to assume that support for renewables is not in place, that work is not being done and that leadership is not being shown by the Scottish Government. However, in its briefing for members, Scottish Renewables says:

"Scottish Government leadership and cross-party political support has helped set strong objectives for the renewables sector, led to thousands of jobs and attracted finance from across the globe."

Patrick Harvie rose—

Mark McDonald: I will take an intervention from Patrick Harvie in a second.

Scottish Renewables says that renewables are now our largest generator of power. Renewable heat has quadrupled between 2009 and 2014. To me, that demonstrates a strong performance. Indeed, in 2014 renewables overtook nuclear as Scotland's largest source of electricity. In September 2015, we reached the target of 500MW of community and locally owned renewables. That target was set for 2020, not 2015, so we hit it five years early. There is leadership and support. Work is being done to ensure that the renewables sector

can thrive, but there are impediments, to which I will come after I take Patrick Harvie's intervention.

Patrick Harvie: I welcome the progress that has been made on renewable electricity, although there has been much less progress on other forms of renewable energy. However, it is clear that generating more renewable electricity does not cut emissions unless it displaces fossil fuels. If we continue to extract fossil fuels—whether they are used in Scotland or anywhere else—the fossil carbon will end up in the atmosphere.

Mark McDonald: Patrick Harvie and I part ways when he creates the either/or situation that he is trying to create here. We must have appropriate management of our resources, because we will require those hydrocarbons in the near future. We cannot get to the stage that Mr Harvie seeks to get to by switching off support and allowing the industry to decline further.

There are impediments to renewables, and the Scottish Renewables briefing goes into them in some detail. They exist as a result of the energy policy approaches that Westminster is taking, which are making it harder for renewable companies to invest, attract finance and operate. Changes must be made if we want the welcome support for the renewables sector to continue to increase in Scotland.

Support is also required for the oil and gas sector. Murdo Fraser said that support was not in place regarding tax changes. It is quite clear that there is a requirement for tax changes to stimulate and boost exploration activity, which would have two effects. First, it would safeguard jobs, increase activity and allow support to go into the supply chain. Recently I spoke to a supply chain company in the north-east that said that if its rigs were actively exploring they would be worth around £250,000 per rig. Four exploration rigs would equate to £1 million for that company, which is a stark contrast to the zero that it gets while those rigs sit idle. Boosting exploration activity has a direct effect not just on employees and companies that carry out that activity, but further down the supply chain. It would support those who are being affected by the downturn.

The other reason why stimulation of exploration activity is important is because it allows the industry to hit the ground running when price recovers, rather than having to then undertake that activity to reap the yield that comes from it. Exploration tax credits in Norway in the mid-2000s proved to be a significant success and led to substantial discoveries, which meant that, when the oil price recovered in the mid to late-2000s, Norway was able to capitalise on that very early on. I believe that the same opportunities could be realised for the oil and gas industry here were such tax credits to be put in place. Many in the

industry, as well as experts and, I believe, the Scottish Government are making that plea. We should unite to make that plea to the chancellor to effect those changes in the budget.

The Deputy Presiding Officer: I call Lesley Brennan. Members will wish to note that this is her first speech in our Parliament.

15:25

Lesley Brennan (North East Scotland) (Lab): I thank you, Presiding Officer, other members from across the parties and parliamentary staff for the warm welcome that I have received since coming here rather unexpectedly. I thank the Green and Independent group for the opportunity to discuss jobs and Scotland's new economy, especially as my first academic job was in the field of environmental economics at Abertay University in Dundee. I also taught ecological economics during my time at the University of Dundee, so I am really interested in the issue.

Before discussing the topic, I pay tribute to my predecessor, Richard Baker, who worked hard for the people of the north-east and was known across the chamber as a sincere and compassionate person. He was a strong voice and a willing and active participant in the chamber. Those attributes of his will stand Age Scotland in good stead, as he is a really good guy to have back on the team. *[Applause.]*

At the heart of the motion is the economy. No one would disagree that the Scottish economy is currently weak. The Scottish Government's latest figure for growth is 0.1 per cent. Research that has been published today by the Resolution Foundation reinforces the point about the fragility in the labour market. If we look ahead, there are few glimmers of hope on the horizon, given the massive cuts to local authority budgets because of the settlement from the Scottish Government and given the devastation in the oil and gas industry.

The sharp contraction in the oil and gas sector is devastating for the thousands of workers in the sector and their families, particularly in Aberdeen and the rest of the north-east. With another hat on, I am a councillor in Dundee, where skilled workers in the oil and gas sector who have been made redundant have become taxi drivers. I know from colleagues in Aberdeen that the same thing is happening there. The difference in income for those people is obviously having a huge impact on them, their families and their communities.

On top of that contraction in the economy, the Convention of Scottish Local Authorities is forecasting 15,000 job losses because of the local government settlement. The full effect of that on local businesses in Scotland should not be underestimated. There is a risk of contagion

spreading throughout the Scottish economy, so action is needed now.

The other component of the debate that needs urgent attention is the environment. Our environment is a precious system that is full of linkages and interdependencies, and it cannot be replaced when lost. The scientific evidence on climate change and the role of humans in speeding up changes is overwhelming. The pace of climate change needs to reduce and, where possible, that change must be reversed.

All organisations need to implement changes. We in the Scottish Parliament have a role, as does the Scottish Government, in ensuring that households and private businesses implement changes. It was therefore disappointing to read today that a survey by PricewaterhouseCoopers of 1,400 chief executive officers from around the world suggests that climate change fails to top the list of threats for business leaders at Davos. At least, however, 50 per cent of those CEOs say that climate change is a key threat to their business.

Some businesses can reduce their carbon footprint and their costs, and improve the work-life balance for their employees, by encouraging working from home. I was previously a home worker and I know the benefits that that can bring. That is also about networks; I worked on one project that involved virtual meetings at which I was in Dundee while colleagues were in London, in Baltimore in America and in Santiago in Chile. The carbon footprint would have been massive if we had all met in one location to connect up. That is one of the benefits of diversifying our economy and looking at the knowledge economy.

To go back to thinking about the climate, we need to change our behaviour and be mindful that small changes can have a positive impact, whether that is through reusing, recycling or reducing our consumption. Scotland is making improvements on recycling rates, cutting emissions and making our air cleaner, but the official targets have been repeatedly missed.

I believe that the Labour movement and the environmental movement are natural allies. Our goal is the same: we want a society that is run in our collective interests and in the interests of protecting our planet. There has been a lot of talk about creating a vibrant low-carbon economy that has green enterprise at its heart. Especially now, following the agreement that was secured in Paris, the pace of change needs to increase in order to tackle climate change and grow the economy.

As Lord Stern stated, tackling climate change and growing the economy are not mutually exclusive—they are mutually dependent. I could not agree more. We need to ensure that action to

tackle climate change is fully implemented and that it delivers jobs and the skills to do those new jobs. That is why we want to make sure that there is enough capacity in the college sector.

Jobs that are associated with tackling climate change range from those in flood prevention—recently, it has been obvious that we need to make sure that we invest in that—to those in improving the energy efficiency of homes and buildings and those in generating knowledge to improve renewable energy technologies.

New jobs are needed and they need to be delivered to boost our sluggish local and national economies. Mr Salmond promised 700 renewable energy jobs for Dundee following the signing of a memorandum of understanding in December 2011 but, sadly, they never appeared.

The people of Scotland want us to work together to find and implement solutions. I look forward to working with members across the chamber over the next nine weeks to meet those challenges. *[Applause.]*

15:33

Chic Brodie (South Scotland) (SNP): I congratulate Lesley Brennan on her first contribution; I am sure that there will be many others.

I welcome the debate and I fully appreciate the intent, feelings and principles behind the Green Party's motion. I have to say that it is a bit reckless, but it takes those who are in a rush to invent a new narrative—time and patience are required to make that credible. The motion sets ultimately laudable aspirations, although it may seem to be devoid of meaningful analytical facts. It is in danger of propelling its aims and objectives to create an immediate fear as it pursues those aspirations, no matter how well meant they may be.

The Government is building a low-carbon economy that is sustainable economically and environmentally. The position is clear—although current times are difficult, the oil industry will recover. I will come to that later.

We are already three quarters of the way towards meeting our carbon emissions targets, and we want over time to develop a structured balance between our obligations on the environment, the economy and jobs, and to the planet. We recognise that an achievable balance of natural resources and fossil fuels is required not just in meeting the needs of the Scottish economy and jobs but in our contribution to the global economy on both those fronts.

Jamie McGrigor: Will the member take an intervention?

Chic Brodie: No. Time is very limited.

I welcome the Paris initiative, because we cannot plan a transition away from Scotland's reliance on fossil fuels in the short term or in a period of huge global political volatility. Oil, petrochemicals and hydrocarbons are a major ingredient of day-to-day products and therefore involve downstream jobs. Not just transport and domestic or industrial energy but medical equipment, many drugs, domestic and industrial appliances and industries such as retail depend on input from hydrocarbons.

Let us analyse the Greens' view of the oil industry in Scotland without fear or favour. The motion talks of

"job losses and dramatic oil price fluctuations".

I accept that these are difficult times for the industry, but let us see what the Economy, Energy and Tourism Committee, of which Mr Harvie is a member, said in its recent short inquiry report on the oil and gas industry. It said:

"Our report is a snapshot in time."

I will come back to that point. It also said:

"No one can predict with any certainty what the oil price will be 12 months from now".

We know that, because of overproduction and sluggish demand in this very volatile global economy, there is downward pressure on the oil market. However, we have been here before. The price per barrel is higher today than it was in 2005 or indeed in parts of 2009. Only last week, in its comprehensive oil price outlook report, the International Energy Agency considered all the current and future international and global political and economic scenarios. In its current economic scenario, it said that the price of oil would grow progressively to \$150 a barrel by 2040 and, in the low scenario, it said that the price might progressively rise to \$95 a barrel by 2040. In addition to that input, during our committee inquiry, the STUC recognised that oil prices will rebound to a level where investment and therefore jobs in the continental shelf will look much more attractive.

It is right, however, to raise the concern in the motion that in the short term the skills base might be undermined, which would lead to constraints when higher investment returns. That has to be part of the overall equation. When the motion says that the STUC commented that

"we have to be planning for the North Sea to have a shorter lifespan than previously thought",—[*Official Report, Economy, Energy and Tourism Committee*, 25 November 2015; c 32.]

my riposte is that we have not even considered, as the Oil and Gas Authority said to the committee, oil and gas off the west of Shetland, Rockall, the Atlantic margins and indeed the inner Clyde—and

I would say that, wouldn't I? Currently, the scale of employment is threatened, but I believe that it will recover quite substantially.

Am I too cavalier about oil and gas production? No. Do I dismiss the absolute need to consider all appropriate actions—I repeat, all appropriate actions—to support the Paris objective? No. However, I do ask that we take proper and not unreasonable approaches to seek a balance of resources and our environmental objectives. Within that balance, oil in the North Sea and the west has and will have a significant part to play in the future. As I have mentioned, oil and gas production on the UK continental shelf has increased for the first time in the past year. We want to secure a sustainable environment and economy for the workers of today and the future, but such facts have to be considered in any long-term plan.

Action is being taken. I have no doubt that part of it has been achieved because of pressures from the Greens—I recognise that—on the renewables targets and emissions. There is already a focus on what the Greens seek, but that is part of an inherent strategy—some might say that it is part of an unwritten plan.

The Deputy Presiding Officer (Elaine Smith):

I advise the chamber that we are incredibly tight for time.

15:39

Liam McArthur (Orkney Islands) (LD): I, too, warmly congratulate Lesley Brennan on her maiden speech. Becoming an MSP is difficult enough but, when it comes out of the blue, as it did in this case, it must be all the more difficult. I wish Richard Baker all the best in his new post.

I welcome the opportunity to make a brief contribution and congratulate Patrick Harvie and his colleagues on bringing the debate to the chamber. It is unfortunate, however, that the first debate on oil and gas in almost a year is based on a premise that is unambiguous in calling for an acceleration of the sector's demise.

Those who work in the sector across Scotland, those who might have recently lost their jobs and the wider public, who realise the continued importance of oil and gas production to our economy, will form their own views on the Green Party's motion. They will also ask—rightly—why the Scottish Government appears to have been so reluctant for so long to debate the issues that the sector faces. One statement last September is scant reflection of the sector's importance or of the scale of the challenges that it faces.

Those who face the threat of losing their jobs, and those who have already lost them, need to

hear ministers and the Parliament voicing our support for and our confidence in the future of the sector—as members have done this afternoon. Fergus Ewing deserves genuine credit for his efforts, but it seems at times as if he has been ploughing a lonely ministerial furrow.

When the oil price started plummeting, it was striking how long it took the newly installed First Minister to visit Aberdeen to meet industry representatives. That reticence did not go unnoticed, and comparisons were inevitably made with the likely reaction of her predecessor. In the face of what no one now disputes is a crisis facing the oil and gas sector, the First Minister's failure to meet the head of her energy jobs task force for more than six months is astonishing—all the more so given what has happened to oil prices, jobs and confidence over that period. In his more private moments, I suspect that the Minister for Business, Energy and Tourism agrees.

That is part of a pattern. Just over a year ago, there was a similar reluctance from the Scottish Government to give the Parliament a chance to properly debate the future of the wave energy sector amidst an almost existential crisis. That approach is not good enough. Opposition parties can lodge motions on the subject, but parliamentary time is dominated by the Government.

There is no lack of issues to debate. We need to develop a strategy for how we transition to a low-carbon economy. Oil and gas are finite resources, and I have no difficulty in acknowledging that some of the resource will need to be left in the ground.

I agree with Scottish Renewables that our chances of achieving our goals are not helped by a UK Tory Government that is apparently hell-bent on dismantling much of the good work that was done under the previous coalition Government, including the work on carbon capture readiness. Moreover, I firmly believe that many of the technical and engineering solutions that are being sought by the marine energy sector are to be found in the oil and gas supply chain.

I also firmly believe that Sir Ian Wood is right when he cautions against panic reactions or premature decisions to decommission assets. Whatever our renewables future is—I am still confident that it is bright—oil and gas will remain an integral part of our energy mix for decades to come. Rather than heed the counsel of those who are intent on shutting down the sector forthwith, we need to consider seriously what can be done to support the sector and those who work in it at this difficult time.

The tax regime appears now to be more broadly supportive, and recent investment allowances are

viewed positively by those with whom I have spoken in the sector. Questions about removing the supplementary charge, for example, remain, and that should be kept under consideration.

The Energy Bill that is going through Westminster presents an opportunity to invest the Oil and Gas Authority with the powers and resources that it needs to continue making a positive difference. I am sure that Fergus Ewing would agree that my Liberal Democrat colleague and former Secretary of State for Energy and Climate Change, Ed Davey, deserves credit for that.

Fergus Ewing rose—

The Deputy Presiding Officer: You are in your final minute, Mr McArthur.

Liam McArthur: Ed Davey's foresight in paving the way for the OGA by establishing Sir Ian Wood's review is worthy of acknowledgement. No one could have predicted back then what would happen to oil prices but, without that preparatory work, the situation would be immeasurably worse.

Even before the passing of the Energy Bill, the OGA is having an effect. It is improving the evidence on which Government decisions are based. It has already invested in seismic studies, to the sector's benefit. If we look ahead, the OGA will help to ensure that companies are not sitting on licences that they are not using.

The Deputy Presiding Officer: I apologise to Mr McArthur, as that was not the start of his final minute. I have not cut speeches to five minutes yet.

Liam McArthur: Right.

With new sanctions and powers to access company data, the OGA will have scope to challenge individual businesses on performance, which will help to improve the sector's overall efficiency. Many of the solutions can come only from within the sector. Each business will be examining its cost structures carefully and seriously and seeing where efficiencies can be made. That, of course, absolutely must not come at the expense of safety.

The Deputy Presiding Officer: You are entering your final minute now.

Liam McArthur: More joint learning is essential, and the Scottish Government can do more to help with that. With the energy skills task force having been set up, that work needs to move ahead with some urgency. Its conclusions will undoubtedly be helpful in feeding into the coherent economic and energy strategy that Lewis Macdonald's amendment refers to.

I conclude where I started: the First Minister needs to be more fully and actively engaged.

Symbolically, as well as at a practical level, that matters. Oil and gas is a sector that touches most parts of the country in terms of jobs and its contribution to our economy. It is a sector that will remain a key part of our energy mix over the coming decades, and it is a sector whose future—for the foreseeable future—we need to help safeguard, not sabotage.

For those reasons—and notwithstanding the overly self-congratulatory tone on meeting climate change targets—we will support the Government's amendment at decision time.

The Deputy Presiding Officer: Speeches of less than six minutes would be helpful.

15:45

Sandra White (Glasgow Kelvin) (SNP): First, I apologise for my mobile phone going off earlier. I assure members that it will not happen again.

I congratulate Lesley Brennan on her maiden speech and I look forward to working with her.

I welcome the motion that has been lodged by the Greens and the Independents. It certainly gives us an opportunity to discuss jobs in Scotland's new economy. However, we have to be realistic—I say this in the best way possible—and accept that those jobs will not materialise overnight. We must ensure that people in the workforce are behind us—we must speak to them and work alongside them. When we plan and implement our concentrated vision for a new, renewable energy system that is fit for the future, we must speak to and meet the workforce of the oil and gas industry in particular, so that we retain the skills that will deliver that system and end our reliance on fossil fuels.

John Finnie (Highlands and Islands) (Ind): Perhaps the member is thinking about the unwritten plan that Chic Brodie referred to. What timeframe does she consider to be appropriate for the just transition to a low-carbon economy?

Sandra White: I have not seen the plan that Chic Brodie talked about. Perhaps Mr Finnie could answer the question that he asked me.

As I said, we need to speak to the workforce and ensure that people are trained in the skills that they need to work in renewable energy. Although I do not have a crystal ball and I cannot see into the future, I think that the transition will take place in the not-too-distant future. However, we need to be realistic and ensure that people work together in a sustainable way. We must look to the future, but we must also be realistic.

Many have mentioned the economic argument but, as far as I am concerned, there is also an argument about building a more sustainable future

and combating the effects of global warming. I believe that Scotland is making great progress towards that. My colleague Mark McDonald cited many projects that are going ahead. Like him, I think that we have taken positive steps in recognising and combating climate change in recent years.

More needs to be done, but I think that the recent Paris climate change agreement, which the motion mentions, gives us hope for the future. It was a monumental task to get so many nations to sign up to the agreement. I hope that that will be just the start of those efforts. I also hope that Scotland can lead the way in demonstrating what is possible and how to achieve it.

When the First Minister attended the 21st conference of the parties global climate summit in Paris, she spoke at the largest business-focused event of the summit, at which Scotland was praised by the head of the United Nations climate body, Christiana Figueres. The First Minister also spoke to the Climate Group, which Scotland became a member of. The Climate Group's compact of states and regions is an international reporting platform that represents 12.5 per cent of global gross domestic product and more than 325 million people worldwide. That demonstrates the collective impact that devolved states and regional Governments can have on tackling climate change.

All of that clearly demonstrates the Scottish Government's ambitions. Although, like others, I believe that more needs to be done, we should welcome those initiatives and build on them, because it is only through those initiatives and through international and collective action that we will move forward together to a sustainable global future.

Also highlighted at the summit was the fact that world records are being broken. Denmark set a new world record for wind energy production in 2013 as 39.1 per cent of its overall electricity came from a clean energy source. Scotland was also mentioned as having had a massive year for renewables. Wind turbines alone in Scotland provided 1,279 megawatt hours of electricity to the national grid. That is enough to fulfil the electrical needs of 164 per cent of Scottish households or 3.96 million homes. We should be proud of that.

The Deputy Presiding Officer: You are in your final minute.

Sandra White: An important part of the Scottish Government's approach that nobody has mentioned so far is its pioneering climate justice approach, which puts people and human rights at the heart of our action on climate change and supports fair and sustainable global development.

I thought that I had more time. I had hoped to look solely at the positives today, because Scotland is a world leader in many new and innovative technologies and we have abundant national resources. However, we are being held back from doing more. I was disappointed that the carbon capture plant proposal was rejected and that funding for renewables has been cut. All that is a strong argument for energy policy to be devolved to Scotland. I hope that we all agree on that and that the Opposition parties will join us in petitioning the UK Government to support the carbon capture plant and the devolution of energy policy. We should be looking at that.

The Deputy Presiding Officer: I am afraid that we are already over time for the debate, so I ask members who wish to speak later to review their speech notes for timings.

15:51

John Wilson (Central Scotland) (Ind): I declare an interest as a member of Unite the union. I also welcome Lesley Brennan to Parliament and look forward to her contributions at committee and in the chamber.

I thank the members who have taken the time to read the motion and discuss the issues that it raises—particularly those about the future of Scotland and the planet. The motion highlights our commitment and need to tackle our growing dependence on fossil fuels. As a country and a planet, we cannot continue to burn fossil fuels at the current rate.

There are two concerns about that. First, climate change and global warming are happening around us. Across the UK, we have recently seen drastic weather and flooding on a massive scale, which has caused incredible and lasting damage to hundreds of homes. Flooding is the greatest threat from climate change that faces the UK. It is a real and present danger and we need only look at the recent weather to see the scale of the damage and disruption that it can cause to people's lives and livelihoods. I doubt that anyone in the chamber would deny that climate change is real, that it presents a threat to our livelihoods and that we as a nation have a responsibility to tackle it however we can.

Secondly, fossil fuels are finite. They cannot and will not last for ever; that is a simple fact that must be addressed. To not address it and to continue our dependence on fossil fuels is dangerous and irresponsible. Those are important points and I hope that members agree that our consistent use of fossil fuels is harmful to the environment and unsustainable because of the damage that it causes and the fact that fossil fuels will not last.

The motion highlights the need for an immediate transition from work that depends on our dwindling oil and gas to work in renewables and other progressive industries. We have heard today and in the report from the Economy, Energy and Tourism Committee that 6,000 jobs lost from the platforms equate to almost 30,000 jobs lost in communities around Scotland. To quote the First Minister, the North Sea oil industry is "in crisis". Oil prices have fallen to below \$30 a barrel and Petrofac has just announced 100 job losses, alongside BP's 600.

All those job losses will impact on workers who are employed in the North Sea oil industry and, as Lesley Brennan said, they will have a knock-on effect on the families and communities of those workers. In my region, I have seen the devastation that the closure of steelworks caused to families and communities. The Scottish Government has a responsibility to ensure that such wide-scale job losses and industry closures are handled effectively in the future and that there is a just transition for workers and resources.

At its annual congress, the Scottish Trades Union Congress highlighted its expectation that 35,000 jobs that relate to North Sea oil could be lost over the next five years. The motion calls on the Scottish Government to work with the trade unions on planning and implementing the transition from a society that is fossil-fuel dependent to one that is fossil-fuel free. The STUC further highlighted the need for a just transition, with a framework created by various trade union organisations that highlights the need for and importance of a transition towards a low-carbon, climate-resilient economy that maximises the benefits of climate action while minimising the hardship for workers and their communities.

The role of the trade unions in that transition is vital. We in the Scottish Parliament have a responsibility to listen to those whom we represent, and I do not mean just geographically. When we discuss such transitions and the workforce of the future, we have a responsibility to listen to the workers and the trade unions and to hear their voices. The people who are best placed to discuss what is best for Scottish workers and the Scottish workforce are the workers themselves.

Mark McDonald: Will the member acknowledge the voice of Jake Molloy of the RMT union, who has called for specific measures to support the oil and gas industry, including taxation support from Westminster?

John Wilson: Jake Molloy and people from other unions have supported the just transition policy. They support a move away from the current dependence on the oil and gas industry and they support the creation of sustainable economic

policies that take us away from the threat of ever-fluctuating job security in the oil and gas industry.

The Deputy Presiding Officer: Final minute.

John Wilson: The redundancies that we have heard about and the actions that are being taken clearly show that the workforce that depends on the oil and gas industry is in flux. Those people do not know what is happening from one week to the next. We heard from Lewis Macdonald that terms and conditions are being eroded and wages are being cut.

I do not deny that North Sea oil plays an important part in our economy. It is for that reason that a just transition is needed. It is crucial that we secure our economy and the rights and welfare of workers, their families and communities in a future that is unpredictable but which will clearly not be fossil-fuel dependent.

I urge my colleagues in the chamber to join me in supporting the motion and rejecting the amendments that have been lodged. The motion supports workers in Scotland and highlights the need for a just transition to alternative work, greater training and skills education funding to support workers in a future fossil-free Scottish economy.

The Deputy Presiding Officer: Mr Wilson, you must finish.

John Wilson: We have an opportunity to lead the way to a transition strategy that benefits the workforce and communities in Scotland. We need to put that in place as quickly as possible.

The Deputy Presiding Officer: I am afraid that I can give the next two members only up to six minutes. Thereafter, I will have to reduce the time for speeches to five minutes. I apologise for that.

15:57

John Mason (Glasgow Shettleston) (SNP): I am pleased to speak in this debate, and I am glad that the Green and Independent group has brought it to the chamber. I also congratulate Lesley Brennan on her maiden speech and welcome her to both the Finance Committee and the Delegated Powers and Law Reform Committee. We will see whether she is still smiling quite as much once she has been at the two of them.

I hope that we all agree that encouraging renewable energy is absolutely the right way to go. If there is a difference between us, it is probably that the Greens and Independents want us to go further and faster than we are going at present.

Jamie McGrigor: On that point, I note that the Scottish Government announces on page 83 of the draft budget for 2016-17 that it intends to end

business rates relief for renewable energy projects unless they are 100 per cent community owned. Is that a way of encouraging renewable energy?

John Mason: As the member knows, his Government has cut this Government's budget so there are issues, but I am more than happy that the Finance Committee will look at the issue in due course.

I will comment later on some of the issues that arise from the motion from the Greens and Independents, but first I want to challenge those who oppose the renewables movement, because there are people out there who do that. In particular, there are people who are opposed to wind farms. Using wind power is hardly a new phenomenon as people have been doing it for hundreds of years. The modern turbines are an update of traditional windmills, which most people would find acceptable.

I have to say that I also think that modern wind farms do look beautiful and can be an attraction in their own right. I accept that we do not want them covering all our land but, when travelling along the M8 to Edinburgh or down the M74 to Carlisle, I consider that the scenery is greatly improved by having some turbines along the way. Eaglesham moor, for example, was a pretty dull and dreary area in the past, but I consider the Whitelee wind farm there to be a great attraction. I am now keener to go out there for a walk on the 130km of trails among the 215 turbines, which can produce 539MW.

I think highly of the John Muir Trust and its work to protect wild land, but I think that its opposition to wind farms has sometimes been a bit over the top. Some of our wild land should be inhabited, and we need to find ways of encouraging people to move back there.

I will comment on some issues that I have with the motion. First, the motion states that there is "current over-reliance on fossil fuels".

I have to say that I am not totally convinced about that. We have relied on fossil fuels for a very long time, be they coal, oil, or gas. Clearly, they are not going to last for ever and we need to find alternatives, but we do not need to panic and try to move away from them overnight.

There are big challenges to be addressed before we can move away from fossil fuels, including on how to store electricity better for when we need it. We are seeing improvements in that regard. For example, I was impressed by the electric car that a friend recently took me for a run in, but it has a limited mileage before it needs recharging and the recharging process takes quite a lot of time.

On a larger scale, the pump storage at Cruachan can effectively store electricity at off-peak times and reprovide it at peak times. However, my understanding is that its efficiency is 75 to 80 per cent, so we lose a bit along the way. That position needs to improve very quickly.

Alison Johnstone (Lothian) (Green): Does the minister not agree that if we were to invest more whole-heartedly in renewables, including at UK level, rather than in some of the most expensive electricity on the planet, we might be able to start getting renewables technology off the ground faster?

John Mason: I am not yet a minister and I am probably unlikely to be one, but I agree with the member that renewables are a priority for investment. I would absolutely support any investment that the Government, the universities and others can make in that area.

Secondly, according to the motion, there is the question of the North Sea having

“a shorter lifespan than previously thought”.

I wonder whether that is the case and whether the position might be the opposite. If there are an estimated 22 billion barrels of oil remaining, surely we are not going to walk away from that. If it is too expensive to get that oil out of the North Sea at the moment, perhaps we can expect to do more once the price goes back up. It should be remembered that, as others have said in the debate, the oil price is very volatile—for example, it was below \$20 a barrel in 1998 but rose in 10 years to more than \$100 a barrel.

Thirdly, there is the concept in the motion of the Scottish Government failing

“to produce a plan for transition”.

I find that a very puzzling statement. From what I can hear, the whole tone of the Scottish Government is about investing and pushing on with the transition to renewable energy. Of course, there have been disappointments along the way, perhaps particularly with wave and tidal power, but any innovation has disappointments along the way.

The Deputy Presiding Officer: You are in your final minute.

John Mason: The tone from Westminster on renewables tends to be very negative in comparison to the tone from Holyrood.

As with other decisions we need to make in this Parliament, there is a balance to be struck between a variety of objectives. We want a strong economy and a healthy environment, and we need to maximise tax revenues from the taxes that people pay for the public services that we all want to see improved and expanded.

16:03

Claudia Beamish (South Scotland) (Lab): I start by congratulating Lesley Brennan on her first speech in the chamber and on her analysis of the climate change imperative and how we can address it together.

I am pleased to make a contribution to the debate this afternoon. I have long been fighting for the future proofing of our jobs market, and I welcome the chance to debate it with colleagues. The energy sector faces indisputable challenges today, and my thoughts go out to the thousands affected by job losses. We must address that issue in an immediate sense. However, I will speak in this debate about planned changes being an opportunity and not something to shy away from.

In the face of a changing climate, the commitments in the Paris agreement and the challenges to the traditional fuel industry, the greatest threat to our economy is not to plan for the future. There are fantastic examples of low-carbon jobs in Scotland today, and it is important to shout about those successes to give people the confidence to plan for the future. The Scottish Renewables briefing for this debate reminds us that across the UK there are now 21,000 jobs in renewables and that £1 billion of investment was made in renewables in Scotland in 2014.

Looking to the future, education must be at the heart of a strategy for a just transition. By introducing green themes to children in nursery and primary schools, we can inspire future contributions to the low-carbon economy. That thread should weave through every level of education.

Will the Scottish Government support programmes such as heatwise, which used to involve pupils in designing renewables technologies, and consider putting money into that sort of initiative? Eco-schools should be commended for the robust awareness-raising work that they do. The development of high school courses that focus on new, green skills is also vital.

The college sector must be highly commended for the role that it plays already in providing people with training, skills and opportunities for the new economy. In South Scotland, there is a plethora of opportunities for full-time courses in a wide range of renewable and clean technologies, theoretical courses combined with practical training facilities, and short courses to upskill those already in work.

Borders College recently launched the UK's first heat recovery system using the local waste water network, which now provides around 95 per cent of the heat for the Galashiels campus. Ayrshire College delivers a wind turbine technician course

that is growing in popularity, as well as courses in a huge range of renewable technologies and energy efficiency. The spread of courses in emerging technologies is an extremely positive step.

Businesses small and large, co-operatives and communities, and unions are also engaging in the transition and investing in transferable skills. They should benefit from continued Government support. Unison promotes the recommendations in “Green Collar Nation”, a document produced by the Trades Union Congress and Greenpeace, and GMB has called for a link between vision and action for the green shift, particularly taking into account the needs of workers.

Our future economy should be based on the principle of circularity—reusing materials and keeping them in the system. Innovative product design needs to be supported as the nature of our resources, and the fact that they are not finite, become increasingly apparent.

For example, the Ellen MacArthur Foundation recently produced a report on the future of the plastics industry. To make plastics at present, we need oil and gas. It is estimated that plastic production uses the same oil consumption as global aviation. If we continue at this rate, the plastic sector will account for 20 per cent of total oil consumption by 2050.

Furthermore, by 2050, the report estimates that the world’s oceans will contain more plastics as waste than fish by weight. We need to decouple plastics in the longer term from the fossil fuel feedstocks and focus on developing new skills and ideas, with Government support, for a circular economy.

We cannot ignore change, and we must not pretend that change is not vital. We must plan in a staged and strategic way and take workers along with us on that journey. Scotland has been the birthplace of globally influential innovations throughout the last centuries. This is an opportunity to again be the trailblazers for innovation and creativity in a new economy and society.

As Lewis Macdonald said, it is very important that we have a just transition for workers and that we respect the needs of workers in the fossil fuel industries today, as well as planning for the future, so that we have a vibrant energy sector and a wider vibrant economy and that we protect our planet in the future. We cannot delay any longer.

16:08

Dennis Robertson (Aberdeenshire West) (SNP): Like my colleagues in the chamber, I congratulate Lesley Brennan on her maiden

speech. It took me back to my own, and, if her knees were shaking, just like mine were at the time, I have every sympathy with her.

The motion before us today is not surprising, coming from the Greens, but I am not sure that it acknowledges where we are currently. Where we are today is reflected in the report from the EET Committee, mentioned earlier by its convener Murdo Fraser. The report is, I think, well balanced, because the committee spoke and listened to the sector, Oil and Gas UK, the Oil and Gas Authority, the trade unions and so on. The committee took on board not only people’s fears and aspirations but the fact that the industry was in an unsustainable situation.

In these kinds of debates, as MSP for Aberdeenshire West—where there is a significant number of oil and gas, subsea and renewables companies—I always want to point out that we are talking not just about the companies out there in the North Sea or those which populate the buildings in Westhill in Aberdeenshire but about all the companies in the supply chain.

When we talk about the industry, we quite often do not give much attention to the supply chain. We need to acknowledge that the redundancies that we have had in Aberdeen, Aberdeenshire and the wider community have affected not only the men and women on the platforms—and we are talking about more than 6,000 in that respect—but other workers in the sector. Some are on the administration side, but others—perhaps 30,000—are in the supply chain, and the impact has been felt in our hotel industry and in many of our small businesses. In addressing the current situation in the north-east, we have to look at not just the work of the energy task force but the wider impact on the broader community.

It is true that the numbers in the workforce were unsustainable, and I think that Oil and Gas UK and the industry itself had already reflected that view. In fact, they reflected it before the oil price started to decline, and they were looking at efficiencies and more collaboration and co-operation in the industry. That would probably have resulted in some job losses, but certainly not to the extent that we are seeing now.

My plea to the industry is that it thinks carefully about what happens when we get back to sustainability and recovery. Will it have the skilled workforce to extract the oil and gas that we will need in future? There are 22 billion barrels of oil and gas left. I know that this is where we move away from Patrick Harvie and the Greens, who would like to see that oil and gas left in the ground, but I believe that this is all about the careful stewardship that the minister referred to. We have to take the resources that are there at the moment.

We are also working towards having low-carbon communities. I sincerely regret that we do not have the carbon capture and storage facility at Peterhead, and I think that it was wrong of the UK Government to walk away from that. We have been encouraging the oil and gas industry to invest in research and development with regard to that low-carbon future, and it has been putting money into it. Shell, for example, has put an enormous amount of money into the carbon-capture sector.

The Deputy Presiding Officer: You have 30 seconds left.

Dennis Robertson: Much more remains to be said, but in conclusion I want to make it clear that this is all about working together. The sector, the unions and the politicians—whether they be local, here at Holyrood or at Westminster—need to do all they can to sustain the current industry, which is and will be at the heart of our economy now and into the future.

16:14

Jean Urquhart (Highlands and Islands) (Ind): Unlike Dennis Robertson, I think that Patrick Harvie's motion reflects the reality of the present situation with regard to jobs in Scotland's new economy. Even if we were not to recognise that the oil is not infinite, we should be making a plan now.

Politicians and Governments are generally charged with short-termism, and everything that we have heard today that does not support the motion seems to have been just that. The motion is, of course, concerned about people's work, jobs and an industry that has given the UK Government a great deal of income tax. It is also an industry that has taken a great deal of tax money and investment.

I will look at the current global situation. On the radio this morning, two economists were in agreement that the Chinese economy is likely to be much worse than is acknowledged by its Government, just as the improvement in the United States economy is probably overstated. They also agreed that the price of a barrel of oil is political. When agreeing the price of a barrel, the United States and Saudi Arabia may consider Russia, but they certainly do not consider Scotland's economy. Below \$20 a barrel it becomes untenable.

There is a glut of oil stocks, but the drop in price is out of our control. That is part of the problem. God help us If we run our renewables industry in the way we have run the oil industry. We say that there are 22 billion barrels of oil left in the North Sea, so let us look at a long-term plan.

I want to cite an example of a small town in the north of Sweden called Kiruna. There are 22,000 people living there and it is built on a mine, so there is subsidence as well as other problems. The people did not want to move, so instead of moving everybody they set out a 100-year plan for the people who work and live there. Over the next 40 years, they will move the town street by street and rebuild the whole thing in the same area, but out of danger.

That is the kind of planning that Scotland needs to do to make this transitional change. I represent the Highlands and Islands, and there is no doubt that it is seen as a powerhouse. Alex Salmond himself said that the Pentland Firth could be seen as a potential Saudi Arabia of energy.

I want to look at the reality of what we have done so far with renewable energy. We have built wind farms that have largely benefited private companies and private landowners. There have been very small and very selective community benefits.

Mark McDonald: The member will have heard me highlight in my speech that a target that was set for community renewables for 2020 was achieved in 2015. That surely demonstrates that the Scottish Government is showing support and leadership to community renewables schemes.

Jean Urquhart: I have no doubt that there are some community-owned energy schemes, and I could cite some very good examples. However, we have to be realistic. The targets are not being met by community renewables and the economic driver of renewables is not in local communities.

We have to see a plan for a low-carbon economy. That is clearly long overdue. In Paris, the First Minister and the Minister for Environment, Climate Change and Land Reform declared that, to deal with climate change, they would embed funding for renewables in our budget.

After the past few months, nobody can be unaware of the damage that climate change does. It is not something that is going to happen; it is something that is happening now.

The Deputy Presiding Officer: I am afraid that you have to close.

Jean Urquhart: The best time to plant a tree was 30 years ago. The second best time is today. Please support the motion and start our 100-year plan today. Thank you.

16:19

Rhoda Grant (Highlands and Islands) (Lab): I, too, congratulate Lesley Brennan on her first speech. It was an excellent speech in an important debate.

Oil and gas jobs are not only concentrated in Aberdeen. Many of my constituents are dependent on jobs in that sector, travelling from as far away as the Western Isle to go offshore. The jobs are based in some of our smaller and more remote communities, and their loss will have a knock-on effect on the economies of those fragile communities.

Shetland has an economy that is largely based around oil and gas, and the industry's downturn has had an enormous impact on it. That emphasises, if we needed reminding, the global economy in which we live, with decisions being taken halfway round the world having a catastrophic impact on our constituents.

I want to make a plea. Margins are tight and cuts are being made in the oil and gas industry, but it is unacceptable if the cuts lead to cuts in safety. The changes in shift patterns are dangerous. Forcing people to work three weeks without a break is unsafe. The workforce must be rested and switched on, or it will make mistakes. The shift patterns will also impact on workers' home life, their relationships and their families.

When dealing with substances as volatile as oil and gas, no corners can be cut on safety. We cannot simply write off an industry without consideration of the workforce and its future. We know that reserves will run out, but we need to plan for a managed withdrawal from those energy supplies. I am sad to say that I see no planning going on.

There are, of course, opportunities with renewables. Onshore renewables have been developed on the mainland and, in some cases, have provided a valuable income stream for communities. However, there are missed opportunities in making more of those developments. Indeed, had some renewables developments been wholly owned and managed by the public, they would have had a much better return, and community-owned estates would have been able to develop huge income streams. Some of them, but not many, have been lucky enough to do that.

Many areas have not enjoyed those benefits at all. Without an interconnector, the Western Isles cannot develop its full renewable energy potential, either onshore or offshore. Given the economic situation in those areas, the investment in that would be a game changer not just because of the income generated but because of the jobs created and the spin-off of the wealth invested by community landowners in jobs and diversification in the community.

The waters to the north and west of Scotland are the most energetic in Europe. The ability to harness that energy would bring much needed

benefits in jobs and investment and also provide a source of dependable renewable energy to the whole country. Sadly, the investment in wave and tidal energy has been pulled back and we have seen developers go out of business or cut their research and development.

We have talked about the potential of wave and tidal energy for years, but the Scottish Government must invest in research and development, because the market is failing to do so. In Orkney, we have a great deal of expertise. We need to keep those people in the area and working on innovative technology that can capture wave and tidal energy. If we let them go, Scotland will lose the industry, because the expertise will be snapped up elsewhere. If that happens, we will end up buying in from other countries the wherewithal to extract our own natural resources. That has happened with onshore wind; we cannot afford to let it happen with wave and tidal energy. We must ensure that there is sufficient interconnector capacity from the islands back to the mainland to allow us to benefit from such energy when it is available.

The Highlands and Islands has the highest level of fuel poverty in Scotland. For the most part, that is because we are off the gas grid and the alternatives are expensive. We need a step change in insulation, but we also need people to be able to install microrenewables. That would cut the costs paid for energy, remove people from fuel poverty and create jobs.

People in fuel poverty cannot invest in microrenewables in their own homes; they need support and help in developing those alternatives. As I said, that could create jobs in small businesses. However, those jobs seldom go to smaller businesses because of the bureaucracy that is involved in the registration of installers. The registration must be done in a way that ensures small businesses benefit.

We need a clear energy policy. We must prepare for a time when we can no longer have oil and gas; we must manage that transition.

The Deputy Presiding Officer: Thank you. My apologies for the lack of time. Joan McAlpine, you have a maximum of five minutes, please.

16:24

Joan McAlpine (South Scotland) (SNP): I have sympathy for the points that Patrick Harvie makes and for the consistency of his position, but it is a difficult position with regard to timing. I agree that there are transferable skills between the oil and gas industry and the renewables industry—skills in engineering, fabrication, financing and the myriad skills that cascade down the supply chain into the wider economy. However, just at the time

when oil workers could be looking at alternative careers in renewable energy, that sector is being undermined catastrophically by the policies of the UK Government.

My colleague Mark McDonald pointed to the briefing from Scottish Renewables, which commended the leadership of the Scottish Government in promoting renewables, but more of the briefing is taken up by the barriers to future growth emanating from the policies of the UK Government. The report says:

“Cuts to and closures of support schemes at UK level . . . raise significant questions about the future”

development of renewable energy. It is worth reminding ourselves of the extent of those cuts. They include the renewables obligation, which has been the main driver of growth in renewables capacity since 2002. The UK Secretary of State for Energy and Climate Change has announced that the renewables obligation will close to onshore wind a year earlier than expected, on 31 March this year.

With regard to contracts for difference, which are the only policy lever to support large-scale green generation, there is currently no certainty over the budget or timescales for the next allocation of contracts.

Patrick Harvie: Will the member take an intervention?

Joan McAlpine: I am sorry, but I have no time.

Scottish Renewables says that

“the delay could fatally undermine the timeline for the projects on Scotland’s main island groups”

and

“would also raise serious questions about whether the proposed offshore wind projects can make the 2020 deadline.”

The UK Government has also made it clear that it will not allocate future subsidy to onshore wind, as I have said, and that onshore wind will not form part of the next CFD allocation. The Economy, Energy and Tourism Committee has heard how contracts for difference are also unsuitable for energy storage projects, which has held up major pump storage initiatives and the development of interesting alternative storage technologies.

There is also uncertainty around the renewable heat incentive, which, although it is continuing, is having its budget reduced. We have still to hear how it is planned to work in the future. That affects small businesses all over Scotland that have invested in training staff to install the devices that enable renewable heat. To that we should add, of course, as others have, the abandoning of the carbon capture and storage project.

Even if we could effect a smooth transition from oil and gas to renewables, I believe that now is not the time to be rushing into things. It might give a sense of moral superiority to those who advocate a radical and abrupt change of direction, but it does not at this point offer workers the certainty that they need to make that change.

During our evidence-gathering session in committee, we looked at the Aberdeen and Grampian Chamber of Commerce oil and gas survey, which was conducted in collaboration with the University of Strathclyde. Obviously aspects of it were pessimistic, but there were positives. For example, it said that for individuals there were still jobs available. For companies, labour market conditions had eased and they were finding it easier to recruit and retain core staff. Over the next three years, employment growth is expected by contractors.

For that reason, we also need to be careful about being too hasty at moving to decommission. To quote the same report, Uisdean Vass, the Bond Dickinson oil and gas legal expert, made a very vivid comment. He said:

“A significant short-term increase in decommissioning activity will inevitably herald a more rapid decline in offshore exploration and production since the industry will feed on the body of infrastructure which supports it. In effect, the industry will be eating away at its own bones.”

That is a very vivid illustration of what we face. To go down that road and move away from what is obviously an important job creator in Scotland is far too risky.

The Deputy Presiding Officer: That brings us to the closing speeches.

16:29

Mary Scanlon (Highlands and Islands) (Con):

I declare an interest: my son is a civil engineer who works in the wind farm industry. I say to John Mason that I am not against wind farms, but I like them to be in the right place.

I, too, congratulate Lesley Brennan—another feisty woman from Dundee—on her contribution to the debate. We look forward to working with her.

I thank the Greens and Independents for selecting this topic for debate. It took me back to when I left school in Montrose, in the 1960s. There was no North Sea oil industry then and opportunities for young people were very different from the opportunities that exist today. When I cast my mind back to the day I left school, I remember that my three options were bus conductor, cake seller in Frost’s, the local baker, or weaver in Paton’s jute mill in Montrose. I am thankful that what is on offer today is very different.

I agree with Sir Ian Wood, who said, in relation to the oil and gas industry:

“there are generations out there who have always just taken it for granted, and who have become very, very dependent on the oil and gas industry”.

He went on to say that that way of thinking needs to change and talked positively about a way forward

“with the right kind of plan, and the right kind of people, and the right kind of local authority and the right kind of reception from the Scottish and UK governments”.

Many speeches in the debate have been similarly positive and forward looking, rather than negative. I certainly do not think that the oil and gas industry belongs in the past tense.

I am pleased to note that members are more realistic and honest about North Sea oil revenues and that the Scottish National Party and the Greens are not forecasting unrealistic oil revenues for decades to come and decrying anyone who dares to think or say differently. The Office for Budget Responsibility was ridiculed when it forecast oil revenues of £3.3 billion for 2016-17 during the referendum campaign, but today it is a fact that Brent crude is \$28 a barrel—more than \$100 less than the SNP forecast in relation to economic independence. There is no doubt that the lifting of sanctions on Iran will bring more oil to market and affect price predictions.

In the early days of North Sea oil extraction, many people thought that the industry would last for 25 to 30 years. The high oil price enabled many marginal fields to be exploited, because it covered the increased costs of extraction. Now that some rigs are reaching the end of their working life—more than a third are more than 30 years old—costs are increasing and revenue is decreasing, so this is an opportune time for the debate.

I agree with Patrick Harvie about the undoubted opportunities in decommissioning. We have been slow off the mark in ensuring that our fair share of decommissioning comes to Scotland. Many of the earlier projects went to Norway and the north-east of England. I welcome investment in the infrastructure in Lerwick, but Scotland needs to ensure that opportunities are available to Scottish yards and Scottish workers, as Rhoda Grant said.

Scotland and the UK were pioneers in North Sea oil exploration, and we continue to export our expertise, with oil workers who were trained in Scotland working around the globe. We have the potential to become a global leader in the decommissioning skills that will also be needed around the world. Given that £17 billion is forecast to be spent on scrapping 79 platforms and plugging 1,200 wells over the next 10 years, and given the decommissioning budget of £47 billion

up to 2050, decommissioning should be regarded as an opportunity to develop skills and jobs.

As Murdo Fraser said, we very much welcome the energy jobs task force, which was announced a year ago and which we hope will address skills shortages elsewhere in our workforce. However, we should be aware of the difference between wages for workers in the North Sea and wages for workers on wind farms. The average salary in the North Sea is £64,000, compared with an average salary of £25,000 for a technician who is building a wind farm. Furthermore, anyone who gets a two-year contract to work on a wind farm is very lucky and must wonder what will come next. In the long term, the only jobs on wind farms are for routine maintenance or callout, if problems arise. Patrick Harvie should also be aware that 70 per cent of the cost of a wind farm in Scotland goes out of the country, to pay for the turbines and towers.

I congratulate the Economy, Energy and Tourism Committee on its excellent report on the industry. I appreciate that the report is short and gives a snapshot in time, but I think that it makes an excellent contribution.

16:34

Jackie Baillie (Dumbarton) (Lab): Like other members, I commend Lesley Brennan on her maiden speech. She pointed out that growth is sluggish—our growth rate is slower than the rate in the rest of the UK; unemployment here is greater in percentage terms than it is in the rest of the UK; employment growth here is not as fast as it is in the UK; and the jobs that we are generating tend to be low paid, temporary and part time. In that context, Lewis Macdonald was absolutely right to talk about the importance of oil. Oil is not a bonus or an optional extra; it is central to our economy. It accounts for billions and something like 200,000 jobs—well-paid jobs at that.

The white paper's estimate of oil at \$113 a barrel appears to be a distant memory when set against today's price of \$28 a barrel. The world has changed. The price is down 18 per cent even since the new year and has fallen a staggering 70 per cent in 18 months. Global oil demand ground to a halt in November and fell in December for the first time in 13 months. The big oil producers—the Saudis—are not about to change their policy. Lower prices in the months ahead have been predicted by a range of expert industry forecasters, from Barclays revising its estimates downwards to Morgan Stanley joining the growing number of voices warning that oil prices could slide down to \$20 a barrel. That is devastating not just for our public finances or the economy but for jobs in the north-east and across Scotland. With all due respect, I say to the Scottish Government that it needs to recognise the seriousness of the

problem and the fact that it has deepened dramatically in a very short time.

I absolutely agree that we should do all that we can to sustain this important industry, which is why from the very start Labour has been calling for regular oil and gas bulletins. We need to understand what is happening; specifically, we need to understand the impact on jobs and the economy, because doing so will help to ensure that the action that we take is right.

Mark McDonald: I welcome Jackie Baillie's statement that everything that can be done should be done. Does she agree that exploration tax credits, which I said would help not just companies but the supply chain, would be welcome and are something that the chancellor should bring forward in his budget?

Jackie Baillie: It strikes me that there is no point in a company having a tax credit if it is not paying tax. However, we would support any effort to invest in exploration. We would wish to do so through the OGA, because it knows how best to do that.

Oil used to count for about 13 per cent of Scottish GDP, but regrettably that is not the case now. Thousands of jobs have already been lost—Oil & Gas UK suggests that something like 65,000 direct and indirect jobs have been lost. As we heard from many members, BP is cutting 4,000 jobs globally, including 600 in the North Sea. Petrofac has said that it is cutting 160 UK jobs. We could have a roll call of oil companies.

Those losses also affect the supply chain, which includes businesses in the north-east and across Scotland. The FSB told us this week that confidence among small businesses was at its lowest level for three years, specifically because of fears about an oil industry crisis. Small local suppliers are just as badly affected.

We must also focus on individuals who have already lost their job and help them into alternative employment, so that we retain their skills. Ensuring that our economy can benefit from their knowledge in the future will be important.

I listened carefully to the minister. Of course we support the positive work in the oil and gas industry, the supply chain and the workforce that is making the industry more efficient, and we welcome the energy jobs task force. However, the task force last reported in September. We do not know how many people have been helped into other jobs or into retraining, because the Government does not know. We do know, as a result of a newspaper's freedom of information request, that neither the First Minister nor any other minister—including the one who is here today—has met the chair of the task force since June. That is hugely disappointing. I expected a

greater sense of urgency. We need a new oil and gas bulletin; in fact, we need regular bulletins. The last one was published in June on the very last day of the parliamentary term. When will we see an update? Can the minister promise to publish one before the Parliament dissolves in March?

Others have made the case for renewables, so I will not repeat some of the arguments. Suffice it to say that I believe that we need a mixed energy supply. Of course we will need to consider decommissioning and transitioning in due course, but there is still much opportunity in the North Sea. Murdo Fraser mentioned BiFab, which is a good example of a company that does decommissioning and offshore wind fabrication, and I commend it to the Government.

There are those who say that the situation is not a problem and that everything is wonderful. That degree of complacency shows a failure to understand the challenge to the economy. There are those who say that we should decommission everything now, but that misses the potential of what lies in the North Sea. To those who say that we should devolve control, I simply fail to understand what they are talking about—I find it frankly quite bizarre. We should be exploiting all the opportunities that are before us.

We will not support the SNP amendment because it pre-empts the Labour amendment and because we believe that the Scottish Government can do more. It can urgently review the impact on jobs and the support for the industry. Perhaps it will start by publishing an updated oil and gas bulletin.

16:41

Fergus Ewing: Lesley Brennan finished on the very good point that the Parliament is a place where we can work together for the people of Scotland. I welcome her maiden contribution in the chamber. By working together, we can maximise the opportunities that we have in Scotland to create a secure and resilient energy mix. Scotland has set world-leading targets that make a strong contribution to required global emission reductions. We are on track to meet and exceed our 2020 target for a 42 per cent reduction in emissions.

Renewable energy is one of our most important industries. It creates jobs and investment opportunities while delivering secure, low-carbon and cost-effective energy supplies. In the past 10 years, renewable electricity output has more than doubled and now supplies half of the electricity that is consumed in Scotland, beating our provisional target by, I think, a year. We are also leading the way in the UK on support for local and community ownership of renewable energy,

having met our 2020 target of 500MW of community and locally owned renewable generation capacity five years early.

We of course accept that we have much more work to do. Earlier today, I met Star Refrigeration, which is a leading company in the field of renewable heat through heat pumps and which has delivered projects in places such as Drammen in Norway. The company Sunamp is a world leader in providing methods of electricity storage. As a number of speakers have said, we need more pumped storage generally, but we also need more storage at distribution and household level. That is extremely important.

As Rhoda Grant pointed out, we need the islands to be connected. As I have said, that is my top priority—not a top priority but the top priority—which is why I have been working with the UK Government, first with Ed Davey and now with Amber Rudd, to try to achieve that. As an optimist, I am still hopeful that we may get there. That would achieve great things for the islands, for the reasons that have been stated.

I will say a little about some of the measures that have been mentioned. In response to points from Mark McDonald about the need for measures to encourage exploration, Murdo Fraser said that the industry has not focused on tax or mentioned it greatly. It is true that tax is perhaps not the main focus for many companies. Quite frankly—let us not beat about the bush—they are focused on survival. I recognise that but, at the same time, there are teams of people in Aberdeen whose work is almost entirely based on exploration and, if there is no work for them to do, we risk losing their skills. Dennis Robertson rightly made the good point that, if we lose people's skills because there is no work for them to do, we might not be able to bring them back.

Faroe Petroleum drilled several wells—four, I think—in the Norwegian sector this year. It did that because Norway offers 78 per cent exploration tax-credit measures. It got four for one; it is like getting four of something from Tesco for the price of one from Asda. Plainly, that is an important measure.

I would like also to praise—

Mark McDonald: Will the minister take an intervention?

Fergus Ewing: Well, all right.

Mark McDonald: Does the minister agree that the impact of exploration on the supply chain is extremely important? Earlier, I cited a supply company that told me that every rig that is out exploring is worth £250,000 to that company.

Fergus Ewing: That is absolutely right. Another point is that hiring rigs and exploration gear is not

expensive at the moment, because of supply and demand. Therefore, it is a great time for that.

We work very closely with Oil and Gas UK, Subsea UK and the Oil and Gas Authority. I have worked very closely with Andy Samuel, who is doing a great job; I think that that is accepted, at least by all the main parties that support the oil and gas industry. The OGA is doing new work to encourage fields such as Lancaster and Bentley, small pools, late-life extensions and a technology centre. We have set up the oil and gas innovation centre, which is funded to the tune of several million pounds and does great work. There are lots of positives going on. The Apache Corporation and TAQA have made recent discoveries—

Lewis Macdonald: Does the minister agree that the Oil and Gas Authority spending money directly on exploration—it spent £20 million on that in recent months—is the most effective way to enable the kind of offshore exploration that we want to see?

Fergus Ewing: It is effective, but I doubt whether it is the most effective way. There is no sign that the UK is going to repeat that £20 million of spending in this year's budget. It was good work, and we supported it. Incidentally, I think that post-graduates at Scottish universities can be put to use to analyse the data from that seismic work—I know that they can, and I have encouraged Andy Samuel to do just that with Scottish universities. I agree with some of Lewis Macdonald's point, but I think that the approach needs to be supplemented.

In the time that I have left, I think that, despite the ideological divide between the authors of the debate and almost all the rest of us, it would be useful to ask a fairly simple question. In my opening speech, I mentioned that the projects at Clair, Kraken, Mariner, Etap, Quad204 and Culzean are all going ahead. The simple question is this: do the Greens support those projects going ahead, or are they saying that they think that they should be scrapped? I would be very interested to know the answer—if they will answer that question directly.

Patrick Harvie: I am grateful for the opportunity to do so. We have consistently published proposals, including during the referendum campaign under the auspices of the Green yes campaign, that make it clear that in the shorter term the focus must shift from maximum extraction to maximum revenue generation, so that we invest the revenue in the transition. Norway, for example, gets far more revenue per barrel of oil than the UK does, and unless we do that, we will be left high and dry when the transition arrives, whether we like it or not.

Fergus Ewing: If that was the answer to my question, I think that everyone will be as mystified as I am. I think the truth is that, for their own reasons, the Greens want essentially to shut down the oil and gas industry. If they do not want that, they can make it clear whether they think that those new projects, which will sustain tens of thousands of jobs and are great news for Scotland, should go ahead or not.

I welcome the opportunity to have the debate today. I am working with David Mundell, whom I will meet next Thursday, and the oil and gas industry, and I will visit Aberdeen next Monday and Tuesday. We will continue to demonstrate our support for the industry, not just by words but by deeds. We will do everything that we possibly can, working with others from all parties, to help people through these times of arguably the most severe challenges that the industry has ever faced. We will continue to do absolutely everything within our power to help to keep those people in work and doing such a great job for this country.

16:50

Alison Johnstone (Lothian) (Green): I start by thanking Lesley Brennan for choosing to make her first contribution to Parliament in this debate. She said that at the heart of the motion is the economy; of course, at the heart of the economy are people.

This debate is about securing a prosperous future for Scotland. To do that, we need to think ahead of the game, be open to change and be bold in our ambition for what we can achieve. Of course, bold ambitions are admirable, but they will come to nothing without a serious and credible plan.

We know that we are overreliant on fossil fuels, with all the financial, social and environmental risks that that entails. Patrick Harvie, John Wilson and Jean Urquhart set out those risks well. Claudia Beamish spoke well on the opportunities that a low-carbon economy can bring, and all colleagues have rightly focused on job losses, although we disagree on how best to secure those jobs in the long term.

We know that the North Sea oil and gas industry—

Dennis Robertson: Will Alison Johnstone take an intervention?

Alison Johnstone: I would like to make some progress.

We know that the North Sea oil and gas industry is vital, but it cannot forever sustain jobs at their current level. Today's job-loss situation brings that into sharp focus. We must help people who are being left out of work. It would be a reckless gamble on people's jobs not to plan alternatives—

a transition that secures people's jobs and livelihoods and guarantees jobs in the new economy.

Sandra White spoke of the need to involve workers. We must absolutely do that, but let us not have constant post-redundancy action for those who work in the oil and gas industry. Instead, let us be proactive in ensuring job-matching and reskilling now. We need a prosperous economy to drive investment into low-carbon jobs because nobody benefits from economic turbulence and unemployment.

The Scottish Greens new economy report on what a transition could look like is clear that any response to climate change must be a job creator and a community rebuilder. Built on conservative estimates of the jobs that are required for an ambitious energy transition, the report shows how the new economy can employ thousands more people than the old one did.

Our 200,000 jobs estimate is for direct jobs—for high-paid and high-skilled jobs. We did not count so-called induced jobs, although those are a vital part of the picture too, as Dennis Robertson and other colleagues have highlighted.

I agree with Dennis Robertson that we must all work together for a sustainable future. The Scottish Parliament can lead, but it cannot do this alone. John Wilson highlighted the role of the trade unions in a just transition, and it is clear that delivering the low-carbon jobs and infrastructure that we need will require a wholesale change of UK economic policy away from austerity towards investment.

Today's debate showed that there is some consensus on the need for change. Lewis Macdonald was right to say that a transition that is driven by crisis would not be just. Our motion recognises that. However, the big questions remain—we know that we cannot burn even half the world's fossil-fuel reserves if we are to have a chance at avoiding catastrophic climate change, but every other party in this chamber advocates ploughing on and several members have spoken of the need for further exploration.

The Bank of England warns of repricing risks. That means the risk that oil companies are holding billions of pounds of stranded assets and are significantly overvalued as a result. Some national pension schemes are beginning to recognise the potential of that happening and are already divesting from fossil fuels.

Fergus Ewing: I would be grateful if Alison Johnstone could answer the question that Mr Harvie did not answer. Do the Greens favour the new projects that I mentioned going ahead or not?

Alison Johnstone: I think that Mr Harvie answered that question very fully. The Greens are not suggesting for a second that the oil industry should cease tomorrow. We are speaking about a just transition that will protect the thousands of jobs that have been lost—and those that will continue to be lost to the industry, while the Scottish Government does not come forward with a credible plan.

As I was saying, there are big systemic risks with real-world consequences for people—including job losses—and other parties are intent on blindly ignoring them. A healthy economy is vital for jobs, prosperity and investment in the low-carbon economy, so a disordered reduction in the fossil-fuel industry is in no one's interests. We need to plan for such a reduction.

The Scottish National Party Government claims that it is planning for the transition and, to give credit where it is due, I say that it has made considerable efforts to expand renewables. However, it is just as fair to say that it is not passionately committed to reducing the burning of fossil fuels.

On Monday at Westminster, Green MP Caroline Lucas spoke up again against a UK Government that seems to be intent on pulling the rug out from under the renewables industry, and on throwing the Crown jewels at Hinkley Point C nuclear reactor. In the debate there, she spoke about

“the entrepreneurs’ call to climate action, a joint statement from 121 chief executive officers with international operations”.—[*Official Report, House of Commons*, 18 January 2016; Vol 604, c 1218.]

Those CEOs said that

“100% fossil free solutions”

already exist, as

“opposed to a slightly better version of an already existing polluting alternative.”

In many cases, therefore, businesses are ahead of politicians.

Joan McAlpine spoke of the need for greater devolved powers. I agree—but if others are developing skills in decommissioning, it is really important that we do that, too. Think of all the jobs that will exist in decommissioning and the opportunities there. If we are not decommissioning, other countries will be doing so on our behalf.

Dennis Robertson: Does Alison Johnstone agree that we should try to ensure that our young workforce of the future are given the diverse skills that will allow them to work in either industry—continuing in oil and gas or working in renewables, as is the case with Advanced Industrial Solutions—AIS—in Westhill in Aberdeen?

Alison Johnstone: We should be skilling our young workforce as well as we possibly can, but it is certainly the case that renewables has a far greater and more sustainable future ahead of it, as is demonstrated by what is happening in the oil and gas industry at the moment.

Murdo Fraser and the minister demonstrated that there is no recognition of the real-world risk that Mark Carney tries to get us to recognise: the need for a reduction in use of fossil fuels, coupled with an increase in low-carbon jobs. Those are two sides of the same coin.

Half our electricity comes from renewables; we are halfway to the 100 per cent target, which is great progress. However, there are so many more opportunities. Only 15 per cent of total energy needs were met by renewables in 2015, and Scottish Renewables predicts that that will rise to 28 per cent by 2020. To keep us on the right track, it proposes a 50 per cent renewables target for 2030.

To grow our renewables output, we need to harness the skills and experience of those who are currently working in the North Sea—subsea engineers, machine operators, helicopter pilots, surveyors, welders and many others—to build and maintain offshore energy infrastructure.

We need thousands of workers to make the transition to a healthy, sustainable and climate-safe society and economy, and we have the skills and expertise to do it. In 2014, the Department for Business, Innovation and Skills published a report comparing the supply chain that is needed for offshore wind to existing industries’ supply chains. There are many synergies. There are high synergies for surveys, for subsea array cables, for wind-farm design, for building substations, for building monopile foundations and so on. For 75 per cent of the offshore-wind supply chain, there is existing expertise in the oil industry that has been applied to wind.

That means that people who are directly and indirectly employed by North Sea oil are extremely well placed to build Scotland’s offshore renewables infrastructure. We do not have all the skills for the transition, but our existing industries give us an incredible kick-start. We need to plan and invest to deliver the rest, and we need that massive increase in apprenticeships, coupled with a focus on breaking down the gender segregation that is so evident in our modern apprenticeships.

Skills gaps hinder progress. Even in London, companies were stymied when they tried to increase building retrofitting, because of a lack of workers with the appropriate skills. The oil and renewables industries already face a shortage of skilled offshore workers. Without a good depth of skills and without companies that are able to

deliver infrastructure, prices can shoot up. That is already a concern when we consider flood defence mechanisms.

None of that means an end for oil and gas in Scotland. We have to adapt, but we have no doubt that the North Sea and its oil and gas still have an important role to play in our economic future. From school rulers to roofing tiles, from pipes to paint and from ink to contact lenses, the raw materials come from the North Sea. Vital ingredients for medicines are found there, too. Surely we should seek to lengthen the longevity of such uses.

In 20 years, people may look back and wonder why we burned such valuable and irreplaceable resources as oil and gas long after we became aware of alternatives. Scotland can deliver a safer and more stable economy, with stronger communities and secure employment. We can do that by securing jobs today, planning the transition and being bold in our ambition for the jobs of tomorrow.

I commend the Green motion.

Patrick Harvie: On a point of order, Presiding Officer. I am sorry for not bringing this to your attention in advance.

You frequently remind members who have taken part in debates that they should be present in the chamber during the closing speeches—not simply to be present but to listen. Does that principle also apply to a minister representing the Government in today's debate, who chose to spend time wandering about the back of the chamber during the opening and closing speeches by the party that was bringing the debate?

Fergus Ewing: On a point of order, Presiding Officer, in response to Mr Harvie's judgment, I respectfully point out that except for one comfort break I have been in the chamber throughout the whole debate. I have consulted civil servants at the back intermittently and I have listened to all members with, I hope, courtesy and respect.

The Presiding Officer (Tricia Marwick): As I have not been present for most of the day, I have no further comment to make on the matter.

Business Motions

17:01

The Presiding Officer (Tricia Marwick): The next item of business is consideration of business motion S4M-15370, 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 26 January 2016

2.00 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Topical Questions (if selected)

followed by Stage 1 Debate: Pentland Hills Regional Park Boundary Bill

followed by Scottish Government Debate: Trade Union Bill

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Wednesday 27 January 2016

2.00 pm Parliamentary Bureau Motions

2.00 pm Portfolio Questions
Education and Lifelong Learning

followed by Scottish Liberal Democrats Business

followed by Stage 1 Debate: Bankruptcy (Scotland) Bill

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Thursday 28 January 2016

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 3 Proceedings: Succession (Scotland) Bill

followed by Stage 1 Debate: Abusive Behaviour and Sexual Harm (Scotland) Bill

followed by Financial Resolution: Abusive Behaviour and Sexual Harm (Scotland) Bill

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time
 Tuesday 2 February 2016
 2.00 pm Time for Reflection
followed by Parliamentary Bureau Motions
followed by Topical Questions (if selected)
followed by Stage 3 Proceedings: Education (Scotland) Bill
followed by Business Motions
followed by Parliamentary Bureau Motions
 5.00 pm Decision Time
followed by Members' Business

Wednesday 3 February 2016

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 4 February 2016

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 3 Proceedings: Carers (Scotland) Bill
followed by Business Motions
followed by Parliamentary Bureau Motions
 5.00 pm Decision Time—[*Joe FitzPatrick.*]

Motion agreed to.

The Presiding Officer: The next item of business is consideration of business motion S4M-15368, in the name of Joe FitzPatrick, on behalf of the Parliamentary Bureau, setting out a timetable at stage 1 for the Criminal Verdicts (Scotland) Bill.

Motion moved,

That the Parliament agrees that consideration of the Criminal Verdicts (Scotland) Bill at stage 1 be completed by 26 February 2016.—[*Joe FitzPatrick.*]

Motion agreed to.

The Presiding Officer: The next item of business is consideration of business motion S4M-15369, in the name of Joe FitzPatrick, on behalf of the Parliamentary Bureau, setting out a timetable at stage 2 for the Scottish Fiscal Commission Bill.

Motion moved,

That the Parliament agrees that consideration of the Scottish Fiscal Commission Bill at stage 2 be completed by 12 February 2016.—[*Joe FitzPatrick.*]

Motion agreed to.

Parliamentary Bureau Motions

17:02

The Presiding Officer (Tricia Marwick): The next item of business is consideration of four Parliamentary Bureau motions. I ask Joe FitzPatrick to move motions S4M-15373 to S4M-15375, on approval of SSIs, and motion S4M-15372, on substitution on committees.

Motions moved,

That the Parliament agrees that the Continuing Care (Scotland) Amendment Order 2016 [draft] be approved.

That the Parliament agrees that the Dog Fouling (Fixed Penalty) (Scotland) Order 2016 [draft] be approved.

That the Parliament agrees that the Secure Accommodation (Scotland) Amendment Regulations 2016 [draft] be approved.

That the Parliament agrees that James Dornan be appointed to replace Colin Keir as the Scottish National Party substitute on the Standards, Procedures and Public Appointments Committee.—[*Joe FitzPatrick.*]

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

Decision Time

17:03

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

The first question is, that amendment S4M-15356.2.1, in the name of Murdo Fraser, which seeks to amend amendment S4M-15356.2, in the name of Fergus Ewing, on jobs in Scotland's new economy, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Brown, Gavin (Lothian) (Con)
 Buchanan, Cameron (Lothian) (Con)
 Carlaw, Jackson (West Scotland) (Con)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Annabel (West Scotland) (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)
 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)
 Finnie, John (Highlands and Islands) (Ind)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Harvie, Patrick (Glasgow) (Green)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 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)
 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)
 Mackay, Derek (Renfrewshire North and West) (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)
 McArthur, Liam (Orkney Islands) (LD)
 McDonald, Mark (Aberdeen Donside) (SNP)
 McInnes, Alison (North East Scotland) (LD)
 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)
 Scott, Tavish (Shetland Islands) (LD)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)
 Torrance, David (Kirkcaldy) (SNP)
 Urquhart, Jean (Highlands and Islands) (Ind)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (Ind)
 Yousaf, Humza (Glasgow) (SNP)

Abstentions

Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baxter, Jayne (Mid Scotland and Fife) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Bibby, Neil (West Scotland) (Lab)
 Boyack, Sarah (Lothian) (Lab)
 Brennan, Lesley (North East Scotland) (Lab)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Dugdale, Kezia (Lothian) (Lab)
 Fee, Mary (West Scotland) (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)
 Malik, Hanzala (Glasgow) (Lab)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDougall, Margaret (West Scotland) (Lab)
 McMahon, Siobhan (Central Scotland) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Pearson, Graeme (South Scotland) (Lab)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Rowley, Alex (Cowdenbeath) (Lab)
 Smith, Drew (Glasgow) (Lab)
 Stewart, David (Highlands and Islands) (Lab)

The Presiding Officer: The result of the division is: For 12, Against 70, Abstentions 29.

Amendment disagreed to.

The Presiding Officer: I remind members that if the amendment in the name of Fergus Ewing is agreed, the amendment in the name of Lewis Macdonald falls.

The next question is, that amendment S4M-15356.2, in the name of Fergus Ewing, which seeks to amend motion S4M-15356, in the name of Patrick Harvie, on jobs in Scotland's new economy, 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, Gavin (Lothian) (Con)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Buchanan, Cameron (Lothian) (Con)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Carlaw, Jackson (West Scotland) (Con)
 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)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Goldie, Annabel (West Scotland) (Con)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hume, Jim (South Scotland) (LD)
 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)
 Mackay, Derek (Renfrewshire North and West) (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)
 McArthur, Liam (Orkney Islands) (LD)
 McDonald, Mark (Aberdeen Donside) (SNP)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McInnes, Alison (North East Scotland) (LD)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse)

(SNP)

McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMillan, Stuart (West Scotland) (SNP)
 Milne, Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 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)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Scott, Tavish (Shetland Islands) (LD)
 Smith, Liz (Mid Scotland and Fife) (Con)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)
 Torrance, David (Kirkcaldy) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

Against

Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baxter, Jayne (Mid Scotland and Fife) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Bibby, Neil (West Scotland) (Lab)
 Boyack, Sarah (Lothian) (Lab)
 Brennan, Lesley (North East Scotland) (Lab)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Dugdale, Kezia (Lothian) (Lab)
 Fee, Mary (West Scotland) (Lab)
 Finnie, John (Highlands and Islands) (Ind)
 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)
 Hilton, Cara (Dunfermline) (Lab)
 Johnstone, Alison (Lothian) (Green)
 Kelly, James (Rutherglen) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Macdonald, Lewis (North East Scotland) (Lab)
 Macintosh, Ken (Eastwood) (Lab)
 Malik, Hanzala (Glasgow) (Lab)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDougall, Margaret (West Scotland) (Lab)
 McMahon, Siobhan (Central Scotland) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Pearson, Graeme (South Scotland) (Lab)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Rowley, Alex (Cowdenbeath) (Lab)
 Smith, Drew (Glasgow) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Stewart, David (Highlands and Islands) (Lab)
 Urquhart, Jean (Highlands and Islands) (Ind)
 Wilson, John (Central Scotland) (Ind)

The Presiding Officer: The result of the division is: For 76, Against 35, Abstentions 0.

Amendment agreed to.

The Presiding Officer: Amendment S4M-15356.1, in the name of Lewis Macdonald, falls.

The next question is, that motion S4M-15356, in the name of Patrick Harvie, as amended, on jobs

in Scotland's new economy, 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)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (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)
 Brennan, Lesley (North East Scotland) (Lab)
 Brodie, Chic (South Scotland) (SNP)
 Brown, Gavin (Lothian) (Con)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Buchanan, Cameron (Lothian) (Con)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Carlaw, Jackson (West Scotland) (Con)
 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)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Goldie, Annabel (West Scotland) (Con)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 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)
 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)
 Mackay, Derek (Renfrewshire North and West) (SNP)

MacKenzie, Mike (Highlands and Islands) (SNP)
 Malik, Hanzala (Glasgow) (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)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McInnes, Alison (North East Scotland) (LD)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMahon, Siobhan (Central Scotland) (Lab)
 McMillan, Stuart (West Scotland) (SNP)
 McTaggart, Anne (Glasgow) (Lab)
 Milne, Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Pearson, Graeme (South Scotland) (Lab)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Robison, Shona (Dundee City East) (SNP)
 Rowley, Alex (Cowdenbeath) (Lab)
 Russell, Michael (Argyll and Bute) (SNP)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Scott, Tavish (Shetland Islands) (LD)
 Smith, Drew (Glasgow) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Liz (Mid Scotland and Fife) (Con)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)
 Torrance, David (Kirkcaldy) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

Against

Finnie, John (Highlands and Islands) (Ind)
 Harvie, Patrick (Glasgow) (Green)
 Johnstone, Alison (Lothian) (Green)
 McLeod, Aileen (South Scotland) (SNP)
 Urquhart, Jean (Highlands and Islands) (Ind)
 Wilson, John (Central Scotland) (Ind)

The Presiding Officer: The result of the division is: For 104, Against 6, Abstentions 0.

Motion, as amended, agreed to.

That the Parliament considers recognises the challenges faced by the oil and gas industry; notes that the sector is still a major employer supporting a substantial number of jobs across Scotland; understands that Scotland needs a diverse and balanced energy portfolio to provide secure and affordable heat and electricity for decades to come; notes that Scotland has ambitious renewables and climate change targets and is making good progress toward them; further notes that Scotland's policies on electricity generation, renewable heat and energy efficiency are progressively reducing use of fossil fuels and will help Scotland in its ambitions to decarbonise electricity generation; believes that a successful oil and gas sector will assist with diversification of Scotland's energy supplies and that the skills and expertise employed in Scotland's oil and gas industry will be crucial in the future success of the sector, mobilising low-carbon technologies and maximising

the economic benefits from decommissioning, and believes that it is vital that Scotland continues to ensure good stewardship of all of this country's huge energy resources, with management of offshore resources being complementary with decarbonising the Scottish energy system over the long term.

The Presiding Officer: The next question is, that motions S4M-15373, S4M-15374 and S4M-15375, in the name of Joe FitzPatrick, on approval of Scottish statutory instruments, be agreed to.

Motions agreed to,

That the Parliament agrees that the Continuing Care (Scotland) Amendment Order 2016 [draft] be approved.

That the Parliament agrees that the Dog Fouling (Fixed Penalty) (Scotland) Order 2016 [draft] be approved.

That the Parliament agrees that the Secure Accommodation (Scotland) Amendment Regulations 2016 [draft] be approved.

The Presiding Officer: The next question is, that motion S4M-15372, in name of Joe FitzPatrick, on substitution on committees, be agreed to.

Motion agreed to,

That the Parliament agrees that James Dornan be appointed to replace Colin Keir as the Scottish National Party substitute on the Standards, Procedures and Public Appointments Committee.

Fire and Rescue Services

The Deputy Presiding Officer (John Scott):

The final item of business today is a members' business debate on motion S4M-15036, in the name of David Stewart, on protecting front-line fire and rescue services. The debate will be concluded without any question being put.

Motion debated,

That the Parliament notes the reports that the Fire Brigades Union (FBU) has said that it is "gravely concerned" that budget cuts will continue to impact on the Scottish Fire and Rescue Service budget and have a detrimental effect on 999 response times and the vital lifesaving service that firefighters provide; notes claims that 300 fewer firefighters are on duty since the national service was created in 2013; understands that reassurance was given by ministers that the establishment of a single fire and rescue service would not result in reductions to frontline services; notes the FBU's concern at the "unrelenting pressure" to save money, which, it is claimed, is "impacting on the delivery of frontline services"; considers that the job that firefighters and support staff carry out is invaluable to communities throughout the Highlands and Islands and across Scotland; condemns what it sees as the Scottish Government's underfunding of the service, and notes calls for ministers to take immediate steps to protect the future of frontline firefighters and the service's support staff.

17:09

David Stewart (Highlands and Islands) (Lab):

First, I thank all the members who have stayed behind this evening to support the debate and those who have signed my motion. To those who have not signed it, I say that I am a great believer that sinners may repent in the future, and I look forward to a few sinners who are in the chamber signing up at 6 o'clock.

I expect that there is not one person in the chamber who underestimates the job that our firefighters do day after day responding to industrial disasters, terrorist attacks, floods and chemical spills. They keep our communities safe in the event of fires, through their vital preventative work, through their crucial role in attending road traffic accidents and in many other ways.

When the Scottish Fire and Rescue Service was created, the Scottish Government gave the Parliament a clear and categorical assurance that the introduction of the single service would not result in the loss of front-line jobs, yet on 28 April last year chief officer Alasdair Hay advised the Justice Committee that the service, in an effort to live within its budget, had worked with the Fire Brigades Union to agree a resource-based crewing model that would reduce the 3,890 whole-time firefighter posts to 3,709—a reduction of 181 posts.

The service had to reduce its cost base by £48.2 million in the first three years, and the situation was made much more difficult because the service is not VAT exempt. I will touch on this again later, but the Scottish Fire and Rescue Service is the only fire and rescue service in the UK that pays VAT on goods and services. It pays about £10 million per annum in VAT, which is equivalent to 350 firefighter posts.

In November last year, the Fire Brigades Union submitted a written statement to the Justice Committee noting its grave concerns that budget cuts will have a detrimental impact on 999 response times. The union stated:

"There has been a continual year on year reduction in the numbers of frontline firefighters since the decision to introduce a single SFRS was taken in 2011 due to sustained periods of recruitment freezes."

It stated that

"There are now over 400 fewer full time firefighters than there were in 2010 and almost 300 fewer than there were in 2013",

when the national service was introduced. The Scottish ministers assured us that that would not happen.

The FBU claims that "unrelenting pressure" to save money is impacting on front-line services, and it states that the reductions have inevitably affected the staffing levels and the ability to adequately crew all the front-line fire appliances all the time. I understand that the Scottish Fire and Rescue Service took a decision to remove up to four front-line appliances each day, in part from the west service delivery area, which was formerly known as Strathclyde Fire and Rescue.

In January 2014, a decision was taken to reduce the number of fire control rooms in Scotland from eight to three, with the control rooms in Inverness, Aberdeen, Fife, Falkirk and Dumfries being marked for closure while those in Johnstone, Edinburgh and Dundee would remain open. With my colleague Rhoda Grant, I fought hard against the closure of the Inverness control room, which serves the Highlands and Islands, and I know that many of my Labour colleagues—and indeed MSPs from across the Parliament, including Mary Scanlon—also fought against the closures in their respective areas.

The decision still provokes controversy. Indeed, some have argued that control room staff are front-line staff, too, being the first point of contact for members of the public in emergency situations. We have been assured that technology is in place to safely allow the closures to take place, but I ask about the loss of the local knowledge that local staff build up. In my region of the Highlands and Islands—which, as members will know, is the size of Belgium—years of specialist geographical and

logistical knowledge have been built up by staff, but it will soon be lost to the service in the Highlands and Islands when the Inverness control room closes.

The police control room at Bilston Glen, which was recently criticised in a watchdog report, was unable to take 999 calls for several hours last month due to technical difficulties in the early hours of the morning that meant that 999 and 101 calls had to be delivered to other centres. It is fortunate that, on that occasion, no tragedies resulted, but if a similar technical difficulty was to occur with fire control, lives would almost certainly be lost.

The FBU believes that the key motivation behind the creation of a single service was to

“protect and improve local services, despite financial cuts, by stopping duplication of support services—like control rooms—and not cutting front-line services”.

However, front-line services have been cut in a bid to balance the books, and the number of front-line firefighters has reduced by around 10 per cent over the past five years. The FBU states:

“Any further reduction of firefighters beyond this shall have an unacceptable impact on public and firefighter safety and our ability to continue to deliver the key benefits of reform; Improved frontline outcomes, equitable access to specialist resources, improved engagement with local Authorities.”

In June last year, my Labour colleague Ian Murray MP tabled an amendment to the Scotland Bill to ensure a review of the controversy surrounding VAT liability for the Scottish Fire and Rescue Service and Police Scotland. The VAT liabilities arose from the Scottish Government's reorganisation of both services. At the time, the Treasury explicitly advised the Scottish Government that its approach would mean the emergency services losing VAT refunds. However, despite the warnings, the Government pressed ahead with the reforms, costing Scotland's Fire and Rescue Service millions of pounds.

The Minister for Community Safety and Legal Affairs (Paul Wheelhouse): Will the member take an intervention?

David Stewart: I am in my last minute, but if you allow it, Presiding Officer, I will take the intervention.

The Deputy Presiding Officer: Of course, in the circumstances.

Paul Wheelhouse: I am very grateful to Mr Stewart for taking an intervention at this late stage. I just want to ask him whether he recognises that the Labour Party supported the Government in the reform of the police and fire services. I appreciate that there were issues at the time around the long-

term business case, as members have said, but in fact the Labour Party supported the reforms.

David Stewart: That point is not in dispute; the point is to get the VAT right. My colleague Rhoda Grant wrote to the Treasury, and a Treasury official responded:

“In 2011 the Scottish Government were explicitly advised of this potential consequence of changing from regional police forces to a single authority as part of the proposed revised funding model for Police Scotland. At the time they took the decision to make these reforms they would have known they would no longer be eligible for VAT refunds as a result.”

That decision was expensive: it costs £10 million a year.

It is clear that the job of the Scottish Fire and Rescue Service is to keep our communities safe and to save lives, and that it needs adequate resources to do that. We have a service of dedicated, skilled, front-line staff, both firefighters and control room staff. I call on the Scottish Government to take immediate steps to protect the future of front-line firefighters and the service's support staff. The Government should not just take my word on the matter: a YouGov survey showed that 82 per cent of respondents thought the fire and rescue service was doing a fantastic job. I ask members to please support the heroes in our fire services and ask the Government to look again at the current model.

The Deputy Presiding Officer: We now move to the open debate, with speeches of four minutes.

17:17

Graeme Pearson (South Scotland) (Lab): I begin by acknowledging that the Minister for Community Safety and Legal Affairs was not in his post at the time when much of the arrangements for the reform of the service came into play. It therefore might be helpful for me to share some of my experience of that time.

There is no doubt that the Scottish Government knew from the outset that £10 million was to be paid in VAT. Although, unfortunately, no business plan was provided, ministers gave an assurance that that £10 million would be recovered at some time in the future. However, I think that we knew at that time—and we know it from our experience since then—that that prediction had no basis in fact. Indeed, we are no closer to having the VAT issue resolved today than we were a decade ago, when the whole journey began.

Irrespective of that £10 million, the key issue that we are dealing with today is the pressure on the fire service from an unreasonable target being set for cuts, which ensures that the fire service has to not only pay the £10 million but find a way of replenishing savings from an ever-smaller

baseline. As a result, the economies of scale have evaporated and the slimming down of so-called support services has been completed. We now have, as my colleague David Stewart said, 400 fewer full-time firefighters than in 2010 and, within that number, we have 300 fewer firefighters than in 2013.

Christian Allard (North East Scotland) (SNP): First, I think that Mr Stewart said the figure was 350, rather the 400 that the member referred to, but I do not know whether I have got that right.

On the service not being VAT exempt, who does the member blame for what is happening now? Does he blame the Scottish National Party Government, or does he blame the Conservative Government?

Graeme Pearson: I do not enjoy the notion of blaming. The point is who is responsible, and the person who is responsible—or, rather, the entity that is responsible—is very firmly the Scottish Government.

The Scottish Government has brought about a 20 per cent cut in the budget for the Scottish fire service, when the global budget would suggest that a cut of nearer 10 per cent would have been applied. That is before anybody takes account of the priority that should be attached to the fire service and what it does for us.

The fire service has also taken on additional work. It has responsibility for responding to cardiac arrests; it has a greater involvement in the response to the terrorist threat; it is involved in training in relation to climate change; it engages in the junior firefighter schemes that are so important in tackling youth reoffending; and it is involved in a great deal of fire inspections and enforcement.

Rather than looking to blame someone—and we do not blame the current minister—we need some realism from the entire Scottish establishment. If we are to have emergency services that act on our behalf to save life, protect property and provide a safer environment, we ask, as David Stewart eloquently does in his motion, that the Government should review the current situation and realise the impact that it is having on front-line services.

Instead of adhering to political one-liners, the Government should adopt a realistic approach in acknowledging that we have gone too far, and begin to support the fire service, and the men and women who work in that service, to ensure that they achieve what they want to do on our behalf—deliver a world-class service for Scotland and its communities.

17:21

Christian Allard (North East Scotland) (SNP): I did not sign the motion and I am not repenting. I do not consider myself a sinner, for several reasons. The first reason is that David Stewart said that there are 350 fewer firefighters, his motion said 300 and now we have Graeme Pearson who has said 400. We have to be factual: what is it?

One thing I know is that the fire chief, when he came in front of the Justice Committee, said that we are losing £10 million that the Treasury is keeping in London. That would fund 350 firefighters.

Graeme Pearson: Would the member give way?

Christian Allard: Yes, if the member will wait one second. The Labour motion of Mr Stewart refers to 300 fewer firefighters. The fire chief said that we could have 350 firefighters. To my mind, the maths is very easy: 50 extra firefighters could be funded. We are a lot better off than Labour members think we are.

Graeme Pearson: The shortfall in the number of firefighters that we are talking about here depends on the date that one measures the various establishments. Would the member accept that the key issue is that it was always known in the business plan, for what it was worth, that £10 million would have to be paid in VAT because of the precedent that would have been set if the rule had been changed?

Christian Allard: Now I am going to come to David Stewart. He tells us to repent because we are sinners. Then he tells us that one of the reasons is the VAT issue. I have the motion in front of me but nowhere does it refer to the VAT. How come? Is the VAT issue not important enough?

When, again, the fire chief was asked by the Justice Committee how big the issue of VAT was, he said that it was “massive”. That is the word that he used—“massive”—but it is so massive that Labour and Mr Stewart do not include it in the motion. Fair enough, he did speak about it, but he knew about the issue at the time that he wrote the motion—we all knew, right from the start, that there was a possibility that the UK Conservative Government would withdraw some money from Police Scotland and from the Fire and Rescue Service.

We knew that that could happen, and not only the Scottish Government but the Scottish Parliament and the Justice Committee have asked very strongly for that money back. What are we actually talking about when we talk about

detrimental effects and when we ask about the Scottish Government's response?

Let us talk instead about the numbers of firefighters. There is a new model for the fire and rescue services in Scotland, and a number for whole-time firefighters has been set out in it. That figure is 3,709, and as far as I know we are still exceeding that. How come that has not been mentioned in the motion?

Going back to the VAT issue, I note that the two Labour members who have just spoken forgot to mention all the exemptions that the Conservative Government and the Westminster Parliament are giving other organisations. The Scottish Fire and Rescue Service is the only one in the whole of the UK that has to pay VAT. The situation is ridiculous. The organisations that are exempted include not only the BBC and the Metropolitan Police, but the Olympic legacy organisation and the transport agency Highways England, both of which were granted VAT exemption after 2013.

When Pat Watters, chair of the SFRS board, wrote to the Prime Minister, the Chancellor of the Exchequer and every Scottish MP, the reply that he received was that there were regulations and exempt organisations but the SFRS was not one of them. Why? No reason was given. As I have said, VAT is a massive issue.

Perhaps I can finish on what I was going to say, which is how much the chamber supports our firefighters, particularly after the flooding in Ballater. Our firefighters, both retained and whole time, are doing a fantastic job in Ballater, Inverurie and across Aberdeenshire, and they have my thanks.

17:27

Malcolm Chisholm (Edinburgh Northern and Leith) (Lab): First of all, Presiding Officer, I must apologise to you and the minister, because I am due at a meeting of the cross-party group on violence against women at 5.30.

However, I wanted to speak in this debate, and I congratulate Dave Stewart on lodging the motion and giving us an opportunity to raise important issues on behalf of firefighters, who, as we all know, put their lives on the line every day not out of heroism but through an absolute commitment to their profession and our communities. I also want to express support and respect for the Fire Brigades Union not only for its great work in this country but for its ethos of international solidarity, as illustrated by its on-going work to support the firefighters of Nablus.

The least firefighters deserve is to feel that their service is supported, valued and prioritised. I agree with Christian Allard that the VAT issue is

important, but it cannot be used as an excuse for not addressing the problems that are highlighted in the motion.

In the midst of the recent havoc caused by storm Desmond, the FBU issued a call for cuts to services to be halted, and it said that a significant reduction in firefighter numbers would hamper fire and rescue service responses to major events as well as have an effect on more routine work. Various people have dealt with the numbers; as Graeme Pearson said, the numbers are down 400 since 2010 and 300 since the establishment of the single service. Of course, the result is an increasing reliance on overtime and, as Dave Stewart has reminded us, appliances being taken out of service.

Matt Wrack, general secretary of the FBU, put it this way:

"The Scottish Government told us that shifting to the single fire and rescue service would protect front line services but since then we have seen further cuts and job losses ... Firefighters are proud to serve our communities. They want to be out there saving lives and making life safer for people but cuts on this scale inevitably undermine what we are trying to do."

We have to address the problems. We can express different views on who is to blame, but that is not really the issue; the issue is highlighting the problems and the Government taking responsibility for an area in which it is clearly the responsible Government when it comes to taking action to address the problems.

In a submission to the Justice Committee, which I think Dave Stewart referred to, the FBU went into some of the problems in more detail. It talked about not only the number of firefighters but the control room closures, which have resulted in fewer staff dealing with more calls, and the increasing incident response times, as a result of which it called for national response standards.

The increasing incident response times are obviously mainly related to reductions in personnel, but a lack of appropriate equipment is also an issue. I was interested to read about some of the problems with equipment in the report entitled "Response & Resilience: Review of Specialist Equipment", which was presented to a committee of the City of Edinburgh Council in February of last year. Some equipment was said to be

"below an acceptable standard for a national fire and rescue service",

and reference was made to inconsistencies in the type and standard of equipment across former regional service areas. The single service will offer positive advantages in dealing with some of those inconsistencies, so no one is saying that, in itself, the shift to a single service was a bad move,

although it is clear that it has had unfortunate consequences, which have been highlighted in the debate.

The other issue that comes out in that report is the significant training requirements that exist. If personnel numbers are being squeezed, it is difficult to find the necessary time for that.

Those are important issues that needed to be raised, and I congratulate Dave Stewart on doing so. It is the Government's responsibility to ensure that firefighters are equipped, resourced and valued. I support Dave Stewart's motion and again apologise for having to leave—although as the speaker at the meeting at 5.30 is the minister's boss, the Cabinet Secretary for Justice, I am sure that he will forgive me for going to it.

17:31

Mary Scanlon (Highlands and Islands) (Con):

I congratulate David Stewart on securing the debate. I am not going to argue about the figures, which I was not entirely sure about. I supported the motion in order to allow us to have a full discussion of the single fire and rescue service in the chamber, because there are clearly issues with it.

It used to be the case that water was the solution for a fireman; now it seems that water is the problem. On that note, I point out that we should not talk about firefighters, because it is a fire and rescue service. I commend each and every man and woman who came to the rescue in Inverurie and Ballater and elsewhere in Scotland. I would like to correct my colleagues and talk about people who provide a fire and rescue service; they are not just there to put out fires.

Christian Allard discussed the question of who is at fault. Graeme Pearson was right to knock that down.

Christian Allard: Will the member take an intervention?

Mary Scanlon: No, I will not.

I suggest to Christian Allard that he read the Audit Scotland report on the issue, the figures in which have been acknowledged by the Scottish Government. If he read that report, he would not need to argue.

Christian Allard *rose—*

Mary Scanlon: I will give way briefly.

Christian Allard: Mary Scanlon is very nice to take an intervention. She said that she signed Mr Stewart's motion. If the VAT issue had been included in the motion, would she have signed it?

Mary Scanlon: The VAT issue was well known before the police forces merged and before the fire

and rescue services merged. I gave my explanation on the number of firefighters, which Mr Allard was arguing about. I have no more to say on that. However, I think that it is appropriate that we are addressing the issue of the Scottish Fire and Rescue Service's budget.

The Public Audit Committee, of which I am a member, has looked at the Scottish Fire and Rescue Service, which is trying to make substantial savings. The key message in Audit Scotland's report of May last year was that the service did not have a long-term financial strategy—such a strategy is urgently required—and that there was a potential funding gap of £42.7 million. We should forget the VAT issue, be realistic and look at the state that the service is in.

Given that, last year, staff costs amounted to 79 per cent of the service's budgeted gross expenditure, it is understandable that the FBU, staff and the SFRS are concerned about the fact that the service is having to consider more serious front-line cuts in order to address the significant funding gap. Between 2012 and 2020, there will be a 31 per cent real-terms fall in the budget. Who is responsible for that? Mr Allard should know. Net savings of £328 million are expected by 2027. That is all in the Audit Scotland report.

When the Scottish Fire and Rescue Service's chair and chief officer came before the Public Audit Committee, I spoke about retained firefighters. David Stewart will understand that we have a higher number of retained and voluntary firefighters in the Highlands than anywhere else in Scotland. In the Inverness area alone, vacancies of more than 30 per cent were highlighted at the time.

Retained firefighters' wages and conditions of service were set up in the 1950s. Given that people must give a commitment of 90 to 120 hours, Pat Watters and Alasdair Hay promised that they would review the position and come back to the Public Audit Committee by November 2015. We are still waiting. I see the minister indicating that that has been done. I certainly have not heard that and I was the one who asked about the matter, but the review is an opportunity for the Scottish Fire and Rescue Service to look forward.

Now that I have criticised Pat Watters and Alasdair Hay, I will commend them for taking initiatives such as the one with Highlands and Islands Airports, whereby firefighters at the airports are qualifying to work as retained duty system firefighters. Another success is in Lochinver, where the station had significant problems in maintaining crew numbers. After extensive local consultation, 12 potential new entrants came forward.

It would take too long to look at all the vacancies throughout the Highlands, but if that exercise can be done in Lochinver, it can also be done in places such as Bettyhill, Bonar Bridge, Buchie, Cannich, Forres, Grantown and many others that have between five and 10 vacancies. That is becoming a serious level.

As we approach the single Scottish Fire and Rescue Service's third anniversary, I put on record my respect and admiration for every person at the front line and every member of staff. They must be commended for their recent wonderful and fabulous work, which was carried out sensitively, throughout areas of Scotland that were affected by flooding.

17:37

Lesley Brennan (North East Scotland) (Lab):

I just want to make a couple of points. It is good that Dave Stewart was able to secure the debate. The Scottish Fire and Rescue Service is facing huge budget cuts at the same time as demand is increasing. One demand is the increasing number of older people. We have seen successful campaigns, such as the sloppy slipper campaign, where older people are able to swap their old slippers for new slippers, to try to minimise falls. Another demand is flooding. Also, at a community planning partnership that I attended in Dundee, the Scottish Fire and Rescue Service representative mentioned increasing demand due to welfare reform. Therefore, three different aspects are increasing demand while the service is facing shrinking budgets.

I will echo Mary Scanlon's point about the Audit Scotland report that was published last year. It revealed a £43 million cut to the SFRS. It spends 80 per cent of its budget on staff.

Christian Allard: I congratulate the member on participating in a second debate on the same day as she made her maiden speech. She has just congratulated Mary Scanlon. I am a bit confused. There seems to be an alliance between the Conservatives and Labour on the motion. Is it not a bit strange that the VAT issue was not included in the motion? Was that to get the Conservatives backing?

Lesley Brennan: I was reiterating what Mary Scanlon had said about the Audit Scotland report; I was not even discussing VAT. The main issue is the £43 million-worth of cuts, and the Scottish Government is responsible for those.

The FBU has estimated that there has been a reduction of 449 firefighters, which is a 6 per cent cut. We are looking at increasing demand, with the service being more stretched, so the concern is that fire prevention will go down its list of priorities.

The Deputy Presiding Officer: Thank you; well done.

I call on Paul Wheelhouse to wind up the debate. Minister, you have seven minutes or thereby.

17:39

The Minister for Community Safety and Legal Affairs (Paul Wheelhouse): I begin by saying that I whole-heartedly agree with the praise for the men and women of the Scottish Fire and Rescue Service that we have heard in this afternoon's speeches from all members. I know that there will be differences of opinion, which I will cover in the rest of the debate, but I welcome the strong and heartfelt support across the chamber for the hard-working and brave men and women of the Scottish Fire and Rescue Service.

Members will be aware that reform of Scotland's fire and rescue services was proposed by this Government. Parliament agreed the Police and Fire Reform (Scotland) Bill back in June 2012, a position that was supported by the Labour Party. I do not make that point to cause rancour in the chamber, but I think that it is important in the context of the VAT issue. All of us in the chamber knew that VAT would be an issue, and yet other parties—although not necessarily all parties—supported the bill. I mean that just as a factual point.

Mary Scanlon: Will the minister take an intervention?

Paul Wheelhouse: I will, briefly.

Mary Scanlon: The VAT was an issue long before the Scottish Government proposed the merger of the police service and the fire and rescue service. It should have been sorted out and accommodated for, rather than being complained about three years later.

Paul Wheelhouse: Indeed. I was making the slightly different point that, collectively, we were all aware of the issue, so it is not a surprise. I accept Mrs Scanlon's point but, equally, parties supported the bill knowing that VAT would be an issue, and, to be fair, all parties were aware that we were contesting the issue throughout. That is not to criticise Mrs Scanlon but to say that it is the nature of the debate.

One of the key aims of fire reform was to protect and improve local services, despite financial cuts that we faced as a Government. For the record, I point out that, although blame has been apportioned around the chamber, we might not be in the situation that we are in but for the public funding squeeze that we all face at this time, which has necessitated difficult choices being made.

With the reform, we wanted to stop duplication and improve front-line outcomes.

Graeme Pearson: Will the minister take an intervention?

Paul Wheelhouse: I will.

Graeme Pearson: The point that we have made during this debate is that the fire service has taken a disproportionate amount of cuts. Had there been cuts across the board at a similar level, the service would not face the cutbacks that it currently does.

Paul Wheelhouse: I understand the point that the member is making, but for a period of over 10 years there have been reductions in the number of firefighters in the Scottish Fire and Rescue Service and the legacy services. It has been a long-running issue.

The objectives of reform included trying to remove duplication, take out costs where they could be taken out and protect front-line firefighters' jobs.

In connection with that, I would like to say—although I do not want to get into semantics—that the commitment was given to protect front-line services and not front-line jobs, but clearly all of us had in mind trying to protect front-line jobs as best we could in the reforms.

Three years have passed, and, after the creation of the Scottish Fire and Rescue Service, the Scottish Government continues its commitment to the aims of reform. Despite the UK Government's continued approach to austerity, the Scottish Government has protected the SFRS revenue budget in cash terms as part of the forthcoming 2016-17 budget—should that be approved by Parliament, of course.

That is an outcome that the service's chief officer, Alasdair Hay, described as being manageable. It is not necessarily desirable—I accept that—but it is manageable, and it will enable SFRS to continue to play a vital role in protecting our communities.

For its part, the Scottish Government has consistently argued for an alternative to the UK Government's austerity measures, and I would like to repeat the assurance that we remain committed to investing in Scotland's infrastructure and public services.

Mary Scanlon: Will the minister take an intervention?

Paul Wheelhouse: If I can make some progress, I will bring the member back in.

I would also remind the chamber that, as Christian Allard said, the SFRS is the only fire service in the United Kingdom that is unable to recover VAT—I know that we have covered that extensively in the debate—and it is liable for an

annual cost of slightly in excess of £10 million per annum. Her Majesty's Treasury has rejected our repeated requests for the SFRS to be able to recover VAT; indeed the Deputy First Minister raised the issue with the chief secretary again a little over a week ago. It places unnecessary additional financial pressure on the service at a time when our financial resources are already stretched.

Over the period for which Audit Scotland looked at the "funding gap", as it put it, of £43 million, which Lesley Brennan referred to—by the way I congratulate her on her speech; I am not sure whether it was her maiden speech, but I welcome Lesley Brennan to the chamber and look forward to debating with her over the months ahead—financial resources were stretched. If we took that £10.3 million over a number of years, in aggregate, it would go a substantial way toward plugging the £43 million gap.

I will give way to Mary Scanlon if she wishes to speak.

Mary Scanlon: In relation to the £43 million funding gap, according to Audit Scotland there are "no protected areas". The Government is not even protecting front-line services, according to Audit Scotland, and ministers have confirmed that. Will the minister tell us whether the long-term financial strategy that the Auditor General for Scotland said last May was urgently needed is now in place?

Paul Wheelhouse: The long-term financial strategy is under development by the Scottish Fire and Rescue Service. It is a matter for the service, which responded positively to the Audit Scotland report—

Mary Scanlon: Three years!

Paul Wheelhouse: Mary Scanlon is intervening from a sedentary position. It is worth reminding her that the SFRS has delivered the expected savings and continues to respond effectively to everything that is asked of it. I remind her that, as I said, the chief officer described the 2016-17 budget as a manageable settlement. The Scottish Fire and Rescue Service is delivering the long-term financial strategy that has been asked of it, and we will see the strategy in the course of the year, alongside a revised framework for the service.

Despite all the pressures that I described, the creation of a single Scottish Fire and Rescue Service has been a success—we are losing sight of that in the debate. I am not aware of a single occasion since the inception of the service when it has not responded to an incident with the required resources. That will continue.

We need only consider the recent extreme weather events to find examples of the SFRS being able strategically to position and mobilise its

resources across the entire country according to rapidly changing risk and demand, without wrangling over whose resources are used and how money is recovered from different legacy areas.

That is extremely important. The service was able to pre-deploy water rescue teams from Inverness, Elgin, Perth, Dundee, Stirling and Motherwell to where they were most needed in the north—for example in Ballater, which Christian Allard mentioned—and it assisted with hundreds of evacuations and rescues. I welcome members' warm words today in that regard. I am grateful for the deployment in my region, South Scotland, in Dumfries and Galloway and the Borders. I saw for myself crews from Edinburgh and, I think, West Lothian, who came to help in Hawick and in other communities in the Borders.

The speed and efficiency of the service's response under the most challenging conditions are an excellent demonstration of how the single service has delivered real and meaningful benefits to communities across Scotland. The newly refurbished control room at Tollcross worked highly effectively during storm Desmond and storm Frank, and we can be confident that the team there is highly experienced.

I reiterate that teams have been redeployed and that there have been no compulsory redundancies to date as a result of control room closures. Staff from Fife have been redeployed to the control room in Tollcross, where they bring to the new arrangements the front-line experience to which members referred.

A testament to SFRS's hard work to protect and indeed enhance its front-line resources in the face of continuing financial pressure is that the service has invested significantly across the country in new equipment, including state-of-the-art appliances. Rural communities in Fife, the Highlands and Dumfries and Galloway have all significantly benefited from such investment.

I recognise the point that Mary Scanlon made about the retained duty system. We share an interest in the matter and have discussed it. The review is on-going in the SFRS and will conclude in the near future, albeit after the Scottish parliamentary elections. It will give us some clear messages about the future shape of RDS, and we will respond as positively as we can do to its recommendations. The system will also be enhanced if we can work collectively to persuade employers to make their staff available for retained duty positions, because although the funding is in place it is often difficult to get recruits to fill vacancies. That is a key issue that we can all try to address.

The Scottish Fire and Rescue Service and the Fire Brigades Union have agreed an operating

model for the service, as members said. Christian Allard was right: I understand that the number of firefighters in November was 3,748, which is slightly above the figure in the model. The service not only has more firefighters than the model proposes but has undertaken targeted recruitment campaigns and agreed an interim mobility policy with the Fire Brigades Union, to enable firefighters to be moved to locations should that be required. In particular, it is targeting recruitment problems in the north and Aberdeen and trying to fill gaps in that regard.

The benefits of reform are apparent. Last May, in its report, "The Scottish Fire and Rescue Service", Audit Scotland confirmed that the fire reform process

"was managed effectively",

that

"The SFRS has maintained effective local engagement"

with communities during the reform process, that the creation of the SFRS had

"no impact on the public",

and that the service's

"performance is improving."

Furthermore, it would be difficult to argue that the creation of a single service has resulted in a reduction in front-line services at a time when SFRS firefighters are involved in a national trial that aims to increase survival rates of patients who suffer out-of-hospital cardiac arrest.

That is just one of several ways in which the service is evolving. I welcome members' comments on that evolving role. Our colleagues in the service deserve our fulsome praise. I accept that there are political differences in the debate, but I welcome the united front that we have shown in praising our firefighters.

I am conscious of the time, so I will finish by quoting the recently retired HM chief inspector of the Scottish Fire and Rescue Service, who told the Justice Committee in April:

"If eight fire and rescue services and a college had been trying to find nearly £50 million of savings over the past two years, what would the situation have been? My judgment is that we would have been in a far worse position than we are in. The Scottish Fire and Rescue Service has done a pretty remarkable job of bringing in the reform, maintaining business as usual and making progress."—[*Official Report, Justice Committee*, 28 April 2015; c 32.]

For that, I thank the service.

The Deputy Presiding Officer: I thank members for taking part in this surprisingly inflammatory debate.

Meeting closed at 17:50.

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