



The Scottish Parliament
Pàrlamaid na h-Alba

Official Report

MEETING OF THE PARLIAMENT

Wednesday 24 February 2016

© Parliamentary copyright. Scottish Parliamentary Corporate Body

Information on the Scottish Parliament's copyright policy can be found on the website - www.scottish.parliament.uk or by contacting Public Information on 0131 348 5000

Wednesday 24 February 2016

CONTENTS

	Col.
PORTFOLIO QUESTION TIME	1
RURAL AFFAIRS, FOOD AND ENVIRONMENT	1
Renewables Industry (Business Rates Relief)	1
Camping Management Byelaws (Loch Lomond and the Trossachs National Park)	1
Antibiotic Resistance	2
NFU Scotland (Meetings)	3
Wild Animals in Circuses	6
Air Pollution (Fife)	7
Land Reform (West Scotland)	8
Leaving the EU (Fishing and Farming)	9
JUSTICE AND THE LAW OFFICERS	10
Environmental Justice (Access)	10
Prison Estate Improvement Plans	11
Cashback for Communities (North East Scotland)	13
Autism Support (Justice System)	13
Domestic Noise Nuisance	14
Violence Against Women	16
In Care Abuse Survivors (Compensation)	17
BUDGET (SCOTLAND) (No 5) BILL: STAGE 3	19
<i>Motion moved—[John Swinney].</i>	
The Deputy First Minister and Cabinet Secretary for Finance, Constitution and Economy (John Swinney)	19
Kezia Dugdale (Lothian) (Lab)	24
Murdo Fraser (Mid Scotland and Fife) (Con)	28
Mark McDonald (Aberdeen Donside) (SNP)	31
Ken Macintosh (Eastwood) (Lab)	33
Willie Rennie (Mid Scotland and Fife) (LD)	36
Joan McAlpine (South Scotland) (SNP)	38
Drew Smith (Glasgow) (Lab)	41
Kenneth Gibson (Cunninghame North) (SNP)	43
Malcolm Chisholm (Edinburgh Northern and Leith) (Lab)	45
Michael Russell (Argyll and Bute) (SNP)	48
Patrick Harvie (Glasgow) (Green)	50
Chic Brodie (South Scotland) (SNP)	52
James Kelly (Rutherglen) (Lab)	53
John Mason (Glasgow Shettleston) (SNP)	55
George Adam (Paisley) (SNP)	58
Jean Urquhart (Highlands and Islands) (Ind)	60
Gavin Brown (Lothian) (Con)	61
Jackie Baillie (Dumbarton) (Lab)	64
John Swinney	67
BUSINESS MOTION	71
<i>Motion moved—[Joe FitzPatrick]—and agreed to.</i>	
PARLIAMENTARY BUREAU MOTIONS	73
<i>Motions moved—[Joe FitzPatrick].</i>	
DECISION TIME	75
FAIRER FIFE COMMISSION	79
<i>Motion debated—[Jayne Baxter].</i>	
Jayne Baxter (Mid Scotland and Fife) (Lab)	79
Roderick Campbell (North East Fife) (SNP)	82
Alex Rowley (Cowdenbeath) (Lab)	84
The Minister for Local Government and Community Empowerment (Marco Biagi)	85
CORRECTION	89

Scottish Parliament

Wednesday 24 February 2016

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

Portfolio Question Time

Rural Affairs, Food and Environment

Renewables Industry (Business Rates Relief)

1. Ken Macintosh (Eastwood) (Lab): To ask the Scottish Government whether it has made an assessment of the environmental impact of cutting business rates relief for the renewables industry. (S4O-05564)

The Minister for Environment, Climate Change and Land Reform (Aileen McLeod): The Scottish Government does not expect any environmental impact.

Ken Macintosh: I thank the minister for her reply, although I am surprised by it. Her colleague Margaret Burgess MSP has confirmed that the Government is going to cut £10 million, and the cost will fall mostly on the small and medium-sized companies that operate in the sector. Does the minister not think it a little hypocritical to complain so bitterly about the United Kingdom Government's decision to end the renewables obligation while simultaneously taking £10 million out of the sector? What impact does she think cutting that £10 million will have on our ability to meet our carbon emissions targets?

Aileen McLeod: This has been a difficult decision in a very difficult budget. The renewables industry in Scotland has benefited from relief since 2010, uniquely in the UK. We have had to target our stretched funds to those who are most in need, including community schemes, while balancing the needs of the renewables sector with those of other non-domestic rates payers.

We do not expect the renewables projects that will no longer receive rates relief to stop generating, as their main source of income generation will be via the feed-in tariff or the renewables obligation. We do not expect there to be any impact on existing projects or the role that they play in providing low-carbon, cost-effective energy as part of a balanced generation mix.

Camping Management Byelaws (Loch Lomond and the Trossachs National Park)

2. Siobhan McMahon (Central Scotland) (Lab): To ask the Scottish Government whether it will provide an update on the proposed camping

management byelaws for the Loch Lomond and the Trossachs national park. (S4O-05565)

The Minister for Environment, Climate Change and Land Reform (Aileen McLeod): On 26 January, the Scottish Government approved new camping management byelaws that cover a small area of the national park, as part of a package of measures that are aimed at improving visitor facilities and helping to manage camping in some of the most environmentally fragile areas that are suffering from damage caused by a combination of high-volume and antisocial camping.

Siobhan McMahon: As the minister will recall, I wrote to her in November 2015 after I received a large number of representations from my constituents expressing concern about proposed byelaws that would affect camping in the national park. They believed that such byelaws would infringe their rights, could lead to further restrictions and would unfairly penalise the vast majority, who adhere to and comply with the Scottish outdoor access code.

Can the minister assure me that individuals' legal rights of access, as established in the Land Reform (Scotland) Act 2003, are not being undermined and that no precedent has been set for the introduction of any further restrictions in our national parks?

Aileen McLeod: The measures should not be confused with the intentions behind the Land Reform (Scotland) Act 2003. The byelaws deal with specific circumstances in a national park where steps must be taken to prevent environmental damage caused by a combination of overuse and irresponsible behaviour.

Both the National Parks (Scotland) Act 2000 and the Land Reform (Scotland) Act 2003 make provision for byelaws in relation to responsible uses of land. Access rights must be exercised responsibly, but unfortunately certain areas of the national park are suffering from considerable environmental damage, and local communities are having to deal with the negative impacts of the worst excesses of irresponsible behaviour.

The proposals to manage camping activity are designed to promote recreational access for all types of users, and not just campers, in the proposed management zones. The measures in the national park do not affect access rights in other parts of the country, and there is no evidence that the east Loch Lomond byelaws have led to calls for similar byelaws to be considered elsewhere in Scotland.

Antibiotic Resistance

3. Stewart Maxwell (West Scotland) (SNP): To ask the Scottish Government what action it is

taking to deal with antibiotic resistance in the food chain. (S4O-05566)

The Cabinet Secretary for Rural Affairs, Food and Environment (Richard Lochhead): The Scottish Government signed up to the United Kingdom's five-year antimicrobial strategy for 2014 to 2018, which was produced in collaboration with public health and animal health authorities across the UK. The strategy combines actions in the human and animal health environments, and a working group chaired by the chief medical officer for Scotland has been set up and is developing detailed plans to implement it.

The Scottish Government also monitors scientific developments in antimicrobial resistance; liaises with other Administrations and public bodies with an interest in animal health, public health and food safety; and implements a veterinary surveillance programme that monitors the emergence of such resistance in animals.

Stewart Maxwell: I thank the cabinet secretary for that detailed and comprehensive answer. Given the possible variability in the implications for different sectors, can he tell me whether the Scottish Government has investigated the economic impact on the farming sector of a rise in antimicrobial resistance in different forms of livestock—for example, poultry, cattle or sheep?

Richard Lochhead: Because we view the issue through the prism of the impact on public health, there has been no such economic assessment in relation to our livestock sectors in Scotland, because it is not deemed to be an issue at the moment. However, it is certainly something that ministers and the agencies and public bodies involved with the issue will want to reflect upon as the debate moves forward.

NFU Scotland (Meetings)

4. Alex Fergusson (Galloway and West Dumfries) (Con): To ask the Scottish Government when it last met NFU Scotland and what matters were discussed. (S4O-05567)

The Cabinet Secretary for Rural Affairs, Food and Environment (Richard Lochhead): Representatives of the Scottish Government met NFU Scotland on numerous occasions over the past few months to discuss a wide variety of topics. The most recent meeting took place on 29 January in Perth to discuss common agricultural policy—CAP—payments. I also delivered a speech at the NFU Scotland annual general meeting on 12 February, and during that I announced the £20 million hardship fund.

Alex Fergusson: I am not surprised that the subject of that meeting was CAP payments, because the shambles of the basic payment scheme continues. With less than 1,000 payments

a week being cleared, paying all claimants 70 per cent of their basic payments by the end of March as promised is looking increasingly unlikely, if not impossible.

Farmers are now beginning to ask what impact the issue is all going to have on other schemes, specifically the less favoured areas support scheme—LFASS—payment, which is normally paid in March. I ask the cabinet secretary a very simple question: when will this year's LFASS payments be made?

Richard Lochhead: I should inform Alex Fergusson and members that the number of farmers and crofters in Scotland who have received their first instalment is now approaching 50 per cent, which is equivalent to 80 per cent of the overall greening and basic payments.

It is indeed the case that there will be a knock-on impact on other schemes. I have been very open and clear about that, given that this is the transition year between the former common agricultural policy and the new, far more complex, common agricultural policy. There is also the fact that the information technology system is not working as quickly as we had hoped, and there is a range of other factors as well.

LFASS payments are normally made in March. I recognise the extreme importance of that payment, in particular to hill farmers in Scotland. That is why I am paying a lot of attention to it as we speak. While I have said that all other schemes will experience a knock-on impact of several weeks, I am paying particular attention to LFASS to see how we can minimise the impact on that particular scheme.

Sarah Boyack (Lothian) (Lab): When will the cabinet secretary take decisive action? We now have farmers with expensive bank loans that they have had to shoulder because the CAP system has been a failure. Can he give us an update on exactly when all farmers will get all their payments, and will he recompense farmers who have had to take out expensive loans to get themselves through that system? The failure is impacting on rural communities across the whole country.

Richard Lochhead: I make the obvious point that I cannot be lectured by the Labour Party. When it was in government at the United Kingdom level, it did its utmost to scrap direct payments to Scottish farmers and crofters. It is therefore a bit hypocritical constantly to criticise the Scottish Government on the payment timetable for payments that Labour did not want to exist in the first place.

However, it is a serious issue, and it is having a serious impact on cash-flow situations across Scotland. We are working flat-out to get as many as possible of the first instalments out by the end

of March. As I have said, we are approaching 50 per cent as we speak and we will continue to do our utmost to speed up the process.

As the member knows, we cannot call down the money from Europe to pay farmers and crofters until we have sorted out the processing of the applications and addressed any errors or whatever may exist in each application form, under what is a very complex system. We simply cannot award the payments until that process has been carried out. Nevertheless, we are approaching 50 per cent at the moment.

In relation to decisive action, I have said that the £20 million that we announced at the NFU Scotland AGM will be available for genuine hardship cases. If any farmers or crofters are unable to get finance from their banks and they take evidence of that to the Government, they will be able to access that £20 million fund. We have agreed that with stakeholders because that is the most sensible thing to do. The vast majority of farmers and crofters, as we are aware, have good relationships with their banks.

The payment window for the overall scheme is from 1 December 2015 to the end of June this year. Clearly, in previous years we had a very good record of paying out in December. However, this is the transition year and therefore we are further into that payment window than in previous years. I wish that we were moving a lot further than we are, but we are where we are and we are doing our absolute utmost to get payments out of the door.

Tavish Scott (Shetland Islands) (LD): If the cabinet secretary is moving everything that he can, will he undertake to write as quickly as he can to individual crofters and farmers who have yet to find out how much they are getting or when they will get it, particularly if payment is going to slip into April, May or, as he has just said, June? Further, to pick up on Alex Fergusson's question, can the cabinet secretary not simply tell Parliament today whether he will make LFASS payments in March or just come clean with the industry and say, "Sorry, it's going to be in April", which would, at least, let crofters and hill farmers make financial plans?

Richard Lochhead: I accept the need for there to be as much clarity as possible. Clearly, we are unable to give a timetable to individual recipients with regard to their own application, because each and every day more recipients across Scotland get their payment, which means that many letters to farmers and crofters would be out of date as soon as they were sent.

On LFASS, I have said that it is normally paid out in March but that the payments are running a few weeks behind schedule. However, as we

speak, I am actively trying to speed up the process to minimise the knock-on impacts. I am meeting stakeholders again next week, and I hope to be in a better position at that point to give people more clarity with regard to the timescale for the LFASS payments.

Wild Animals in Circuses

5. Kevin Stewart (Aberdeen Central) (SNP):

To ask the Scottish Government what progress it is making in introducing a ban on the use of wild animals in circuses. (S4O-05568)

The Cabinet Secretary for Rural Affairs, Food and Environment (Richard Lochhead): The Scottish Government takes the welfare of animals, including circus animals, very seriously. There are no travelling circuses with wild animals presently based in Scotland. However, some visit Scotland on occasion, and we are aware that many people have concerns about the welfare of the animals.

The results of a Scottish Government consultation showed overwhelming support for a ban on the use of wild animals in travelling circuses on ethical grounds. As that would require legislation, I am considering the best way forward, and the Scottish Government will set out plans in due course, certainly before the dissolution of Parliament.

Kevin Stewart: One of the things that I am afraid of is that the cabinet secretary might be waiting for legislation to be brought in in England so that we can deal with the matter via a legislative consent motion. I do not think that that will happen soon, so I am glad that the cabinet secretary has said that he will lay out a timetable. Can he give us an indication of when that will be? He said that it will be before dissolution. Will it be just before dissolution, or will it be sooner than that?

Richard Lochhead: In November 2012, the Department for Environment, Food and Rural Affairs wrote to the Scottish Government and other devolved Administrations signalling its intention to develop a bill to ban the use of wild animals in travelling circuses and offering to extend the scope of the bill to include other territories, including Scotland. However, we will do what is best for Scottish circumstances and, before the dissolution of Parliament, I will make clear our timetable for legislating on the matter in this country once we work out the best way forward in terms of how to frame any legislation that we want to support. I will not be influenced by timetables elsewhere in the United Kingdom.

Air Pollution (Fife)

6. Cara Hilton (Dunfermline) (Lab): To ask the Scottish Government what action it is taking to tackle air pollution in Fife. (S4O-05569)

The Minister for Environment, Climate Change and Land Reform (Aileen McLeod): The Scottish Government continues to work closely with Fife Council, the Scottish Environment Protection Agency, Transport Scotland and other partners to improve air quality in Fife.

Fife Council has produced an air quality action plan for the Cupar air quality management area, which is regularly cited as an example of best practice. The plan contains a comprehensive range of measures, including an effective public awareness-raising campaign. The plan has contributed to reducing pollutant levels to the extent that no exceedances of the objectives for nitrogen dioxide or particulate matter were recorded during 2014.

An action plan for Fife's other air quality management area at Appin Crescent, Dunfermline, is also in place. It aims to mirror the success in Cupar.

Cara Hilton: Given the evidence that air pollution causes at least 2,000 early deaths in Scotland each year, and the fact that many areas, such as Appin Crescent in my Dunfermline constituency, continue to experience dangerous levels of air pollution, what extra funding will the Scottish Government make available to ensure that active travel is a more realistic option, and particularly to improve safe routes for pedestrians and cyclists to public transport links?

Given that the Scottish Government is planning to spend 200 times as much on building new roads as on tackling air pollution in the budget today, how likely is it that we will meet European air quality limits by 2020, as has been promised?

Aileen McLeod: Tackling local air pollution is also a matter for local authorities, with support and guidance provided by the Scottish Government and other partners.

The Scottish Government provides practical support to local authorities through our policy and technical guidance and provides financial support through a series of annual funding schemes. Since 2000, Fife Council has received a total of around £530,000 to support air quality monitoring and associated work, plus around £520,000 since 2010 to help to implement the action plans in Cupar and Dunfermline.

Many actions that are being implemented at a national level, such as the green bus fund and the plug-in vehicles road map, are having a positive local impact across Scotland.

We have our stage 3 budget debate this afternoon and I am sure that the Deputy First Minister will say more then. Compared with 2013-14 we have increased investment in active travel by more than 80 per cent, from £21.35 million in 2013-14 to £39.2 million in 2015-16—and that is at a time when our overall capital budget has decreased by 26 per cent.

The Scottish Government invests more than £1 billion a year in public and sustainable transport to encourage people on to public transport and active travel modes. We have also invested £11 million in the development of the chargeplace Scotland network of electric vehicle charging points, which now comprises more than 400 units, with many more being commissioned over the coming months.

Land Reform (West Scotland)

7. Mary Fee (West Scotland) (Lab): To ask the Scottish Government what impact it expects its proposals on land reform to have on land in the West Scotland region. (S4O-05570)

The Minister for Environment, Climate Change and Land Reform (Aileen McLeod): The Land Reform (Scotland) Bill, which is currently before Parliament, will result in real improvements in how land is owned, used and managed across Scotland.

Land ownership by communities has gone from strength to strength, and there are impressive examples of community buyouts throughout the country. In West Scotland, for example, in 2006 the Neilston Community Trust registered an interest and then purchased a former bank building, which continues to be used as a community hub and resource as well as office space. More recently, in 2014, the Arran community land initiative saw the acquisition of 79 acres to develop a community woodland on the island.

Building on successes like those, the Community Empowerment (Scotland) Act 2015 provides for the extension and streamlining of the community right-to-buy process and, for the first time, urban communities will be able to use the statutory community right to buy. Through the legislation and the Government's 1 million acre strategy, we anticipate that many more communities the length and breadth of Scotland, including in the West Scotland region, will be able to realise the many benefits of acquiring land. The revised community right-to-buy legislation comes into force on 15 April 2016.

Mary Fee: Will the minister give her clear support and indicate a timescale for introducing compulsory sale orders, so that local authorities can take the lead in bringing vacant and derelict

land back into use, particularly in town centres and rural communities?

Aileen McLeod: As I indicated during the stage 1 debate on the Land Reform (Scotland) Bill, we are supportive of compulsory sale orders and we are currently considering the issues around those. We support CSOs because we can see that they allow vacant and derelict land and buildings to be brought back into use.

Bringing forward an effective compulsory sale order will take time and careful consideration to ensure that it works and is in competence. If we are re-elected, the Government will actively explore bringing forward proposals for a compulsory sale order in the next session, as part of its wider land reform programme.

Leaving the EU (Fishing and Farming)

8. Colin Beattie (Midlothian North and Musselburgh) (SNP): To ask the Scottish Government what discussions it has had with the United Kingdom Government regarding the impact that leaving the European Union could have on Scotland's fishing and farming communities. (S4O-05571)

The Cabinet Secretary for Rural Affairs, Food and Environment (Richard Lochhead): The UK Government has neither consulted the Scottish Government about the impact that a UK exit from the EU would have on Scotland's fishing and farming communities, nor directly consulted those communities that would be affected.

EU membership provides a range of benefits, which include direct access to financial assistance, free access to a common food export market of over 500 million consumers, and the protections and opportunities that are offered by being part of a major global trading bloc.

Colin Beattie: Will the cabinet secretary highlight some of the benefits that EU membership brings to Scotland's farming and fishing communities?

Richard Lochhead: In terms of support for agriculture, billions of euros are making their way to Scottish farmers, crofters and wider rural communities between now and 2020; given that it is UK policy to scrap direct payments, that would not otherwise happen. We are protected only by EU membership. That is one direct benefit for the agricultural sector. Many of our seafood exporters rely on the European markets.

It is fascinating to note that the UK farming minister, George Eustice, has just declared for the leave campaign, having said a couple of weeks or so ago that it was up to the leave campaign to explain what would happen to common agricultural policy payments in the event of the UK leaving

Europe. I therefore lay down a challenge to him today to please explain to Scotland's farmers and crofters what will happen to the billions of euros that make their way to Scotland if indeed the UK leaves Europe.

Justice and the Law Officers

Environmental Justice (Access)

1. Alison Johnstone (Lothian) (Green): To ask the Scottish Government what steps it is taking to ensure equal access to justice in environmental matters. (S4O-05574)

The Minister for Community Safety and Legal Affairs (Paul Wheelhouse): The Scottish Government has undertaken a significant programme of reform to the justice system with the aim of making the court system more efficient and accessible. The Courts Reform (Scotland) Act 2014 codifies recent changes to standing, which is the entitlement to bring a case. The result is a clear, broader entitlement to take a case to court, which we expect to benefit those who have an interest in public interest litigation, including cases that concern environmental matters.

Seeking redress through the courts may involve considerable cost. That is mitigated by the ability to access legal aid for those who are eligible and to apply to the court for a protective expenses order—a PEO—in certain cases, including environmental cases. A PEO protects the litigant from any expense beyond a limit that is set out in the PEO.

We are also progressing plans to publish a consultation paper on options that will cover areas such as the potential role of an environmental court or tribunal.

Alison Johnstone: This is a vital issue. The Aarhus convention exists because the environment cannot go to court itself—people must protect it, sometimes with legal action. However, as the minister will be aware, that can be prohibitively expensive by anyone's reckoning.

I agree that a specialist environmental court could and would help; the Justice Committee supports having one. The Scottish National Party manifesto promised an options paper and the Scottish Government has repeatedly told Parliament that one is coming, but still we have no paper and no timeline. Will the Parliament see one before purdah?

Paul Wheelhouse: I agree with a lot of what Alison Johnstone said about the justice system's role in protecting the environment, which does not have a voice of its own. I recognise that. On the point about the manifesto commitment, we intend

to publish a consultation paper prior to the dissolution of Parliament.

Roderick Campbell (North East Fife) (SNP): The minister has largely answered my question, but I welcome the commitment to publishing an options paper and I look forward to seeing that paper before the dissolution of Parliament.

Paul Wheelhouse: I am happy to confirm that the paper will be published before then. I appreciate Mr Campbell's interest in the issue and the interest of other members. We will fulfil our commitment.

Prison Estate Improvement Plans

2. Stuart McMillan (West Scotland) (SNP): To ask the Scottish Government what plans it has to improve the prison estate. (S4O-05575)

The Cabinet Secretary for Justice (Michael Matheson): I recently announced plans for the redevelopment of the women's custodial estate. In addition, the Scottish Prison Service will progress its estates development plan—it is described in the Scottish Government's infrastructure investment plan—to deliver a fit-for-purpose prison estate.

Stuart McMillan: The cabinet secretary will be aware that we have had discussions in the past about replacing HMP Greenock. A substantial investment has been made in an initial site, and the current HMP Greenock has a limited lifespan. I would be grateful if the cabinet secretary could provide any assurances to people in the west of Scotland that replacing HMP Greenock is firmly in the Scottish Government's plans for the future.

Michael Matheson: The site at Inverclyde remains available to the Scottish Prison Service for the replacement of HMP Greenock, which is one of the prisons that the SPS has identified as requiring to be replaced. To replace that facility, a detailed plan would need to be made and the SPS would then need to secure capital funding. The site at Inverclyde remains in SPS ownership and will be available to the SPS should it choose to use that site for a replacement of HMP Greenock.

Margaret Mitchell (Central Scotland) (Con): The cabinet secretary will be aware that the unacceptable conditions of the toilets for remand prisoners at Cornton Vale have been raised by members of the former prison visiting committee. Complaints about issues in the prison estate are now covered by the new independent prison monitoring service. Will the cabinet secretary comment on the reported problems with the new service, which include poor implementation of reforms and inadequate communication? Will he provide assurances that the Government will address those issues with immediate effect?

Michael Matheson: I presume that the member is referring to the recent HM inspectorate of prisons for Scotland report on HMP Cornton Vale. The report highlighted a number of areas in which significant improvements have been made as a result of the actions of staff at Cornton Vale. Equally, it highlighted areas in which further improvements are needed, which include night sanitation.

The member will be aware that the Scottish Prison Service has proposed that, while it starts the decommissioning process at Cornton Vale, just over half the women there will be relocated to the young offenders institution at Polmont. I have approved that proposal, which will be implemented in the coming months and should be taken forward by the summer. That will allow women who have experienced problems with night sanitation facilities at Cornton Vale to be relocated to Polmont while the SPS starts to decommission the Cornton Vale facility with a view to creating and building the new national facility for 80 women in the next couple of years.

Graeme Pearson (South Scotland) (Lab): The cabinet secretary has set out his general plans for improving the estate. What will the impact on his plans be of the Government's continued commitment to reducing the prison population, which has stayed stubbornly at the same level over the past five years? What is the timescale for the reduction?

Michael Matheson: The member is factually wrong, as the prison population has declined over the past couple of years. The level has stabilised, but there has been a decline in recent years, so he is incorrect on that point.

The member will be aware that the programme that we have set out for building the new female custodial estate will considerably reduce capacity in that estate. A key part of that is the greater focus that we are placing on community alternative disposals, which we know are much more effective in tackling offending behaviour, as a means by which we can seek to reduce our prison population overall. That will be a key part of the approach that we take following the redesign of the custodial estate, alongside a greater focus on using more effective and robust community disposals. Such an approach will help to reduce reoffending rates in Scotland—which are, incidentally, at a 16-year low as a result of the progress that we have made in recent years. I want to build on and accelerate that progress, which will assist us in reducing the female—and male—prison estate population overall.

Cashback for Communities (North East Scotland)

3. Stewart Stevenson (Banffshire and Buchan Coast) (SNP): To ask the Scottish Government what impact the cashback for communities programme is having in North East Scotland. (S4O-05576)

The Cabinet Secretary for Justice (Michael Matheson): We are rightly proud of our unique cashback for communities programme and have published information by local authority area on the cashback website. It demonstrates that, up to the end of March 2015, young people from North East Scotland, which covers the local authority areas of Aberdeen, Aberdeenshire, Angus, Dundee city and part of Moray, have directly benefited from nearly £5.5 million of cashback investment that has delivered more than 250,000 activities and opportunities for young people in the area.

Stewart Stevenson: I very much welcome the £5.5 million that has been recycled from the pockets of criminals for the benefit of the public good in North East Scotland, as has happened elsewhere in Scotland. What criteria might the cabinet secretary wish to see used for the future selection of cashback projects?

Michael Matheson: Our approach in the past three phases of allocating cashback money has been to work with the 14 partner organisations that are responsible for projects across the country. They range from sporting organisations to cultural organisations and youth groups and they focus on areas that are deprived and where there are disadvantaged young people.

We are coming towards the end of phase 3 of the programme, which goes up to March 2017, and I am considering the arrangements for phase 4. I want to ensure that it is targeted more on deprived areas, that it focuses on assisting us to reduce inequalities in our communities and that, in doing so, it maximises the benefit for communities. There is no doubt that the programme has been an extremely successful way to take money from criminals and put it back into our communities. We intend to build on the important work that we have achieved in recent years with the programme.

Autism Support (Justice System)

4. Christina McKelvie (Hamilton, Larkhall and Stonehouse) (SNP): To ask the Scottish Government what support the justice system gives to people with autism. (S4O-05577)

The Minister for Community Safety and Legal Affairs (Paul Wheelhouse): The Scottish Government is committed to improving the lives of people with autism. For individuals over 16 years of age with autistic spectrum disorder who come

into contact with the criminal justice system, the support of an appropriate adult is available. The appropriate adult's role includes facilitating understanding or communication during police procedures for an accused person, suspect, victim or witness. For those under 16, support would be offered by a responsible adult.

To assist vulnerable individuals in giving evidence in court, there is now greater access to special measures, including the use of screens or the ability to give evidence via videolink. Similar measures are available for the purposes of giving evidence in civil proceedings. Tribunal hearings, which tend to be more informal, will be flexible in their arrangements to support vulnerable people giving evidence.

Christina McKelvie: The minister demonstrates clearly that anyone who has an autistic spectrum disorder faces particular barriers when accessing any system. Will he give an update on what training is available for front-line police officers and for fiscals and their staff to ensure that victims and alleged perpetrators are given the correct support and justice is done?

Paul Wheelhouse: I will write to Christina McKelvie with more detail, but training is clearly vital when dealing with those with particular needs. I thank her for raising this really important issue. I understand that representatives of the Crown Office and Procurator Fiscal Service have recently been in touch with the National Autistic Society Scotland with a view to developing training and policy on how staff interact with those with autism. The training of fiscals and other staff is a matter for the Crown Office, but I would be more than happy to raise her concerns with the Lord Advocate, who may wish to provide further information on the matter.

Prior to the creation of Police Scotland, Scottish police forces undertook training in 2010. Police Scotland remains engaged with the autism network Scotland and continues to identify and share good practice in localities. As I said, I will write to Christina McKelvie with further detail.

Domestic Noise Nuisance

5. George Adam (Paisley) (SNP): To ask the Scottish Government what the police are doing to tackle noise nuisance in domestic properties. (S4O-05578)

The Minister for Community Safety and Legal Affairs (Paul Wheelhouse): Responsibility for dealing with the majority of complaints about domestic noise rests with local authorities, which have a duty to investigate such complaints under the provisions of the Environmental Protection Act 1990 or, depending on the nature of the complaint, the noise provisions under part 5 of the Antisocial

Behaviour etc (Scotland) Act 2004. In some instances, the police can become involved.

Legislation grants authorised officers in local authorities various powers to deal with noise nuisance. Under the antisocial behaviour legislation, an officer may issue a warning notice to the person who is responsible for excessive noise. If the warning notice is not complied with, other available measures include fixed-penalty notices or the power to enter premises to seize noise-making equipment. Abatement notices are also available under the provisions of the 1990 act.

George Adam: One of the most regular complaints that I receive is about noise from nuisance neighbours. My constituents are moved from the police to the local authority to try to find a solution, but unless the local authority actually catches the person in the act, my constituents are told that nothing can be done for them. I have seen families torn apart and children sleeping at their grandparents' home just to get a decent night's sleep. Does the minister agree that local authorities should and could do far more to assist people when dealing with the issue?

Paul Wheelhouse: I am sorry to hear about the experience of Mr Adam's constituents in Paisley in dealing with noise from neighbours. The situation that he describes would clearly be very distressing. The local authority has perhaps been unable to resolve the situation to his constituents' satisfaction. I have every sympathy with those who suffer from such a situation. I fully agree that it is unacceptable for such strains to be placed on normal family life as a result of inconsiderate and selfish behaviour by neighbours.

When a local authority investigates a noise complaint, it must consider the facts and circumstances of each case when deciding what action to take. I am aware that an environmental health officer must either witness the noise or be in a position to measure the level of noise, to determine whether the law is being breached. In cases in which it has not been possible to witness or measure the noise as it happens, local authorities may install recording equipment in homes to establish whether acceptable levels are being breached and to enable them to take appropriate enforcement action. My officials have been in contact with Renfrewshire Council and have been informed by the council that it provides that service. However, given the experience of Mr Adam's constituents, that might not be widely known and there might be a case for ensuring that people are notified that building an evidence base could be a potential solution to the problem.

Violence Against Women

6. Fiona McLeod (Strathkelvin and Bearsden) (SNP): To ask the Scottish Government how the justice directorate is tackling violence against women. (S4O-05579)

The Cabinet Secretary for Justice (Michael Matheson): The Scottish Government is committed to tackling and eradicating violence against women and girls. Over the period from 2015 to 2018, we have committed £20 million from the justice portfolio to support a range of projects and initiatives. We are strengthening the law in the area and are seeking views on a new specific offence of domestic abuse. We have established the equally safe joint strategic board, which will drive forward real and lasting change through key areas such as justice and prevention. As a Government, however, we recognise that to truly achieve our goal, enhancing the justice system in isolation is not enough. It is through tackling the root causes of gender inequality in all aspects of life that we will realise our true goal of eradicating violence against women and girls.

Fiona McLeod: I thank the cabinet secretary for the comprehensive amount of work that is being done. How is the Scottish Government supporting children and young people who witness domestic violence?

Michael Matheson: I am grateful to Fiona McLeod for raising that important issue. We have to remember that the whole family can be severely affected by domestic abuse, especially where children have been involved.

On support for victims, there is a range of existing measures to support vulnerable witnesses through our justice system, including children who witness domestic abuse. In addition, to assist children who are giving evidence, all those under 18 are entitled to supportive measures such as the use of screens and videolink systems as they move through the court process. Furthermore, the children's services fund supports a range of specialist services that offer direct support to children and young people who have experienced domestic abuse. Fiona McLeod can be assured that the Government will be unrelenting in its commitment to ensuring that we continue to tackle all forms of domestic violence that are perpetrated against women and girls.

Rhoda Grant (Highlands and Islands) (Lab): When will the cabinet secretary publish the research that has been commissioned on commercial sexual exploitation, and when will the symposium on that research take place?

Michael Matheson: Some of that work is coming to its completion. Part of the work—on the stakeholder meetings that were due to take place—will be completed this month. Once that

work has been undertaken and we have engaged with all the various stakeholders, we will be in a position to consider the final paper that comes from the research and the work that we have engaged in with our stakeholders.

The Deputy Presiding Officer (John Scott): Question 7, in the name of Lewis Macdonald, has not been lodged and an explanation has been provided.

In Care Abuse Survivors (Compensation)

8. Iain Gray (East Lothian) (Lab): To ask the Scottish Government what action the Cabinet Secretary for Justice will take to allow survivors of child abuse in care prior to 1964 to seek compensation. (S4O-05581)

The Minister for Community Safety and Legal Affairs (Paul Wheelhouse): I will respond to Mr Gray's question, as I have responsibility for the policy on time bar and have had the opportunity to engage with survivors. As he will know, this is a complex and sensitive issue. I have heard personally from survivors about the difficulties that they have experienced in trying to raise a claim in the civil courts, and I can very much understand their feelings of injustice. That is why I intend to lift the three-year limitation period from civil actions in cases of historical child abuse. We have previously committed to publishing a draft bill before the end of this parliamentary session.

As Mr Gray is aware, the limitation period applies only to actions that are based on harm that occurred after 26 September 1964. For harm that occurred before that date, the law of prescription applies. We gave serious consideration to removal of the law of prescription, but the legal issues for such cases were too difficult to overcome. We are of the view that to reverse the law of prescription would be incompatible with the European convention on human rights.

I know that that has come as a great disappointment to many survivors, and I can understand their frustration. However, the legal issues in respect of prescription mean that there appears to be no viable legislative solution for the pre-1964 cases. We are looking at what else can be done for survivors in that group, which includes looking closely at experience in other jurisdictions. That work is on-going.

Iain Gray: No one doubts the complexities. In her recent meeting with survivors, the Cabinet Secretary for Education and Lifelong Learning said that, prior to dissolution, a paper would be produced with options for action. Is that still the Scottish Government's intention?

Paul Wheelhouse: Yes, I can confirm that Ms Constance met survivors on 11 February and has

committed to sharing progress on the work before the Parliament dissolves.

Budget (Scotland) (No 5) Bill: Stage 3

The Deputy Presiding Officer (John Scott):

The next item of business is a debate on motion S4M-15693, in the name of John Swinney, on the Budget (Scotland) (No 5) Bill.

14:40

The Deputy First Minister and Cabinet Secretary for Finance, Constitution and Economy (John Swinney): The Budget (Scotland) (No 5) Bill for 2016-17 maintains our strong record of managing the public finances using the fiscal powers that are currently available to us. It confirms our plans for taxation and expenditure to deliver sustainable economic growth, improve Scotland's public services and create a fairer and more prosperous economy, with opportunities for all our citizens to flourish.

It is also a historic budget, given the context provided by this week's agreement with the United Kingdom Government on the fiscal framework that will support the Scotland Bill. The agreement has significant implications for future Scottish budgets, which the Scottish Government and Scottish Parliament will need to consider in the coming months.

Let us not forget the significant events that have already occurred in relation to the setting of this budget. Two weeks ago, the Parliament voted to set the Scottish rate of income tax at 10p. That means that the lowest-paid taxpayers in our society are protected and the rate of tax paid by Scottish residents in 2016-17 will be the same as it is today.

Our decisions on taxation have been based on the principles that I set out in earlier legislation and are designed to deliver a coherent tax framework for the people of Scotland. The first decision on setting a rate of income tax in Scotland has therefore been one of substance and one that has required me to balance the opportunities and risks that are presented by our new tax powers. It has not been a case of making proposals without identifying how they could be implemented and what their effect on individuals would be.

I have taken the same approach when setting all devolved taxes. With land and buildings transaction tax—the first tax power to be devolved to this Parliament in more than 300 years—I delivered a progressive regime. The UK Government had passed up the opportunity to deliver such reform in the past.

However, progressivity in itself is not sufficient justification for increasing the tax burden on the lowest-paid taxpayers. Taxes must also be

proportionate to the ability to pay—I stress “ability to pay”. It would be of limited reassurance to our pensioners, our newly qualified teachers and our postal workers to know that people on higher salaries were paying more in increased taxes than they were paying, as they saw their weekly budgets come under increased strain. Such people will not care that other people are paying more; they will care that they are paying more. That is not a burden that I am willing to impose in this budget.

Willie Rennie (Mid Scotland and Fife) (LD):

On the other side of the coin, we are seeing massive cuts to local authority budgets because of the financial straitjacket that Mr Swinney has imposed on local authorities. A senior Scottish National Party councillor spoke out today to warn about cuts to music tuition, school transport and services for vulnerable children. Is Mr Swinney listening to anyone on the cuts to local authority budgets?

John Swinney: It is for individual local authorities to take the decisions that they want to take about their budget choices—[*Interruption.*]

The Deputy Presiding Officer: Order.

John Swinney: The examples that Mr Rennie cited are the sort of options that are often circulated before council meetings, but when councils take their decisions they reject the options that have been put in front of them. That is exactly what has happened in countless local authorities around the country.

Patrick Harvie (Glasgow) (Green): If it is for councils to make their own decisions about how to manage the cuts, why is it not also for local councils to make their own decisions about the tax rates that should be set locally?

John Swinney: Because the Government has a commitment to freeze the council tax for the duration of this parliamentary session, and we are determined to ensure that we deliver to the people of Scotland the commitment that we gave in the 2011 election. Governments that keep their promises are respected by the public.

Instead of increasing the tax burden, this budget protects household incomes. It also provides leadership to employers across the country by ensuring that more than 50,000 of Scotland's lowest-paid workers receive a pay rise and earn at least the living wage.

Alex Rowley (Cowdenbeath) (Lab): Given that tens of thousands of public sector jobs are going to be lost as a result of the budget, regardless of whose fault that is, will the Deputy First Minister consider setting up an emergency task force to help those people to get other jobs?

John Swinney: The claims that are being made about public sector employment are utterly exaggerated. I will cite the evidence for that. *[Interruption.]*

The Deputy Presiding Officer: Order.

John Swinney: In the past 12 months, the number of jobs that have been lost in the devolved public sector in Scotland is 500—that is 0.1 per cent of public sector employment. *[John Swinney has corrected this contribution. See end of report.]* In addition, employment in Scotland has risen by more than 20,000 jobs. That is the context in which I would put Mr Rowley's comments.

The budget ensures that our older citizens are able to access free personal care in an integrated health and social care system. The tax on ill health that prescription charges represent will be abolished, saving those with long-term illnesses around £104 per year. Families across the country will benefit from free school meals and 600 hours of early learning and childcare, saving £707 per child per year. Households will have their council tax frozen for a ninth consecutive year, saving the average band D household around £1,550 over the course of this session of Parliament. In addition, the Scottish Government continues to mitigate the most damaging effects of the UK Government's welfare cuts. That is what this Government is doing to protect household incomes in Scotland, and that is what is implicit in the budget that is before Parliament today.

Dr Richard Simpson (Mid Scotland and Fife) (Lab): What does the Deputy First Minister feel about the budget for SNP-controlled Clackmannanshire Council that was passed last week, which imposed a 7.1 per cent cut on every third sector organisation—primarily those supporting self-management of health conditions, but also those supporting children? If the increase in the retail prices index of 1.3 per cent is taken into account, that is a real-terms cut of 8.4 per cent. Is that the sort of budget cut that he approves of?

John Swinney: Individual local authorities must make their choices within the resources that are available to them. I am also entitled to insist on the need to freeze the council tax and the need to invest in health and social care and their integration, with £250 million of new investment having been announced. Is Dr Simpson against that investment that the Government has made? I am also committed to ensuring that the Government takes steps to protect the delivery of education at the local authority level, to which I now turn.

Education lies at the heart of the Government's inclusive growth agenda and is central to our efforts to tackle inequality and improve educational

outcomes. Under this Government, 607 schools have been replaced or refurbished—that is nearly a quarter of the whole school estate. We have introduced free school meals for all children in primary 1 to 3, benefiting almost 130,000 pupils and saving families important resources.

Our young people achieved a record number of higher and advanced higher passes in 2015, and the number leaving school for a positive destination in education, employment or training is now at a record high of 93 per cent. Almost 11,000 more students in 2014-15 than in 2008-09 successfully completed full-time college courses leading to recognised qualifications—an increase of 24 per cent. This year, record numbers of Scots have applied to go to university here and 18-year-olds from our most deprived communities are now 65 per cent more likely to apply than they were in 2006. The percentage of newly qualified teachers in employment after their probation period has also increased. That is the effect of the Government's investment in education.

We have not scrapped the education maintenance allowance; we have expanded it, enabling more young people from low-income families to stay on at school or in college. We have not scrapped maintenance grants for the poorest students; we have increased the level of the bursary. We have not scrapped disabled students allowance; we are continuing to provide that vital support. We have not made and will never make education dependent on the ability to pay. There will be no front-door tuition fees or back-door taxes. We will keep tuition free, saving 120,000 students in Scotland up to £27,000 over the course of their degree.

Murdo Fraser (Mid Scotland and Fife) (Con): Will the member give way?

John Swinney: I must make more progress.

We know that there is much more that we need to do. We want to create a world-class education system that delivers success for all our children. Our overall aim is to raise standards everywhere but to raise them most in the areas that need it most.

As the First Minister has indicated on several occasions, action on education is an absolute priority for the Government. We have previously announced the four-year £100 million attainment Scotland fund to support schools in our poorest neighbourhoods to raise attainment. The fund is about to enter its second year of operation, and over the next three years we still have £80 million of the fund to spend. I have looked at that carefully, considered the resources that I have available, including my latest assessment of forecast receipts from the devolved taxes, and decided that we are in a position to do more than I

had planned. I confirm to Parliament that I intend to double the amount of funding that we had planned to allocate to the attainment Scotland fund over the next three years from £80 million to £160 million. Ministerial colleagues will announce further details in due course, but I hope that all members in the chamber will welcome that substantial additional investment in measures to help ensure that every child has the opportunity to realise their potential.

Jenny Marra (North East Scotland) (Lab): Will the cabinet secretary confirm that every local authority that is allocated a certain amount of money from the attainment fund will receive all that money and that there will be no technical ambiguity about whether it must be drawn down?

John Swinney: I can give Jenny Marra the assurance that authorities that are allocated the money will get the money that they are allocated. I thought that Jenny Marra might have been intervening to welcome the fact that the Government is increasing investment in the children who need it the most, but I suppose that that would be a little too much to hope for on a Wednesday afternoon in Parliament.

The budget does not just lay the foundations for our children's future, because this Government will continue to invest heavily in Scotland's infrastructure, using all the levers at our disposal to maximise investment and to support economic growth. At the same time, we will continue to offer a competitive advantage within the United Kingdom for the majority of our business ratepayers.

I have reflected on feedback from a number of businesses and can confirm to Parliament that I have moderated the adjustment to the level of relief available for empty industrial properties proposed in the draft budget: 100 per cent relief will now be available for six rather than three months as originally proposed. I will also extend the fresh start and new start reliefs for the duration of 2016-17.

I look forward to the forthcoming review of business rates, which will be detailed shortly, and the opportunity that that provides to test our business rates policies to continue to support investment and growth.

The Government is committed to protecting our public services and pursuing ambitious reform to help ensure that public services meet the needs of the people of Scotland. The budget contains a series of measures to demonstrate our further commitment to extending digital applications in public services. In addition, we will invest £250 million to deliver the most significant reform to health and social care since the creation of the national health service in 1948 and invest a further

£200 million over the next five years in six new elective treatment centres.

As well as maintaining 1,000 additional police officers, the front-line police resource budget will be protected in real terms, and we have allocated further funding to support continuing reform. We will continue to prioritise preventative interventions across our services, including by building on the success to date of the early years collaborative.

Those are the measures that the Government will take to support the sustainability of the public services.

I also welcome local authorities' agreement to the financial settlement that we are providing which, when taken together as a package of funding, will enable them to increase the pace of reform and improve essential public services to communities all over the country.

As we debate the priorities in the budget, the financial landscape is changing. In the years to come, the Scottish Parliament will acquire even greater responsibilities to exercise fiscal flexibility. The Scottish Government will set out its priorities in that respect before Parliament rises for the election campaign, but the budget that is before Parliament today establishes very strong foundations for the delivery of public services and the achievement of sustainable economic growth, and for ensuring that the priorities of the people of Scotland are delivered by the Government of Scotland.

I move,

That the Parliament agrees that the Budget (Scotland) (No.5) Bill be passed.

14:55

Kezia Dugdale (Lothian) (Lab): Yesterday was an historic day for this Parliament. [*Interruption.*]

The Deputy Presiding Officer: Order.

Kezia Dugdale: The deal on the fiscal framework has ushered in a new and exciting era of devolution, and I congratulate the First Minister and the Deputy First Minister on their efforts in that regard.

The new powers that we have bring in an age of responsibility—the responsibility not just to govern well, but to use the powers to do things differently and to offer real change. After a day of congratulation and consensus comes a day of decision. This is the big choice that will define Scottish politics: we are faced with a choice between using our powers or continuing with failed Tory policies, and the Labour Party will choose to use our powers.

Today, we oppose this austerity budget. We do so not in a spirit of oppositionalism—[*Interruption.*]

The Deputy Presiding Officer: Order.

Kezia Dugdale: We do so in the spirit of a new and powerful Parliament with a positive alternative: to set the Scottish rate of income tax 1p higher than the rate that has been set by George Osborne.

John Mason (Glasgow Shettleston) (SNP): Will Kezia Dugdale give way?

Kezia Dugdale: No, thank you. I would like to make a bit more progress.

This is a Parliament that has often heard arguments from all sides about what we cannot do and what we should not do. Today, I will again set out what we can do and what we should do. More than that, I will argue for what we must do.

Since I put forward the alternative to austerity 22 days ago, some things have become clearer.

Kevin Stewart (Aberdeen Central) (SNP): Will Ms Dugdale give way?

Kezia Dugdale: Let me make a bit more progress.

First, it is beyond any reasonable doubt that the policy is a fair one. Let us look at the facts. It is simply a fact that low earners will be protected.

Kevin Stewart: Will Ms Dugdale give way on that point?

The Deputy Presiding Officer: It appears that Ms Dugdale is not giving way at the moment, so allow her to make some progress.

Kezia Dugdale: Mr Stewart should listen to the facts before he ignores them anyway.

Analysis from the Scottish Parliament information centre shows that out of every £1 that would be raised by the measure, 92p would come from the top half of earners, with two thirds coming from the top 20 per cent. The Scottish National Party MSPs who told us that an entirely new state could be established in 18 months now tell us that a simple flat-rate rebate payment of £100 could not be paid until the new powers come in.

Kevin Stewart: Will Ms Dugdale give way on that point?

Kezia Dugdale: Oh, go on.

Kevin Stewart: Despite having made many requests, we have yet to be told by the Labour Party how that rebate scheme would work. Maybe Ms Dugdale can outline exactly how it would work, or is she willing to take the gamble of making the poorest people in our society pay for Labour's mistake of being unable to deliver that rebate scheme?

The Deputy Presiding Officer: Thank you, Mr Stewart—you have made your point.

Ms Dugdale, please continue; I would like order from the rest of members.

Kezia Dugdale: There we go, Presiding Officer. The SNP tells us that the rebate is all too difficult and that it cannot be done. *[Interruption.]*

The Deputy Presiding Officer: Order.

Kezia Dugdale: Council leader after council leader has told us that what we propose can be done, and union leader after union leader has said that it is fair.

I say to SNP members that expert analysis shows that because of the changes to the personal allowance, even before our £100 payment—even if we accept that such a simple thing, for a single year, is all too difficult—no one who earns less than £19,000 a year would pay a penny more in tax next year than they did this year.

John Swinney: Oh! That's all right then.

The Deputy Presiding Officer: Mr Swinney!

Kezia Dugdale: The Institute for Public Policy Research, the University of Stirling, the Resolution Foundation and the House of Commons library have all confirmed that the richest would pay a higher amount in both percentage terms and cash terms. It is a progressive policy.

The First Minister (Nicola Sturgeon): I will, for a moment, assume that Kezia Dugdale manages to get the £100 to low-income households. Can she confirm today whether any of that £100 will be clawed back in tax or tax credits? It is a simple question, so can we get a simple answer?

Kezia Dugdale: It is quite clear that the rebate would be protected from tax. *[Interruption.]* Look at the experts. *[Interruption.]*

The Deputy Presiding Officer: Order!

Kezia Dugdale: I say to the First Minister that come 2017 she will have the power to do this. Is she still opposed to it? Is it the detail, or is it the principle? *[Interruption.]*

The Deputy Presiding Officer: Order! Ms Dugdale, please sit down for one second.

Mr Swinney was heard in almost perfect silence. Can we please extend the same courtesy to Ms Dugdale? Please proceed.

Kezia Dugdale: Such is the weight of evidence that the people who are searching for reasons to oppose our plans now scabble in the dirt for excuses not to do the right thing. Each time the subject has been raised in Parliament, the First Minister and the Deputy First Minister have told low-paid workers that the lowest-paid people will pay more than higher earners. For them to do that when they know that the richest will pay more than

100 times more than lower-paid people is beneath the offices that they hold, and it betrays the truth behind any claim that they make to support progressive taxes. It is just plain wrong.

The second thing that is now beyond doubt is that the budget is going to inflict unnecessary pain on every community in Scotland. Almost unbelievably, the Deputy First Minister told Parliament that the cuts in this budget will have “minimal impact”, but he need only read the front pages of any local newspaper or talk to any teacher—or, indeed, have been bothered to go out and speak to the hundreds of trade unionists who assembled outside Parliament at lunchtime today—to understand how utterly divorced from reality that position has become.

The terrible toll of the cuts is there in black and white in the budgets that are being passed with heavy, heavy hearts by local councillors of all political colours. Here are some of the choices that are being made. In Angus Council, 170 jobs have been lost this week. Clackmannanshire Council is considering cutting 350 posts this week and Highland Council will lose 282 posts on Thursday. Thousands of workers across Scotland—cleaners, supply teachers and early-years staff—are losing their jobs, libraries are closing in Fife and Aberdeen, school librarians are being sacked in Argyll and Bute and their numbers are being halved in Clackmannanshire. English and maths teachers are being cut, classroom assistants are being lost in Falkirk and support assistants are being lost in Edinburgh. In the Deputy First Minister's own backyard, there have already been cuts to the number of educational psychologists for vulnerable children and families with additional support needs, and there have been more cuts around the country. The First Minister and Deputy First Minister can put whatever spin they want on those cuts—they can rename them, they can rebadge them and they can even “reprofile” them—but they cannot deny that the cuts are real and painful.

The final thing that has been clear since the start of the budget process is that our proposal is the only alternative to the cuts. Why? It is because we cannot escape the responsibility of the choice with which we are faced. Will we use our powers—the powers that we came together to demand—or will we accept cuts? Scottish Labour cannot in good conscience do anything other than argue for the powers to be used. It is now for others to search their own consciences.

Every single MSP on the SNP benches promised their electorate that they would oppose austerity and offer an alternative to George Osborne, but today, for the third and final time in this budget process, they will unite with the Tories not to end but to enforce George Osborne's cuts.

The party that was elected on the basis of one very simple argument, with which Nicola Sturgeon made her name—that having more powers means decisions that are different from the Tories' decisions—now finds itself being applauded by the Tories for delivering those cuts. I ask every SNP MSP whether that is the basis on which they were elected, when, under our policy, low-income workers would be not a penny worse off, but would be better off; when every single expert agrees that our policy is progressive; when thousands of workers to whom they made a promise are losing their jobs; and when staff are being sacked in schools in their constituencies. Why is there not even one free-thinker in the SNP who will support us as we bring forward the policy that they have always claimed to support?

Today, together, we can do something that no one else in the UK has the opportunity to do: we can vote to end austerity. Today, by simply pressing a button, SNP MSPs can join Labour MSPs to end austerity this year. I say this to them: What you told voters you wanted is here in front of you—we have handed it to you. Take it. Use our new powers. Do not leave them on the shelf. Stop the cuts, save those jobs and invest in Scotland's future.

15:05

Murdo Fraser (Mid Scotland and Fife) (Con): I start by welcoming two announcements that the Deputy First Minister made this afternoon. First, we welcome the additional funding for the attainment fund for education, although—once again—we question why the Scottish Government persists in using the Scottish index of multiple deprivation rather than measures that identify all children who are in need of support, wherever they live. Surely the money should follow the child, rather than a postcode.

Secondly, we welcome the movement on empty property relief for industrial properties. The cabinet secretary knows that that is an issue that I raised with him during budget discussions, and it is an issue about which there is widespread concern in the business community.

The background to this year's budget has been somewhat different to what we have been used to in the past. First, the fiscal framework discussions were happening at the same time—I am delighted that those discussions have been successfully concluded. Secondly, as we have heard, the debate on the budget has been dominated by the setting—for the first time—of the Scottish rate of income tax. The debate around tax rates is both welcome and refreshing; it is a taste of things to come, as Parliament acquires more powers and responsibility in the future.

In the stage 1 debate, three weeks ago, I set out the Scottish Conservatives' view on tax: that view has not changed. We do not believe that people in Scotland should be taxed more highly than people in the rest of the United Kingdom are. I am delighted that that principle is one that seems to be shared not only among this party but by members of the Government party, who are happy to join the Scottish Conservatives in a new taxpayers' alliance, working hand in glove to protect hard-pressed Scottish families against the tax grabbers in Labour and the Liberal Democrats.

I wish that SNP members who oppose plans for a hike in income tax would have the courage of their convictions, rather than hiding behind the detail of Labour's proposals. It has been part of the SNP narrative that Labour's plans are not progressive. To be fair, I point out that that is contradicted by most independent commentaries—from the likes of the Institute for Public Policy Research and the Resolution Foundation. I encourage SNP members to oppose Labour's tax grab not on the detail, but on the principle, because in doing so they will have the public on their side.

An Ipsos MORI opinion poll that was conducted this month showed that the percentage of Scots who believe that taxes in Scotland should be set at the same rate or at a lower rate than the rate in the rest of the UK is 64 per cent, against a mere 30 per cent who feel that taxes should be higher. By a factor of more than two to one, Scots oppose higher taxes here. The SNP should therefore stand firm with us and be confident in its argument. We are on the people's side. When it comes to tax, the Scottish Conservatives speak for Scotland.

We welcome the Scottish Government's approach to tax, but it is only one aspect of the budget. As I set out in the stage 1 debate, we believe that other elements in the budget will be profoundly damaging. Our overall approach has been to promote measures that we believe would benefit the Scottish economy—not just because a strong economy and provision of jobs are important, but because of the growing link between our economic performance and future tax income to the Scottish Government.

In the stage 1 debate, I set out a number of our concerns about the proposed budget. The increases in non-domestic rates, with doubling of the large business supplement—which will hit many relatively modest businesses—seems to fly in the face of everything that we have heard from the First Minister, and everything that we heard this afternoon from the Deputy First Minister, about making Scotland the most competitive part of the UK in which to do business.

We have previously expressed concern about the changes to empty property relief to end the exemption of industrial property. The cabinet secretary has moved on that, but there will still be concerns about its impact.

We continue to have concerns about the LBTT because the evidence shows that collection rates for domestic properties are well below the Scottish Government's projections, so we believe that the cabinet secretary needs to revisit his figures to ensure that the tax take from that proposal is more in line with the original projections.

We have concerns about the cut of £50 million from the help-to-buy funding, given the value of the scheme in extending the benefits of home ownership and helping to stimulate the construction sector.

We have persistently, over the years, been opposed to cuts in college funding, which will now see a fall of 152,000 college places. We have asked for an additional £60 million in funding to reverse the cuts. Although the SNP will argue that it is mostly part-time courses that have been affected, we should not forget that for many working people who are looking to upskill—often, returners to work including women who have taken time out to have children—those part-time courses are essential. We should regret the impact on our economy of cutting them.

We have proposed other changes that would have limited financial implications, including the school attainment fund being funded differently, doubling of the funding for community broadband Scotland, restoration of the annual grant to the Scottish Association of Young Farmers Clubs and a review of local government funding allocations. That last point is particularly important, given the unfairness that is facing councils in the north-east, which is all the more acute because of the decline in the oil and gas sector and the additional pressures that that is putting on council services in that part of the country.

I had the opportunity to meet the cabinet secretary two weeks ago to present our proposals, and I thank him for his time. I am disappointed, however, that there has not been more movement on the key issues that we have outlined. We should be putting the growth of the Scottish economy at the forefront of Government policy. Accordingly, although we support the setting of the Scottish rate of income tax at 10 per cent, we cannot support the budget as it stands. We fear that the cabinet secretary's proposals will be damaging to the Scottish economy and will, in the long run, actually cost us tax revenue.

A Conservative budget would seek to grow the economy, to reduce barriers to business growth, to invest in further education and, by expanding our

economy, to widen the tax base and increase the tax-take. That is not the budget that we have before us today so, accordingly, we will vote against the budget at decision time.

The Deputy Presiding Officer: We now move to open debate. I call Mark McDonald, to be followed by Ken Macintosh. We are tight for time this afternoon, so you have up to six minutes, please, Mr McDonald.

15:12

Mark McDonald (Aberdeen Donside) (SNP): It was very interesting to watch some of the colour drain from faces on the Labour benches as they realised that their pre-prepared line about the SNP budget being backed by the Tories had just been torpedoed by Murdo Fraser. In fact, it will be the Labour Party once again joining forces to vote with the Conservative Party in this chamber.

Lewis Macdonald (North East Scotland) (Lab): Will the member take an intervention?

Mark McDonald: Not just now. I want to move on. Mr Macdonald might want to listen a bit further.

I would have thought that Kezia Dugdale might have learned her lesson about using Aberdeen City Council as an example in this chamber, but she has not. She stood up and said that libraries are closing in Aberdeen, which will come as news to people in Aberdeen, because the council budget does not get set until tomorrow. Furthermore, it will come as news to the administration in Aberdeen, because when I read in the *Evening Express* of officers proposing that libraries could close, I read very clearly in that article that the finance convener of Aberdeen City Council, Willie Young, had said that he would fight against that proposal when it came into the council chamber. Either Willie Young will lose the fight within his own group and the administration will press ahead with the proposal, or Kezia Dugdale has come to the chamber to put forward a proposal that officers have suggested to councillors, but that the administration will not accept, and has used it as a means to imply yet again something that is not going to happen. *[Interruption.]*

The Deputy Presiding Officer: Order. A little bit of calm, please.

Mark McDonald: It is little wonder that on television yesterday Kezia Dugdale gave up on winning the election and said that she was going to settle for second place in May.

During the recent recess, I visited Stoneywood school in my constituency. In 2008, I campaigned as a local councillor alongside the parent council and the local community to keep the school open. I argued at the time that the school roll would

increase as housing development took place and that there would be a need for a new school building. The reason for my recent visit was that instead of the school being closed, plans are now in place for a new school building. That has been facilitated by the use of Scottish Government money from the building schools for the future programme.

That is welcome investment in my constituency and a welcome investment for the people and community of Stoneywood. The school stands alongside others in my constituency that have benefited significantly from new buildings being put in place.

There is a reason why that is important beyond simply the fabric of the building. A new school that is built through capital has a revenue impact, as it is more cost effective to heat, light and maintain, and that frees up revenue spending. Often, money is spent on lighting, heating and maintaining buildings that are no longer fit for purpose. The revenue saved with a new school can instead be put towards front-line services. That is another reason why the schools for the future programme is important, beyond the fact that it is creating fit-for-purpose, first-class accommodation for our education system.

The money that the Scottish Government is putting towards the integration of health and social care is also important. Over the past few weeks, I have spoken to a number of healthcare and social care workers in my constituency, and they said that they believe that bringing the two services closer together and removing some of the gaps that have existed in the system is fundamental if we are to improve the care that is provided to our vulnerable citizens.

That is exceptionally important in relation to bed blocking or delayed discharge. Many members are dealing with constituents who are unable to exit hospital because of an inability to get appropriate care packages put in place. Increasing the integration of health and social care, removing some of the silo mentality that exists, paying care workers a living wage and making it a more attractive opportunity for individuals to go into that line of work are all key steps in removing some of those barriers.

The delayed discharge rate in Aberdeen was zero when I was a member of the council administration, but it has crept upwards since then. I believe that some policy changes that have taken place at a local level have stymied some of the progress that was made, but I believe that the approach that is now being taken will assist in reversing that unwelcome trend.

Patrick Harvie: I am sure that we could all identify specific elements of any budget that are

welcome, but surely the member is not asking the Parliament to believe that everything in the garden is rosy and that there will be no cuts to local services as a result of the budget.

Mark McDonald: I am not entirely sure from where in my speech Patrick Harvie drew that inference. As I said, the leader of my local authority has said that the savings that Aberdeen City Council is expected to make could be absorbed without an impact on front-line services and jobs. If the council can make those savings, I can only quote what the leader of the council is saying publicly on the issue.

Lesley Brennan (North East Scotland) (Lab): Will the member take an intervention?

Mark McDonald: I have taken an intervention and I have only 40 seconds left.

In North East Scotland, we also see a drive towards improved infrastructure, with the Aberdeen western peripheral route and rail improvements being pushed forward and the new schools being delivered.

Something that is fundamental is the doubling of funding for the attainment fund, which will benefit schools in my constituency and across Scotland by reducing the gap that too often exists between deprived communities and better-off ones. That funding is exceptionally welcome and it is why I will be happy to support the budget this evening.

The Deputy Presiding Officer: Many thanks, and thanks for your brevity. I call on Ken Macintosh, to be followed by Willie Rennie. You have up to six minutes.

15:18

Ken Macintosh (Eastwood) (Lab): At 5 o'clock today, John Swinney will ask this Parliament to vote to cut public services right across Scotland. The finance secretary has decided that what the Scottish people need right now is for the SNP to take £500 million from local authority budgets in every part of this country. Mr Swinney can be in no doubt what that means. He knows what it means because every single Labour councillor has told him that directly, and I suspect that quite a few SNP councillors have done so, too—those with some backbone, that is.

This SNP budget will mean cuts to our kids' education, cuts to old people's services and cuts to disability support. The Convention of Scottish Local Authorities has told him that the budget will cost 15,000 jobs, which is equivalent to closing the Tata steel mill 50 times over. I was surprised to hear the cabinet secretary say that the job losses have been exaggerated. Has he made an assessment of the effect on jobs of his budget

cuts? If so, can he tell me exactly how many job losses he predicts his cuts will cause?

Not only has the cabinet secretary decided to ignore the voice of local elected councillors, he has deliberately decided to leave them with no choice. They have no ability to raise finance locally and no freedom to vary spending on most areas that are nominally under local control. Mr Swinney has ordered them to sign on the dotted line or lose hundreds of millions of pounds more in centrally imposed, SNP Government penalties.

John Swinney has given our public authorities no choice but to cut services, but he has a choice. He has a choice because Scottish Labour has given him one. The SNP has a choice: to ask those who can afford it to pay a little more, or to tell those who need it to make do with a lot less.

That is the choice facing the SNP at decision time today. Does it use the powers of this Parliament to shape a different future for this country, or does it side with the Tories and vote for austerity across Scotland? Yes, the taxpayers alliance. That is right—the taxpayers alliance yet again. *[Interruption.]*

The Deputy Presiding Officer: Order.

Ken Macintosh: We often talk in this Parliament about our supposed progressive majority. Many MSPs seem to share a common agenda built round the pursuit of a fairer, more caring society. We express our beliefs in terms of support for our publicly run national health service, good schools for all, our progressive and broadly redistributive tax system and, of course, in supposedly vocal opposition to Conservative welfare reforms and austerity cuts.

Kevin Stewart: Will the member take an intervention?

Ken Macintosh: Many MSPs may talk like progressives, and here is one right now, but when it comes to action the SNP has been found wanting.

Kevin Stewart: I thank Mr Macintosh for giving way. He has normally been a pretty honest bloke when I have come across him before. Could he give us a very simple understanding of how the Labour rebate scheme would work to ensure that those poorer folk who are paying tax would benefit from that rebate?

Ken Macintosh: As usual, Mr Stewart steps right up when I need him most. The SNP has fallen back on weasel words and excuses. As usual—*[Interruption.]*

The Deputy Presiding Officer: Mr Stewart, that is enough.

Ken Macintosh: As usual, the back benchers have been issued with their crib sheets. Mr Stewart just read from his, as usual.

What is the first excuse, which we have just heard from Mr Stewart? It is to avoid talking about tax at all and to pretend that if only the SNP was to be given more detail about Labour's rebate for low earners, it might actually vote for it.

It is a pretence. It is the "We cannot do it. We do not even have the powers" excuse. If I may say so, we have heard that one many times before.

Do you remember the bedroom tax? For a year and more, Labour and campaigners across Scotland argued that the SNP should use its powers and use its budget to mitigate that, and all that we heard was "We cannot do it." Until, that is, Mr Swinney himself gave the game away, pointing out that he could allocate the budget but that he did not want to let the UK Government off the hook. Then it all began to unravel.

What is the second excuse and weasel word that we are hearing? This one is more worrying, because frankly it is more deceitful. It is to try to scare people on low to middle incomes that the tax proposal is going to clobber them.

Just to be clear, Labour is proposing a 1p rise in income tax and only for those earning more than £20,000 a year—that is 1p in the pound from 20p to 21p. I think that in anyone's language that is a 1 per cent rise.

Kevin Stewart: Will the member give way?

The Deputy Presiding Officer: The member is in his last minute.

Ken Macintosh: The SNP is deliberately trying to mislead people by calling it a 5 per cent rise. That is utterly shameful.

To give you an example, Clare Adamson—is she here today?—in her contribution to the debate on the Scottish rate of income tax on 11 February said:

"What are the lowest-paid people in society ... to do in the months that it would take for the Labour Party to implement a 5 per cent slash in their income?"—[*Official Report*, 11 February 2016; c 129.]

Can I ask Ms Adamson to apologise? If she has not got the time, perhaps Mr Swinney could apologise on her behalf—

Clare Adamson (Central Scotland) (SNP): Will the member take an intervention?

Ken Macintosh: Ms Adamson, please apologise for that misleading statement.

Clare Adamson: You talked about weasel words. Here is a dictionary definition:

"A rebate is an amount paid by way of reduction, return or refund on what has already been paid or contributed."

Tell the Scottish people, Mr Macintosh, how long they will have to wait from when that money is removed from their pay packets to when Labour pays it back in, because you certainly do not know.

The Deputy Presiding Officer: Please finish, Mr Macintosh. You have 20 seconds left.

Ken Macintosh: Ms Adamson either is ignorant of her own remarks or is clearly trying to deceive the Scottish public by talking about a 5 per cent cut in income.

This is about austerity. Do we choose austerity or do we follow Labour's choice to use the powers for a better future for Scotland?

15:25

Willie Rennie (Mid Scotland and Fife) (LD): It is interesting to observe the members on the SNP benches. They are utterly desperate—

John Swinney: Utterly desperate—from the Liberal Democrats!

The Deputy Presiding Officer: Order. Please allow Mr Rennie to speak.

Willie Rennie: They are utterly desperate to find an excuse not to act to save public services. The laughing, the clapping and the enthusiasm from the SNP benches when they have somehow found a way not to increase taxation is interesting. We have spent years in this Parliament arguing for more powers. We have had the Calman commission. We have had our commissions: the Steel commission and the Campbell commission. Before that, we set up the Parliament, with all its powers. Today, however, we get the big chance to use those powers to do something to address the urgent needs of public authorities that provide services.

John Mason: Will the member give way?

Willie Rennie: Not just now. We have seen SNP councillors speaking out, desperate to find ways of stopping the cuts to local authorities, and SNP members in the chamber laugh and clap because they have found a way of answering that question. If they were serious about dealing with the question of cuts to local authorities, they would not laugh and they would not clap, because they would be desperately hunting for a way to save public services, but they are not doing that. They are desperate to talk as if they are left, but they walk right, every single day. They use the language of tax grabbers—it is almost the language of "tax is theft".

We have heard from the Conservatives. They are absolutely delighted that the SNP now agrees with them. In reality, we are facing massive cuts to local authorities.

I welcome John Swinney's decision on the attainment fund. It is welcome, but I think that it is window dressing on a budget that is slashing public services to the core. Education budgets—half of what local authorities do—will be slashed. There is no way of avoiding it and we will see the harsh reality of John Swinney's cuts over the next few weeks. He has put a £408 million straitjacket around local authorities. That is his responsibility. Every cut to local authorities could have been avoided if John Swinney had made the decision and given them the flexibility to make a different decision.

Linda Fabiani (East Kilbride) (SNP): Will the member give way?

Willie Rennie: No. My priority, for now, is to propose a penny on income tax for education. It is a costed proposal that we have put forward in every single budget of the Scottish Parliament. It will deliver £475 million-worth of investment.

The reasons are quite simple. Scottish education is slipping down the international performance league tables. We used to have one of the best education systems in the world, but we are now slipping. Some 152,000 college places have been lost and £500 million-worth of cuts are coming to local authorities. The situation is urgent. That is why we need to invest a penny for education. What we will get is investment in colleges, investment in schools—for the pupil premium, but also to stop the cuts that are coming—and investment in nursery education, which is the best education investment that we can make. Further, the proposal is progressive, thanks to the fact that, when the Liberal Democrats were in Government, we raised the tax threshold to £11,000. That means that someone would have to earn more than £19,000 to pay more tax next year than they paid this year, while somebody on £100,000 would pay 30 times as much as someone on the median wage. I think that that is reasonable, fair and progressive.

SNP members ignore the social and economic benefits that we will get from stopping the cuts. The people who will lose their jobs as a result of the cuts will see no benefit from John Swinney proclaiming his protection of low-income taxpayers—they will see no benefit because they will be on the dole and not paying any tax at all. That is the consequence of John Swinney's budget.

These are our priorities: a penny on income tax for education, to invest in schools, nurseries and colleges. In my letter to John Swinney I raised a number of issues to do with general practitioner recruitment, the Royal College of Nursing and the keep well campaign, superfast broadband—Murdo Fraser referred to that—and the housebuilding rate.

However, there is one particular issue that I want John Swinney to try to resolve, which costs a small amount of money, but would have a great social benefit, and that is his budget cut to alcohol and drug partnerships. The budget for the partnerships is only £70 million and he proposes to take away £15 million. It is a small amount of money, but the investment that we make in drug rehabilitation pays dividends in communities. Anyone who lives in a community that is blighted by drugs is aware of the consequences.

We are going in the wrong direction on drug rehabilitation. I urge John Swinney to reconsider; it is a small amount of money, but will deliver a big benefit for those people and communities affected by drugs.

A penny for education is my priority, but I also urge John Swinney to look at the drug rehabilitation budget.

15:31

Joan McAlpine (South Scotland) (SNP): I seem to recall that the Liberal Democrats were propping up the Tories in 2011 when they raised VAT from 17.5 to 20 per cent. We should consider Willie Rennie's comments in that context, given that VAT is the least progressive tax of all.

I begin by welcoming the commitment to inflation-busting rises to NHS funding in the budget. A record investment of £13 billion cannot have been easy to achieve given the £3.9 billion cuts in Scotland's overall budget from 2010 to 2020, made by the UK Government.

I wish to concentrate particularly on the £250 million allocation to speed the integration of health and social care. That is a historic move that should change the way in which we deliver care to frail people who neither want nor need to be in hospital. Sometimes those are young people with a life-changing illness or with a learning disability, sometimes they are people who are terminally ill, and often they are frail elderly people with multiple conditions, who nevertheless wish to enjoy life at home or at the very least in a supportive residential setting that feels like home.

The £250 million is for those people. It will deliver the care that they need and, crucially, it will mean that that care is delivered by workers who are properly rewarded with the living wage. Happy workers who are fairly recompensed tend to remain in post for longer, and that results in a continuity of care for patients. That is so important to vulnerable people who require assistance with very personal tasks, and that is why I welcome the Deputy First Minister's clear instruction that the £250 million should be used to pay the living wage to home care workers.

That money is timely. The Economy, Energy and Tourism Committee, of which I am a member, recently finished an inquiry into fair work, and we took evidence from the care sector. The Coalition of Care and Support Providers in Scotland told us that recruitment costs in the care sector amount to £3,500 for each new worker and that staff turnover is high. Duncan White of the UK Homecare Association estimated staff turnover at 38 per cent.

Lesley Brennan: Can we have your views on the situation in Dundee? The SNP council administration has proposed cutting home care services by reprofiling or reconfiguring them. That is a £250,000 cut from home care. At a public meeting—

The Deputy Presiding Officer (Elaine Smith): You need to hurry along.

Lesley Brennan: At the public meeting with the SNP finance convener, they were saying about the bullying of the home care—*[Interruption.]*

The Deputy Presiding Officer: Joan McAlpine, please continue.

Joan McAlpine: I do not think that that was a question.

To continue, the Scottish Social Services Council highlighted the impact that low-paying work can have on service users and patients. It said to the inquiry:

“Low pay can exacerbate staff turnover issues and ultimately affect the ability to provide continuity of care. A continuous caring relationship with an identified professional can be particularly important in many instances. For example ... when supporting an individual with dementia.”

To illustrate the importance of the £250 million, I want to tell a story about a constituent who called me a couple of years ago in a state of extreme distress. The constituent’s father was back at home having suffered a devastating stroke. The man desperately wanted to be home and his family desperately wanted him home, but the local authority claimed that he could not be provided with the care package that he had been assessed as requiring.

There was pressure on the family to put the man back into hospital, which would have resulted in him being extremely distressed and would have affected his rehabilitation.

Neil Findlay (Lothian) (Lab): Will Ms McAlpine take an intervention?

Joan McAlpine: I have already taken an intervention and I need to make progress. If it is anything like the last intervention, it would not be worth my while anyway.

The local authority was resistant to providing a care package because it did not want to foot the bill.

If the £250 million social care package ends distress such as the distress that was caused to my constituent and his family, it will be money well spent. It is exactly the sort of change that we all signed up to when we supported the 2020 vision for the NHS. It is an excellent example of preventative spend, which was recommended in the Christie commission report, the principles of which were supported by every party in this chamber.

We have a mass of expert evidence that the social care package is the kind of shift in resources that we require. The Scottish Government’s expert group report on the effects of delayed discharge notes that

“Unnecessary time spent in hospital can”

not only

“lead to a significant deterioration in a person’s physical and mental health”

but

“This in turn will lead to a greater use of institutional care, at a higher cost to local authorities.”

The BMA patient liaison group notes that

“Staying in hospital for unnecessary amounts of time increases the risk of infection, depression, loss of independence,”

and, of course, increases the

“inappropriate use of NHS resources.”

I want to turn back to what one social care worker in Glasgow told the inquiry:

“This is a wonderful job; it is a privilege to support those less fortunate try and attain fruitful lives. It is a vocational job with long, unsociable hours often fraught with the threat of violence. It seems you have to wear a uniform to have credibility such as nurses, doctors, police etc whilst it is often social care that fills the gap for these professions. Pay attention to the area, one day you will be using it.”

The Deputy Presiding Officer: You must close, please.

Joan McAlpine: Mr Swinney has paid attention to social care in this budget. As a result, many vulnerable people in this country will benefit.

The Deputy Presiding Officer: You must close, please.

Joan McAlpine: I, too, congratulate Mr Swinney and support this budget, which gets its priorities right.

The Deputy Presiding Officer: Thank you. There is no extra time in this debate; members must take interventions within their six minutes.

15:37

Drew Smith (Glasgow) (Lab): I think that other members have already made the point that this budget debate is probably the most important one that this Parliament has had since it was established some 17 years ago.

During the devolution referendum, the people of Scotland endorsed two principles: first, a Parliament; and secondly, a Parliament with the power to vary income tax. In 1999, John Swinney and his colleagues were elected on the promise that they would use the variable rate, as it was then, to raise “a penny for Scotland”. That was at a time of rising investment in public services by the then Labour Government. Three years later, John Swinney as leader of the SNP dropped that policy, saying that

“Gordon Brown has increased taxes and has put more money into the public purse”.

I am now not sure whether that was meant as a complaint.

Today, we find ourselves in a situation where two of the three largest parties, Labour and the SNP, are opposed to the UK Chancellor of the Exchequer's ideological pursuit of austerity and the smaller state. The third party, the Scottish Conservatives, of course supports that economic approach, and it can put its case at the election.

Since the election of, first, the coalition and now the current UK Government, Labour and the SNP have been in broad agreement that the economic approach is wrong. Austerity means cuts to vital public services and a burden of pain that is borne not by those with the broadest shoulders but by those who are most reliant on public services and by those who work in public services. I say to the Deputy First Minister that public sector redundancies are certainly not being exaggerated.

Barely a question time goes by where Government back benchers do not invite the Scottish ministers to blame the cuts that are taking place in Scottish communities today on the United Kingdom Government. The Scottish ministers have, in all fairness, been consistent in calling for an alternative. They have also been consistent in demanding more powers for Scotland. They have asserted, again consistently, that any new powers would be used to combat austerity and to defend the most vulnerable against the cuts.

The SNP is calling for power and promising to use it, but there is little evidence of real shifts in spending to protect the services that are now most at risk. Many of those services are provided by

local government in Scotland, in Labour and SNP councils alike. COSLA says that the cuts are “wholly misguided” and that their implementation “threatens grievous injury” to communities, but John Swinney says that COSLA is exaggerating.

The deal from the UK that members in the chamber complain about is in fact made worse and passed on to Scottish communities by decisions that are taken here in Scotland's Parliament. MSPs who are taking part in this debate are some of the first to criticise local government for the cuts that they are voting for here today. That is wrong, and something needs to give.

Across Scotland, charges are being introduced and increased on the most vulnerable service users. Those charges are not progressive: they fall on those who have little choice but to find the money or to give up using a service that they have relied on until now. The charges also fall on those without that choice: those who find the service that they rely on simply closed to them or closed altogether. There is nothing progressive about that. The fact that members in the chamber are voting for those cuts and then criticising them when their constituents complain is more than inconsistent.

The question for us today is: what will we do now? The First Minister has said that education is her number 1 priority. What good is education as a number 1 priority when we refuse to protect school budgets? What good is it when music education has to be cut, and when there are fewer classroom assistants and reduced library services? Education is delivered to our children by the same local councils that are bearing the brunt of austerity in Scotland because of decisions taken here in Scotland's Parliament. That is no exaggeration, and it is wrong.

I cannot understand why a party that argued for a penny for Scotland in a time of rising public spending cannot even admit that progressive taxation may have a role to play in the circumstances that our communities now face. That policy is in direct contrast to the withdrawal of services and charging for services that is happening now.

I accept the Government's argument that variability in taxation bands is needed, and my party remains committed to using that variability to further increase the progressivity of the tax system. However, I agree with John Swinney when he told the Finance Committee that he regards the Scottish rate of income tax as a progressive lever.

The question is not, as some have tried to argue, whether the Scottish rate is progressive. It is not even about whether John Swinney still

agrees with himself. The question is: do we accept that there is no alternative to austerity? Do we believe that we have the right to complain about our deal and refuse to contemplate raising further revenue, while at the same time enforcing a worse deal on councils, which we prevent from raising their own revenue?

Why is this Government so timid? Where is the progressive politics that this country has been promised time and again? Why is it that two parties that are opposed to austerity are going to vote differently on the budget tonight? Under successive budgets, we are not making our society fairer. We are simply making Scotland the best place in which to be born into privilege. I cannot support that, and for that reason I will not support the budget tonight.

15:43

Kenneth Gibson (Cunninghame North) (SNP): As in previous budget debates, today's debate shows once again that the SNP is the only party that is committed to and capable of delivering a fair and balanced budget to provide the best outcomes for the people of Scotland. For example, there is a £444 million real-terms increase in the NHS budget in the year from March.

John Swinney, with his resource departmental expenditure limit cut by Westminster by £371 million, has again had to ensure that our public services can continue to operate effectively, creating an environment that will stimulate growth and mitigating against the worst aspects of welfare reform.

Of course, Tory Government cuts mean that resource budgets will fall by £1.5 billion over the next four years, which amounts to a reduction of 5.7 per cent. Labour's response to this year's cut of £371 million is to demand an increase in tax by a penny in the pound. Given that UK cuts over the next four years will be four times that amount, will Labour's answer be to increase income tax by 4p in the pound over that period?

For weeks Jackie Baillie called on Mr Swinney to set out his proposals for not one year but four years. With an election in May, that always seemed to be somewhat bizarre. Either Ms Baillie expects the SNP to win or Labour, if it wins, wants the SNP to decide the budget for the next four years. How curious.

Of course, we have heard no long-term proposals from Labour; indeed, short-term ones seem conspicuous by their absence. Labour talks of education, but the Deputy First Minister's announcement of a doubling of attainment expenditure was met by stony silence and sour faces on the Labour benches.

Labour's intellectual bankruptcy on the issue of a supposed rebate for low-paid workers following its proposed tax rise can best be summed up by the exchange in the chamber on 11 February when my colleague Stuart McMillan intervened on Lewis Macdonald. Mr McMillan said:

"I have listened carefully to what Lewis Macdonald has had to say. Can he tell Parliament exactly what the details of his party's proposed rebate would be?"

Mr Macdonald replied:

"I would be delighted to do that once we have heard from the SNP whether it supports the principle of raising tax to address austerity."—[*Official Report*, 11 February 2016; c 134.]

So there we have it—"Promise to vote for me and I'll tell you what I stand for." It is no wonder that we on the SNP benches do not take Labour seriously. Is that going to be Labour's canvassing technique in the coming election? A Labour member chaps a door and says, "Hi, I'm Lewis Macdonald. Will you be voting Labour?" The voter says, "Tell me your policies." "Well," replies Mr Macdonald, "I'd be delighted to do so if you promise to vote for me first." Farcical or what?

Is there any possibility that we will now be given details of how Labour's rebate will be delivered? When will the scheme be in place? How much will it cost and who will pay for it? When can those to whom it applies expect to receive their £100? To whom should they apply and what happens if their income changes over the year?

Alex Rowley: We know that there is going to be a cut of around £500 million to public services in Scotland. Is Mr Gibson saying that there is no alternative to that?

Kenneth Gibson: I am saying that the budget that the SNP has put forward is by far the most balanced approach to the £371 million cut that has been imposed by the Tories.

We note that Labour's criticism is always about the Scottish Government and not about its former better together allies in the referendum campaign. Labour and the Lib Dems have a real brass neck to come to the chamber and publicly ask the people of Scotland to pay extra tax as the price for the austerity that both parties were happy to vote for and pass on to this Parliament. Let us not forget that, on 13 January last year, Labour MPs voted with the Tories to make public spending cuts of £30 billion, taking the UK back to spending cuts that have not been seen since the 1930s.

I also recall that, when Jackie Baillie was election agent for Wendy Alexander some years ago, she backed Wendy's call for year-on-year 3 per cent cuts to local government funding, which the Scottish Government opposed. On top of that, until Labour realised which way the wind was blowing, it was happy to side with the Tories in

calling on the Scottish Government to accept the Treasury's fiscal framework agreement, which would have seen our budget cut by £7 billion.

When held up to scrutiny, Labour tax plans have totally disintegrated and, apart from being unworkable, would hurt low earners. The fact that Labour had to be told that its policy would hit half a million pensioners shows how ill thought out it was. In evidence to the Finance Committee, the Scottish Trades Union Congress was clear that raising tax across the board, as Labour proposes, would be unfair on low earners. It stated:

"The STUC is concerned at the impact of a tax increase on lower wage workers—particularly those in precarious employment—when wages, which experienced a historically unprecedented collapse between 2009-14, have barely started to recover."

Maybe that is why, until 1 February, Labour backed the SNP Government's position on tax, until it opportunistically called for tax to increase.

Instead of punishing households in difficult economic times, the SNP Government continues to lend a hand and reduce the burden that is placed on those trying to manage their budgets. We have fully funded a freeze in council tax, saving people in band D properties £1,500 at a time of high energy costs and real-terms wage reductions.

I thought that Mr Fraser in his opening speech would have taken the opportunity to apologise on behalf of the Tory party for backing the initial block grant adjustment settlement that the Treasury proposed, which would have cost Scotland £7 billion over a decade, impacting on jobs, services, taxation and growth. Clearly, the Tories in Scotland will never stand up for Scotland and have been exposed as mere ciphers for the London Government.

How much would the impact on Scotland have had to have been before the Tories in the Scottish Parliament acted in Scotland's national interest—£10 billion or £15 billion? When the Tory stance on the issue sinks in, Ruth Davidson and her motley crew will have no chance of supplanting even a bumbling and inept Labour as the official Opposition in the Parliament.

The Deputy Presiding Officer: You need to close, please, Mr Gibson.

Kenneth Gibson: In the face of the financial incompetence of the Opposition and the absence of any vision from it, I support the budget.

15:49

Malcolm Chisholm (Edinburgh Northern and Leith) (Lab): Context is all when it comes to tax decisions, and the context today is an all-out assault on public services that we have the power

to prevent. That is why, throughout all the budget stages in February, Labour has been absolutely focused in saying that the priority for extra resources has to be local services in general and education in particular. We have also been absolutely clear in identifying precisely where the money has to come from.

Throughout February, the response of the SNP has been astonishing—ever changing, sometimes ridiculous and, most of all, completely out of proportion. I would sum it up by saying that the Scottish Government and the SNP in general have, on the one hand, minimised the effect of the cuts on local government—referring to the "minimal impact" on jobs and services will come to haunt John Swinney and the SNP in the next few weeks and months—and, on the other hand, maximised the consequences for low and below-average earners. To use the word "maximised" there is rather a euphemism, because really the SNP has been wildly exaggerating and misrepresenting the effect of our tax proposals.

As Kezia Dugdale said, quoting the Scottish Parliament information centre, 92 per cent of the money from the 1p tax rate increase will come from people with above-average incomes. She also pointed out that, because of the raising of the tax threshold in April—disregarding for a moment the rebate thing, which is all that the SNP is obsessing about this afternoon—nobody with an income of under £19,000 in April and May will pay a penny more than they are paying this year.

The other thing that the SNP has obsessed about throughout February is the percentage increase in tax paid, whereas what really matters is how much extra money people will pay. John Swinney notoriously said that a man or woman earning £200,000 would have a lower percentage tax increase than somebody on low pay. Of course, what he omitted to mention was that the person on £200,000 would pay 132 times more in extra tax than the person on low pay, once again disregarding the rebate.

Chic Brodie (South Scotland) (SNP): If we accept Malcolm Chisholm's line of £19,000, what is the impact of his party's tax proposal? What is the percentage change on the net disposable income of those on, say, £20,000 and those on £100,000?

Malcolm Chisholm: To take £20,000 as an example, someone with that income would pay £5 a month extra. That puts it in context, when one thinks of the massive sums of extra money that would come from people on £100,000 or £200,000.

That sudden attack on income tax from a party that is still considering a local income tax and which proposed a penny increase on income tax

when public expenditure was increasing is an astonishing about-turn, but I want to turn to the SNP minimising the effect on local government. We learn from the SPICe research that there is a 5.2 per cent cut. We recognise the £250,000 extra for social care that Joan McAlpine and others spoke about, and of course that is a good proposal, but although we welcome additionality for social care and the living wage it will not have any positive effect on other services, and particularly not on the decimation of education.

John Swinney was busy yesterday, so I do not suppose that he had time to look at the evidence to the Education and Culture Committee. However, he may have seen a newspaper headline today that reads:

“Schools face major cuts to services in Budget funding axe”.

I do not have time to read it all, but the article explains that representatives of local authorities including Glasgow and East Ayrshire were all talking about the effect on education. I welcome the extra money for closing the attainment gap, but it goes only to specific areas. Our policy on the attainment gap is much better, because the money would go to all young people who need it. COSLA warned yesterday that the funding constraints would affect councils’ ability to tackle such things as the attainment gap. For some areas, today’s announcement will help, although it is funding over three years, but for many areas it will be no help whatsoever.

COSLA has said that 15,000 jobs across Scotland could be cut. I know that full well, because 2,000 of those jobs are in Edinburgh. I do not have time to read for the third time this month the quotation from the SNP leader of the City of Edinburgh Council, but in summary he said that everyone will be hurt by the proposals.

The SNP’s “minimal impact” scenario is in glaring contradiction to what it generally says about the terrible cuts from London, but it claims that the worst part of the budget in terms of those cuts will have “minimal impact”. That makes no sense whatsoever.

It is not too late for the SNP to change its mind. There has never been a better time for it to change its policy on tax. The party is riding high in the opinion polls, which also say that more people support our proposal than oppose it. It has cover from two Opposition parties. Most of all, there is an all-out assault on local government from the budget as proposed today.

The SNP might say, “Oh, well, next year we’ll have more tax powers and we can change local government taxation”, but local government in general and education in particular cannot wait another year. We must act now to protect local

government and education, for the sake of our children and the future of Scotland.

15:55

Michael Russell (Argyll and Bute) (SNP): I will concentrate on two issues of particular importance to my constituents in Argyll and Bute: ferry services and local government services.

When this Scottish Government was first elected in 2007, it was on a manifesto commitment to start delivering a policy that had been much talked about since the 1970s: road equivalent tariff. After the Western Isles-Coll-Tiree pilot in the Government’s first term, the 2011 SNP manifesto promised to roll out RET across the whole Hebridean and Clyde publicly funded ferry network. That commitment has been honoured. Bute and Mull were the last two islands to be included, and they—and the route across Loch Fyne—experienced substantial fare reductions in October last year.

In addition, over the past nine years a new ferry route has been opened up—a summer route from Ardrossan to Campbeltown—and frequency has increased on almost all services.

John Finnie (Highlands and Islands) (Ind): Will the member take an intervention?

Michael Russell: No. I want to make progress.

New vessels have also been built, after almost a decade when there was virtually no investment in the fleet—an issue that has created legacy problems, such as those experienced by people on Islay and Colonsay last spring. Some of the new vessels are being built on the Clyde, which is a major step forward in procurement.

Where necessary changes have had to be made, such as on the Dunoon to Gourock route, work continues to try to improve what is on offer, with the intention to go on doing so by providing passenger boats after the next tender. I declare an interest: I use that service regularly, as I do most ferry services in my constituency.

Ferries are the lifeline for many communities, so I am also pleased that the Scottish Government is engaged in reviewing freight charges, which underpin that lifeline and are crucial to the health and future of many communities. I hope that a way can be found of ameliorating such charges, because that would make an enormous difference, as would standardising vessels and shore infrastructure, whose future proofing in the context of worsening weather will be a big priority for the coming years.

By any measure, this Government has delivered for the islands of my constituency. The budget underlines that, because the deciding measure in

a budget is figures, which speak for themselves. In the final year of the Labour-Liberal Executive, the ferry budget was £85 million. If the budget had just kept pace with inflation it would now be £111 million. However, in the coming year, it will be almost £199 million. The ferry budget is up 132 per cent, even though in the past five years the Scottish Government budget has gone down in real terms.

Argyll and Bute faces many challenges: depopulation, poor digital infrastructure, distance, remoteness and a history of lack of central investment. Argyll and Bute Council has not reformed to meet those challenges. The issue is that it needs to change, as Audit Scotland has pointed out.

Those challenges led the Deputy First Minister to agree to meet me, the council chief executive and the council leader just two weeks ago to discuss how Argyll and Bute can be helped to change, given that it receives neither islands funding nor the city deal, although its depopulation problems are the worst in Scotland. I hope that those discussions will lead to some new thinking, because that is what is needed.

It is not just the Scottish Government that is saying that reform is vital if our local authorities are to deliver for their areas; my constituents are saying that loud and clear about their local authority. The council's recent consultation on the budget invited responses from communities—and it got them. I wish that I had time to quote from more than two of those responses, but two will suffice.

On the extreme west of the constituency, Tiree community council said:

"The Council must look at the way that it conducts its business and provide essential services to the population of Argyll & Bute in a much more thoughtful and innovative way ... where the Council genuinely, and proactively engages with communities".

That is the view from Tiree. From the other end of the constituency, Glenorchy and Innishail community council observed:

"The Council's proposals show absolutely no imagination and severely affect the most vulnerable and isolated sections of the greater community of Argyll & Bute, whilst protecting the core funding to middle and upper management".

Not many of those ill-thought-out proposals were actually voted on—an indication of wolf being cried again by the council management and administration—but several were voted on—*[Interruption.]* I know Argyll and Bute Council well, and I know how it behaves—it specialises in pulling rabbits out of hats. The trouble is that people suffer in that process. Several of the proposals were voted through, including the proposal to cut every school librarian. That

decision has provoked outrage across Argyll and further afield, but it was a decision of the council administration itself. The prize-winning children's author Debi Gliori has pointed to the obscenity of having Trident at one end of the area and no school librarians at the other.

Neil Findlay: Will the member take an intervention?

Michael Russell: No. I will not take an intervention from Mr Findlay until he learns to apologise properly in the chamber.

However, there is a better way. Today, I call on the council to take that better way and use the money it could save by not replacing the council's chief executive, who is leaving to become the chief executive of COSLA. It could use the £200,000 that has been set aside for that purpose to make up the £191,000 that it wants to save by cutting 10 part-time and full-time school librarians. Making that swap would show that the administration is listening and it would put bairns and books before senior salaries. Moreover, it would start the process of decentralisation that is much needed.

Our budgets will always be constrained until we decide to fend for ourselves. However, when we need to and want to—and when John Swinney, who is a financial wizard, needs to and wants to—we can work magic in making people reform. That is the issue: this budget drives the process of reform and is worth commending for that reason alone, but it also delivers for my constituents.

16:01

Patrick Harvie (Glasgow) (Green): Even before we consider questions of taxation, the Scottish Greens have reasons to be deeply concerned about the proposed budget. At a time when the world should be increasing its level of ambition on issues such as climate change, we see a dramatic reduction in effort under the current Government, not least on the energy efficiency and fuel poverty agenda. It is not enough simply to debate whether that is the result of a UK decision or a Scottish one; we need to reverse that decision by putting the investment in place. We would also seek to reverse the continued investment in unsustainable transport infrastructure.

Despite those serious concerns, I would be willing to work constructively with any Government if it was willing to address the urgent challenges that local services face by raising the revenue that is necessary to protect them. Indeed, the Scottish Greens have been making the case for that since the previous Scottish Parliament election campaign in 2011, when we argued that council tax as a diminishing share of local government revenue would be eclipsed by fees and charges—the least progressive way of funding services. I

think that the tipping point has been reached already, as council tax is no longer adequate to meet the needs of local councils. Mr Swinney says that the responsibility for managing cuts is devolved to the local level but that the decision about how much revenue should be raised will be held in the centre by the Scottish Government. I am afraid that we cannot accept that position.

I am glad that other parties now agree with the basic principle that we must raise revenue in order to protect those services, although we may disagree about the means of achieving that goal. I have exchanged views with Kezia Dugdale and have expressed the reservations that we have about Labour's proposal. It is reasonable to ask questions about the practical implementation of a rebate, and I am glad that the communication that we have had has been constructive in tone. Nevertheless, I regret the fact that Kezia Dugdale suggested today that Labour's proposal is the only alternative to administering cuts at the local government level, because we have clearly shown that it is not. We have set out three clear opportunities that the Scottish Government has to raise revenue in a locally accountable manner, which would fund local services directly and begin to reverse the squeeze from the centre on local economic flexibility.

Some of the issues are already on the Scottish Government's agenda but have just not been addressed yet. I believe that the First Minister has recently been talking about using the council tax multiplier in the future as an alternative to scrapping that unfair and much-loathed tax. If we can use that multiplier in the future, why can we not use it now? We have shown that, by using the council tax multiplier, we can address the undertaxation of high-value properties while benefiting people who live in low-value properties. If that can be done in the future, why can it not be done now?

The Scottish Government has also wisely taken measures to address non-domestic rates relief for disused and vacant buildings. Even though the Government seems to be rolling back a little from that position, it is still a positive move. However, the perverse incentive that exists for buildings to be demolished to bring property into the vacant and derelict land category will be increased. Let us bring vacant and derelict land on to the valuation roll and make it all eligible for non-domestic rates. We have shown how that could raise in excess of £250 million a year. If that money was added to the revenue that would come from our proposed changes to the council tax, we would have a package of local finance measures that would raise roughly the same amount as the proposed 1p on the Scottish rate of income tax would raise, but without the continued stranglehold from the centre over local flexibility.

The Greens regret that the Scottish Government is not open to discussions about a national or—this is our preference—a local approach to raising the revenue that is necessary to protect public services. We will vote against the budget today because of that, but we will continue to make that case into the longer term to ensure that local government in this country is worthy of the name and has the ability to make the economic choices that are necessary in the context of cuts to public services.

16:06

Chic Brodie (South Scotland) (SNP): I welcome the Deputy First Minister's announcements on the attainment fund and the increase in rates relief.

This debate takes place against the backdrop of the important agreement that was reached yesterday. All budgets are a building block for economic and financial arrangements, not just for now, but for the future. The 2016-17 budget, set as it is against Westminster's agenda, must balance the immediate impact of the austerity cuts while securing and providing the route to economic growth, and that is what it does.

My experience tells me that in tough financial conditions it is seductive to cut expenditure on areas that have a longer-term impact on an organisation's growth capability and to look only at the immediate cost base. In business, those areas tend to be training and marketing. However, those quick, short-term solutions have disastrous long-term consequences.

The budget strides the current and short-term challenges while maintaining a focus that will continue to build economic growth. That growth will underpin the objective of creating a fairer and more prosperous nation.

Following the impact of the 2008 recession, our economy has grown in each and every quarter in the past three years—the longest period of uninterrupted growth since 2001. That is no coincidence; we are on a continuum of this Government's economic strategy and financial policies, in the safe hands of the Cabinet Secretary for Finance, Constitution and Economy. That will be extended by this budget, as I am sure that it will be by future budgets.

The budget offers a challenge to public bodies and local authorities: they must seek to improve productivity through agreeing to share services across the public sector and to work with the private sector. To overcome austerity, it is paramount that, in their activities, public bodies and local authorities more assertively consider the sharing of services by, for example, consolidating the information and communication technology

delivery. Indeed, it makes no sense now or in the longer term to have, as we have in Ayrshire, three neighbouring councils running three different payroll systems. There are many other examples like that.

Activities that can be meaningfully outsourced to social enterprises and the third sector—as happens in care services—can also produce the increased productivity that will help to determine the public sector's major role in securing our economic growth.

We can argue all day about the details of each item of proposed expenditure—or, in some cases, the lack of detail, as we have just discussed in relation to Labour's infamous penny on tax, where there is still no advice on the overall implications of the proposed rebate. The details are, of course, very important. I will not rehearse them, as they have been addressed by many other members. I believe that the budget addresses the details.

An equally important question is whether the budget continues to address longer-term macroeconomic issues, such as those relating to a sustainable economic and environmental future, investment, innovation, internationalisation and inclusion. Yes, it does.

On investment in our digital infrastructure, £130 million is being provided to improve connectivity across communities, homes and businesses. Investment is being provided that will protect the small business scheme, which delivers rates reductions for more than 100,000 small businesses in Scotland. There is also investment in skills through education funding.

On innovation, the Scottish Further and Higher Education Funding Council is providing £120 million to eight innovation centres for world-class research in a series of technological sectors.

On internationalisation, there are new investment hubs in London, Brussels and Dublin, and there is a new trade and investment strategy.

Above all, on inclusive growth, the Government is working with employers, employees and trade unions to deliver the business pledge and the fair work convention's aim of securing a high-wage, high-productivity economy that will create a leading wealthy, healthy and green economy.

The budget delivers all those things and, as what happened yesterday shows, we are in safe hands.

16:11

James Kelly (Rutherglen) (Lab): This debate is one of the most important budget debates in the history of the Parliament. A choice is on the table: we can choose to support the Labour tax

proposals, which would support investment in public services, or we can go down the route that the SNP budget proposes, which will result in £500 million of public service cuts.

I welcome the debate, because it gives us the chance to have an honest discussion about the choices that we have in front of us. It is unfortunate that SNP MSPs have not been able to engage with—

Kevin Stewart: Will Mr Kelly give way?

James Kelly: No, I will not give way.

All through the debate, SNP members have chuckled away and indulged in the pretence that the budget is fine and that it will not result in £500 million of cuts. There was no better example of that than when John Swinney said that the claim that there would be thousands of council job losses was greatly exaggerated. That was patronising to those who face the prospect of getting a P45 in the months ahead.

I need only look at my constituency to see examples of options that the local council will have to face up to because of the allocation that has been passed down from the Scottish Government. Ministers have been delighted to visit and praise Healthy n Happy, which promotes good health initiatives in Rutherglen, but it faces the prospect of losing all its council funding. Burnhill sports centre, which is only a stone's throw away from some of the Commonwealth games venues—we all agreed on the importance of the legacy of the Commonwealth games—faces the prospect of closure. Those who want to use the other facilities face the prospect of leisure costs going up by 20 per cent. To be frank, my constituents deserve better.

There is another way, and that is the Labour option. During budget debates, SNP members consistently challenge Labour to make alternative proposals and to explain how we would fund the different options. We have done that, and what we have put forward is a fair option that would help the lowest paid and offset many of the cuts that members have spoken about.

Kevin Stewart: Will the member give way?

James Kelly: No, I will not.

The SNP has simply indulged in cut-and-paste austerity; it has taken the Osborne allocation and reallocated it throughout Scotland. That is sheer hypocrisy.

During last year's election campaign, Nicola Sturgeon appeared on many candidates' leaflets saying that a vote for the SNP was a vote for putting public services before austerity. However, the reality of the budget that we are facing tonight

is that austerity is being delivered and public services are being slashed.

Mark McDonald: The member will recognise that, in that election campaign, we proposed a 0.5 per cent increase in public spending at Westminster, which would have brought an end to austerity. However, we did not get the election result that we hoped for, and we now have a Conservative Government that is perpetuating austerity. That is the reality that the Scottish budget faces, which Mr Kelly should acknowledge.

James Kelly: What you are proposing in the budget, Mr McDonald, is a £500 million cut to council budgets.

The Presiding Officer refused to accept the Labour amendment for this debate, but I would like to propose an amendment to SNP leaflets that can be used in future election campaigns. They should say that a vote for the SNP is a vote for thousands of jobs to be lost throughout Scotland; that a vote for the SNP is a vote for hundreds of millions of pounds of council cuts; and that a vote for the SNP is a vote for vital services to be slashed.

The debate is about choices. If we as MSPs are really serious, we should be looking to make the choice that makes a difference. We should be looking to support investment in schools, to protect council jobs and to defend local services. If we want to make and promote those choices, we should not support the budget at 5 o'clock tonight.

The Deputy Presiding Officer: There have been a few instances of members failing to speak through the chair. I know that it is only a few weeks to dissolution, but I would like standards to be maintained and members to speak through the chair.

16:17

John Mason (Glasgow Shettleston) (SNP): Once again, we find ourselves debating the Scottish budget, although the debate is somewhat later than usual this year. As I understand it, the main reason for that is Westminster's continuing to go its own merry way, with little or no respect for the impact on the devolved Administrations. It had its autumn statement when it suited it, which delayed our budget process.

We have seen that lack of respect again in the discussions on the fiscal framework, with the cabinet secretary being required to valiantly fight off Westminster's attempts to cut the Scottish budget along the way. I find it disappointing and a bit depressing that, at the start of what is meant to be a new era in the relationship between Scotland and the UK, there is still a fairly open desire at Westminster to do Scotland down if at all possible.

It is no surprise that a rise in the Scottish rate of income tax has featured again today, although the decision on that was made last week. It has been Labour's big idea and, to be fair, it is good to see Labour having ideas again. In previous budget debates, Labour has repeatedly asked for more spending in multiple areas without saying how that would be funded. This year, it proposes a partial funding through the SRIT but, as usual, the spending desires outweigh the available cash.

The key factor in the budget is that, while Westminster controls the vast bulk of our powers, any cut that it makes to the Scottish budget must be reflected by the Scottish Government—of any political colour—cutting its budget, too. It is unrealistic to say that we can ignore Westminster austerity.

It is also worth remembering that Westminster austerity came about because Labour and Tory Governments at Westminster failed to create an oil fund for a rainy day. In fact, according to Gordon Brown, there were going to be no more rainy days, because he had abolished boom and bust. It was also Westminster that failed to regulate the financial sector and the banks sufficiently. Austerity is not some random thing that fell out the sky; it was caused by Westminster mismanagement, so a bit more humility from Westminster parties might be appreciated.

Mary Scanlon (Highlands and Islands) (Con): Will the member give way?

John Mason: Absolutely.

Mary Scanlon: I appreciate you giving way. You talk about mismanagement, and we have heard much about cuts in spending. What about the NHS 24 information technology budget, which was overspent by £50 million, and the common agricultural policy payments budget, which was overspent by more than £70 million? Do you think that your Government is wasting and mismanaging thousands of millions of pounds in Scotland?

The Deputy Presiding Officer: I remind members in the chamber to speak through the chair.

John Mason: As Mary Scanlon said, IT has been a challenge, and I think that Westminster has also found it to be a challenge. We should remember that the Scottish Government has kept control over major capital expenditure. For example, there is my favourite, the Airdrie to Bathgate rail line, as well as the M74 extension and the Borders rail line, and there are quite large savings on the Forth replacement crossing. That is a pretty good record, if people ask me.

We have to live with the results of Westminster mismanagement, and SNP Governments have

done their best—they have done very well—to protect ordinary people. Measures that have been introduced include those to mitigate the effect of the bedroom tax and other welfare cuts, to protect health expenditure and to freeze the council tax.

Let us remember that council tax is a regressive tax that takes no account of the ability to pay, so raising it would hit poorer folk relatively harder. I am convinced that it is right to freeze it again. However, in the longer term, the only answer is to replace it, and I for one would certainly support local government having more autonomy.

Patrick Harvie: Will the member give way?

John Mason: I will continue, if the member does not mind.

I would like some overcentralised councils, such as Glasgow City Council, to give more autonomy to wards or sectors of the city. This cannot be all about the transfer of powers from Westminster to Holyrood and then from Holyrood to local authorities. In cities such as Glasgow, there must be devolution to communities.

Having said that the council tax freeze should be supported, I think that we also need to consider other tax-raising options. The one that we have spent most time on in the Finance Committee, and again today, has been the SRIT. Let us remember that the Scotland Act 2012 gave us the power over that. When the then Scotland Bill was going through Parliament, I was on the Scotland Bill Committee. We had discussions with Conservative and Liberal Democrat ministers from Westminster about whether they would give us wider powers over income tax to allow us to be more progressive and redistribute income and so on. I think that Labour and SNP members wanted that, but Westminster refused point blank and said that anything that was to do with redistribution had to be reserved.

Now that we have the power, we have studied it at length and, lo and behold, it is not very progressive. Well, that is a shock. I do not think that I am the only SNP back bencher who is very open to a much more progressive income tax system but, sadly, that option is not on the table for 2016-17. Raising the SRIT by a penny or 2p might seem like an attractive way to offer more funding, but any advantage from that would be outweighed by the increased tax burden on ordinary people. Until yesterday, we were not even sure what powers we would have in 2017-18, but I suggest that, if we wait one more year, we will have the opportunity to do something that is much more targeted, much more progressive and much more helpful to ordinary people.

These are not easy times. The easier times were when Margaret Thatcher and Gordon Brown squandered the oil money and spent profligately.

We are where we are, and this is the time to do all that we can to protect ordinary people. It is not a time to raise tax for ordinary people. I support the budget.

16:23

George Adam (Paisley) (SNP): I am pleased to take part in the budget debate, and I want to contribute a number of points.

We must remain focused on what the Scottish Government continues to deliver. First and foremost, I want to talk about the £33 million investment in attainment, including the support for the Scottish attainment challenge to close the gap between our most and least deprived areas. I welcome the Deputy First Minister's announcement earlier today. It has been gratifying to me, as a member of the Education and Culture Committee, that attainment is a subject that many of us have agreed on throughout our debates on the matter, regardless of political party. For far too long, we have allowed where you live to be a potentially negative factor on educational outcomes.

Yesterday we had COSLA representatives, councillors and council officers at the committee to talk about the budget and the challenges ahead. There was much talk about the challenges and difficulties, but there was also a positive response to a question about how we find solutions and the way forward. The witnesses were extremely positive and came up with all the great ideas that are working throughout Scotland at local authority level. My argument, and the point that the Deputy First Minister keeps trying to put forward, is that we need to look at such ideas and innovations and share them more widely to ensure that we can deliver for young people in Scotland.

Interestingly, Ian Robertson, assistant director of education in Glasgow, admitted—I am paraphrasing what he said—that most of the authorities are not good at sharing their great programmes but keep them to themselves because they do not want to share them. That might be part of the problem that we are dealing with as we look at ways of delivering education throughout Scotland. I remember from my time in a local authority getting told that the panacea was shared services and working together. However, we have a situation in which a senior officer in one of Scotland's largest councils admits to a parliamentary committee that councils are not good at sharing anything. If we have good practice and the ability to share it—the witnesses were so passionate during that five-minute discussion at the committee—surely local authorities should be doing everything that they can to share it.

However, all the investment in attainment is not enough because we must ensure that pupils are learning in a positive environment. That is why I welcome the Scottish Government's continued substantial investment in school buildings through the building schools for the future programme. We have investment in closing the attainment gap and in new and refurbished schools, and the Scottish Government has invested £88 million in a funding package to maintain teacher numbers and ensure that teaching induction places are secured for all probationers requiring one.

We have all that in place at local government level and we have investment from the Scottish Government. Not only do we have the teachers, the buildings and the vision and commitment on attainment but, as the Deputy First Minister stated, the Scottish Government is still committed to free school meals for all pupils in primary 1 to 3. Again, that shows how we are still delivering during these difficult times.

There is also the investment of £1 billion in our highly successful higher education sector and the continuation of free education in Scotland. There is the continued investment in 600 hours of free high-quality early learning and childcare for all three and four-year-olds and vulnerable two-year-olds, which will move to 1,140 hours by the end of the next session of Parliament. That is helping families throughout our country and ensuring that they get the support that they need.

The position is therefore not as bleak and dark as the Opposition parties make out. The Scottish Government is continuing to invest from the early years through to higher education in the drive to close the educational attainment gap. This is a Scottish Government that is supporting Scotland's families and working towards creating a more positive outcome and better future for them all. All that work is going on during a time of devastating Westminster spending cuts.

As I said in the stage 1 debate, even during the on-going attacks from Westminster, the Scottish Government is still maintaining within this budget funding for free higher education, free prescriptions and eye checks, free concessionary travel for older, disabled and young people, and free personal nursing care as a vital part of the reformed, community-based health and social care services. That shows that, even in these difficult times, the Scottish Government is managing to maintain its investment in those areas and to deliver more for the future.

The Scottish Government budget has been slashed by Westminster, but the SNP Government has set out a clear alternative to the Tory austerity agenda. The Scottish Government is proving that, even in these difficult times, it can find a better, more positive way forward for our nation. I believe

in the vision and purpose that the Deputy First Minister has put forward for the budget. Who would members trust to stand up for Scotland's people during these difficult times: a proven Scottish Government that continues to deliver, or the Opposition parties, which are currently arguing over which one is going to get second place in the Scottish elections?

Unlike the Opposition parties, I have ambition for Scotland and I believe that the communities that we represent also have that ambition for the future and are supporting the Scottish Government and John Swinney in his budget.

16:29

Jean Urquhart (Highlands and Islands) (Ind):

As we discuss and debate the Scottish budget today, it is important that we set the political and economic framework at a UK level to provide the backdrop and context to our deliberations. The UK economy is weak and unbalanced, and it is inextricably tied to the Tory economic plan of austerity, privatisation and the concentration of economic activity into the financial services industry. Growth is predicated on increasing personal debt. The very problems that compounded the economic crisis of 2008 have not been removed but have been entrenched.

Steve Barwick of the respected New Policy Institute concluded in a report in early 2015 that another recession was inevitable. He said:

"If the UK economy can be likened to a four cylinder car, then actually not one of its four cylinders is firing as smoothly as it should. Productivity is in the doldrums. Employment is artificially high due to self-employment. Household income growth has been non-existent. Trade deficits are frighteningly high. Look beneath the bonnet and we find the UK economy both weak and unbalanced."

This year, 2016, has seen George Osborne pre-empt the next crisis by talking up what he refers to as a "cocktail" of threats to the UK economy—none of them is to do with him, of course.

The context for the Scottish budget—the political and economic failure of Westminster and the City—underlines the need for us to pursue independence and a different path away from austerity and casino finance. To be frank, the Smith commission is not going to alter that. At the same time, there are things that we can do without the full powers that we need to transform the economy, and we must agitate against austerity. I do not have an issue with the Labour Party's proposal of a 1p increase in tax, but I wish that it would see that, with full powers, we could have that without the need to have some complicated rebate system. However, it has to join the independence debate for that.

We therefore need both a long-term strategy and a short-term approach to immediate economic policy and, with that in mind, I will raise two aspects of the budget. First, it is good to see the high levels of investment in the health service. The Parliament holds the NHS as being central to the development of a decent society for all, and it is an institution that we must defend. However, analysis by the Royal College of General Practitioners shows that, under the current plans, the proportion of the budget that is directly devoted to general practice in Scotland will fall. In my region, there is investment in hospitals and so on, but general practice is very important in such scattered, remote and rural areas. The decline in that budget is wrong, but I approve of the general increase for the NHS.

Another area in which investment is needed more than ever is the sectors that mitigate the effects of catastrophic climate change. The director of WWF Scotland, Lang Banks, said:

"These new figures undermine the Scottish Government's claim to have embedded climate change in its draft budget. With the Paris conference having demonstrated increased international commitment to tackling climate change, we should be stepping up our action not pulling back."

Scotland can and should lead the way on investment in tackling climate change. I recognise that we need more powers in order to do more, but I raise the matter to put it at the centre of the agenda as we go forward.

Austerity is the central dynamic around which the budget is built. That austerity is being politically imposed by Westminster, but we have a choice.

The Presiding Officer (Tricia Marwick): You need to bring your remarks to a close.

Jean Urquhart: As well as being creative when it comes to managing a cut budget, we need to politically oppose the Tories root and branch. That means supporting anti-cuts movements; it means making sure that the SNP members of Parliament are agitational at Westminster; it means that we in Scotland need to look towards creating needs budgets; and, of course, it means that we must continue to campaign for independence.

The Presiding Officer: We move to the wind-up speeches.

16:33

Gavin Brown (Lothian) (Con): I guess that there were no huge surprises in today's budget debate. There were two new measures, from what I could gather, both of which we in this part of the chamber welcome—the increase in the attainment fund and the extension of the period of empty property relief for industrial property. That

extension does not go far enough, but we welcome the change from three months to six months.

It is a pity, though, that this year the Scottish Government has been unable to convince a single other political party in the Parliament to support its budget. I know that it has a majority but, for the sake of our politics, that is a pity. It is impossible, or not easy, to get everyone on board, especially when they are coming from different places, but it is a matter of regret that the Scottish Government did not make it a priority to attempt to get at least one other political party to support what it wants to do. I hope that future Scottish Governments will take a slightly different approach.

Today we have seen some of the best examples of double standards from the SNP that I have seen in quite some time. Speaker after speaker on the SNP benches said today that the £371 million real-terms cut to the Scottish budget was slashing the budget, deeply flawed, disgraceful, devastating and a whole load of other invective all the way through. That real-terms cut is, of course, a cash-terms increase. The overall Scottish budget goes up in cash terms, but down in real terms by £371 million. However, speakers did not seem to note any irony in suggesting in the same breath that a £500 million cash-terms cut to local authorities would not have any impact. They claimed that there would be minimal impact and almost no job losses with a £500 million cash-terms cut, and yet a cash-terms increase to their budget as a whole was deeply flawed, devastating and disgraceful. It was interesting to see that in the same speeches they were able not to get that point.

Bruce Crawford (Stirling) (SNP): Does Gavin Brown agree with the Conservative finance convener of Stirling Council, who said,

"The council is not in a bad financial state ... we are able to move forward and in this budget there are items of growth and good capital allocations"?

Is that not the reality facing Stirling Council?

Gavin Brown: If that is correct, I simply ask Bruce Crawford on what basis he and all his colleagues say that a cash-terms increase to the Scottish Government as a whole is devastating and the wrong way to go. It is as simple as that.

We will not be supporting the budget today, and Murdo Fraser outlined why we do not think that the Government is genuinely prioritising the economy. Its big ideas in the past couple of years have been the business pledge, which has low investment and low take-up, and the Scottish business development bank, which is still nowhere near happening three years since it was first announced, and we have no idea whether it will happen.

We have heard about hits to colleges; tens of thousands of people in this country no longer have access to part-time courses in colleges. That is unfair, because people who have challenges and are often vulnerable relied on part-time courses in order to get back into the labour market. There is no point just talking about full-time places; part-time places are very important too.

We see cuts to the help-to-buy budget, despite the fact that minister after minister appeared on press releases with their hard hats on looking at people getting their new houses.

In addition, we have become less competitive on tax. At one point, when the Government took over as a majority, we probably were more competitive than the rest of the UK, but with successive budgets the Government has done its level best to erode that. We have LBTT residential rates that are stunningly high, we have a slightly higher commercial rate for LBTT, and we hear about the doubling of the large business supplement, which businesses had no idea was coming. There was no manifesto commitment to that, and some of the oil and gas businesses that the Scottish Government is determined to help will be hit hardest by that measure.

For all those reasons, we do not think that this is a budget that helps the economy.

Let me close on a more positive note towards the Scottish Government, because we do support its income tax proposal. However, we voted on that just before recess, so we are not voting specifically on that today. It is good that the Scottish Government held firm under political pressure. I genuinely thought that it would fold. It has quite often folded in the past when the gentlest of political pressure has been applied, so I pay tribute to it for deciding not to increase income tax and to keep it at the same rate as in the rest of the UK. It is quite right that people in Scotland should not pay a higher income tax than people in the rest of the UK. We stand shoulder to shoulder with the Scottish Government on that against the Labour Party and the Liberal Democrats.

Weeks ago, Murdo Fraser described that as the new better together. That was said slightly tongue in cheek, I think, but, actually, not only were we better together then, we have acted together over the past couple of weeks as two different parties, and I note that the Government is now using the language of better together. We in better together used to say “no thanks”; an SNP leaflet that came out just recently is stealing the language of better together by saying “no thanks”. On that I am happy to close.

16:39

Jackie Baillie (Dumbarton) (Lab): That was just fantastic.

Despite the heat and noise of today's debate, one thing is clear: today, we have a choice between cutting hundreds of millions of pounds from essential services and investing in the future of our economy and our country.

We have been treated today to pantomime applause. We have even been treated to John Swinney being described as “a ... wizard”—a slightly older version of Harry Potter, maybe. We have also been treated to single transferable insults from around the chamber, and to speakers being shouted down by Government ministers and back benchers. To be frank, it has been an unedifying sight. However, the louder they shout, the better we know that they are losing the argument. [*Laughter.*] Louder! Louder!

Nicola Sturgeon's body language in the stage 1 debate said it all. She can turn her back on me, but she must not turn her back on the opportunity to stop the cuts to jobs and services in Scotland today. If she does that, she will be guilty of utter hypocrisy—saying one thing in public but the complete opposite in private. I remember Nicola Sturgeon telling us that more powers will mean fewer cuts. I remember her traipsing down to London to tell an incoming UK Government how it could end austerity. However, now, in the Scottish Parliament, she has the opportunity to practice what she preaches. Why, therefore, is the SNP now so silent? Why does it prefer to copy George Osborne rather than protect the people of Scotland? I regret that we are witnessing SNP rhetoric triumphing over positive action. The SNP wants more powers but it is not going to use them. Instead, it is going to pass on to local government more than even George Osborne's cuts to the Scottish Government.

In what was probably Mark McDonald's most interesting intervention today, he gave it away: it is okay for the SNP to tell Westminster to be anti-austerity, but when it is given the choice to be anti-austerity in this Parliament, the SNP turns its back on it.

Believe me—the cuts to come are even worse. I take no comfort in that, but I am not surprised that John Swinney did not want to publish a budget for years 2 and 3. He wants to keep us in the dark; the cuts that are still to come will be John Swinney's hidden cuts.

Like most members, I want a growing economy and I want young people to do better than the generation before them, and to be better skilled for the jobs of tomorrow in the industries of the future. However, we will not get that without investing in

our people and ensuring that jobs and the economy are at the heart of what we do.

The SNP's record on education and skills is woeful. There are now 4,000 fewer teachers and 150,000 fewer pupils in our colleges than there were previously. Class sizes are increasing, and worse is to come. Therefore, I invite John Swinney to take off his rose-tinted spectacles, because that is the story that he is not telling us.

SPICe tells us that investment in education will result in an increase in economic activity and gross domestic product of the order of £2 billion. That means jobs for people in my community and across Scotland. It means a growing economy. What is not to like about that? However, tonight, the SNP will set its face against that and will vote for cuts.

By its very nature, income tax is a progressive tax. Experts have told us that, including academics from the University of Stirling, the Resolution Foundation and the IPPR. Even John Swinney acknowledges that. In his own words:

"Clearly, people on higher incomes will pay comparatively more than people on lower incomes."—*[Official Report, Finance Committee, 13 January 2016; c 40.]*

As Kezia Dugdale pointed out, for every pound, 92p would come from the top half of earners and two thirds would come from the very top 20 per cent of earners.

I know that Mr Swinney likes to talk about percentages, but let me talk about cash. People talk about the money in their pockets, not the percentage of income.

Mark McDonald: Will Jackie Baillie take an intervention?

Jackie Baillie: No. I think that we have heard enough from Mark McDonald today.

On the radio, John Swinney said that the amount of tax that an individual who is on the national living wage, earning £13,000, would pay would increase by 5 per cent, but for someone earning £200,000 the increase would be 2.6 per cent. What he does not tell us are the cash figures. In the case of someone who earns £13,000, that would be £19, which is equivalent to 36p a week. Alternatively, someone on John Swinney's salary would be paying £48 a week, which is 132 times more than the amount that the low-income taxpayer would pay. Someone who has a six-figure salary telling low-paid workers that he is protecting their incomes, when he is really protecting people like himself, is simply wrong.

Neil Findlay: Will Jackie Baillie take an intervention? *[Interruption.]*

The Presiding Officer: Order.

Jackie Baillie: I am very clear that if we want to do something in this Parliament, we can. It takes political will and co-operation across the parties—something that is absent from the SNP approach to low-paid workers. We would make an up-front payment of £100 through local authorities to everyone who pays tax but earns less than £20,000. *[Interruption.]*

The Presiding Officer: Order.

Jackie Baillie: That would be help for the people who earn least—help that would be denied them by the SNP. I remind John Swinney about the bedroom tax. That took a year, because he wanted to keep people hanging on the hook. We care about low-paid people and we intend to put measures in place that will improve life for them—unlike the SNP.

At the end of the day, politics is all about choices. This is the last opportunity for the SNP to make the right choice. If the budget is passed tonight, the cuts will be Swinney's cuts and there will be no one to blame but the SNP—it will be down to each and every SNP MSP to defend. What SNP members are voting for tonight is the SNP's choice—the SNP's choice to cut hundreds of millions of pounds from the services that we all rely on, and to cut thousands of jobs.

John Swinney is entirely wrong to minimise the impact of job losses: 40,000 jobs have already gone from local government under the SNP and there are thousands more to go as a result of his budget. There will be 350 jobs cut in one small council—SNP-controlled Clackmannanshire Council. Is Mr Swinney going to tell each and every one of those workers that they are completely exaggerating? No—I do not think so.

The SNP choice is short-sighted. What we need is bold and radical action to invest in skills, grow our economy and secure the future of the nation. The SNP choice is to pass on Tory austerity to Scotland. If members are ever in any doubt about that, they should consider the evidence: the SNP being applauded by the Tories and praised by the Tories in their new taxpayers alliance. *[Interruption.]*

The Presiding Officer: Order.

Jackie Baillie: The Deputy First Minister is happy to sit down with the Tories but will not meet the workers outside Parliament who are about to lose their jobs.

Faced with a choice of continuing Tory austerity or using the powers that we have to invest in the future of our country, we would choose to use our powers.

16:48

John Swinney: Let me begin with the comments that Gavin Brown made about the fact that no other party is on board to support the Government's budget tonight.

It is regrettable that no other party has seen fit to support the Government in delivering to the health service the largest cash settlement that has ever been delivered in the history of Scotland. I would have thought that that might have attracted some support from someone in the chamber or that the Conservatives might think about the possibility of supporting the continuation of the small business bonus scheme. However, they are all going to vote against that when it comes to 5 o'clock, just as the Labour Party will vote against modern apprenticeships.

Dr Simpson: Will the minister give way?

John Swinney: Let me get into my stride, Dr Simpson. We will have a wee go later on.

Of course, the Labour Party has a habit of voting against modern apprenticeships. It has voted against such provisions despite asking for them in previous budgets that I have put to Parliament.

Mr Brown also said that he was pleased that the Government had not folded on the issue of the Scottish rate of income tax. Mr Brown is a seasoned contributor to parliamentary debates who makes substantial points in Parliament. He should have known that that comment lacked substance. After yesterday, it is obvious that this Government does not fold, not even to Her Majesty's Treasury. *[Applause.]*

The Presiding Officer: Order.

John Swinney: Not once. Not cuts of £7 billion or £3.5 billion—absolutely nothing. We do not fold to the Treasury on this side of the chamber. *[Applause.]*

I turn to Mr Rennie's dispassionate contribution to the debate. He lectured us about the importance of investing in public services in Scotland. After the collaboration between the Tories and the Liberal Democrats for five years that wrecked public finances in this country, what a cheek Mr Rennie has to say that to Parliament.

Willie Rennie: If Mr Swinney really feels strongly about it, now that he has the powers why is he not doing something about it?

John Swinney: I will come on to the explanation of that in a moment, when I deal with the issues around tax. However, Mr Rennie should think about how seriously he is taken in the country, complaining about austerity when he was the harbinger of austerity on behalf of the Conservative Party. It is beyond a joke.

There has been a lot of discussion—*[Interruption.]* I thought that we were getting a wee intervention there from Mr Tavish Scott, but it was just business as usual from Mr Scott. I was almost about to give way.

Moving on to the local government settlement, a lot of numbers have been bandied about in Parliament today. There is a cash reduction in the local government budget of £500 million. I have gone through this before with Parliament—£150 million of that reduction is in capital expenditure, which will be put into the local government settlement with more assurance for a longer-term capital programme than local authorities had before the settlement was put in place.

That leaves a resource reduction of £350 million. Anyone looking at the correspondence that I have exchanged with local authority leaders will see that that £350 million reduction is tempered by the investment of £250 million in the integration of health and social care. That is a vital service in which local authorities are partners. It is exactly the type of investment that the Labour Party called upon us to make. We have done it, so here we have the good old situation where the Labour Party calls for something, I deliver it and the Labour Party votes against it. It is just business as usual.

Ken Macintosh: Mr Swinney has asked us to look at his correspondence with local authorities. Can he cite one local authority leader who agrees with him on the matter?

John Swinney: The councils have all signed up, so 32 agree with me. I have 32 letters saying yes from the local authorities throughout Scotland, and I am grateful to them because they recognise—despite all the gloom and doom from the Labour Party—that we have put £250 million into health and social care to meet the needs of the people of our country. That is what this Government has done.

Alex Rowley: The Deputy First Minister is being dishonest—

Members: Oh!

The Presiding Officer: Order.

Alex Rowley: The fact is, as he knows, that Labour councils—indeed, council leaders across Scotland—had no choice, as most of those who wrote back to him pointed out.

With regard to health and social care, the additional moneys had to go in because those services were in crisis and absolutely falling apart. That does not solve the issue of £500 million of cuts.

The Presiding Officer: Mr Rowley, I am sure that you did not mean to use the word “dishonest”. Could you withdraw it? [*Interruption.*] Order.

Alex Rowley: Disingenuous, then. It has the same meaning.

John Swinney: Let us just get on with finishing the debate. Let us move to tax. [*Interruption.*]

The Presiding Officer: Order.

John Swinney: The argument has been made that the Labour Party’s proposed tax change would have no effect on people in low-income households. That is the pretence that the Labour Party is trying to put up.

Labour took exception to one of the points that I made in the stage 1 debate. I said that the party was casually disregarding the financial impact of its policy—the cash impact—on individuals on low incomes. John Mason has tenaciously pursued that point during the budget debates, and I completely agree with him that the Labour Party has lost touch with its roots.

Jackie Baillie said just a moment ago that it does not really matter if you increase somebody’s income tax if they are earning £13,000, because the difference is only £19. Does the Labour Party not realise how important such sums of money are to people on low incomes? That is how Labour has lost touch with its roots.

Kezia Dugdale: This is the contrast. It is £19 a year, or no classroom assistants, no English or maths teachers, libraries shut and community centres closed—cuts to the very fabric of our society that affect the most vulnerable and disadvantaged. That is the choice that John Swinney has made today, and it is one that he will regret.

John Swinney: The choice for which Kezia Dugdale has opted is to get the poor to pay for the Tories’ austerity, and I am having none of it.

Ken Macintosh said that we had resorted to using “weasel words” about the rebate. The phrase “weasel words” would be an exaggeration of what we have heard from Labour about the detail of how such a rebate could be paid to people on low incomes in our country. There is nothing credible about Labour’s proposal.

Drew Smith said that he could not understand why two progressive parties are going to vote differently at 5 o’clock tonight. The Labour Party and the SNP believe in progressive agendas and have done for many years. In 2008-09, the Labour Party courageously abstained on my budget and did not vote with us. In 2009-10, Labour voted against the budget bill, which fell. After the party had made a complete Horlicks of the budget, it

voted for an emergency budget bill. In 2010, 2011 and 2012, Labour voted against the budget.

Labour voted for the budget only in 2013, when I was able to put in place a workable solution to the bedroom tax problem after it had been unable to come up with a solution itself. In 2014-15, Labour voted against the budget. Drew Smith should therefore not be at all surprised that the SNP and the Labour Party are voting differently on budget day. The Labour Party is interested only in pursuing its narrow lines of grievance in the budget process, while this Government is determined to invest in the priorities of the people.

Drew Smith: The Deputy First Minister was asked a question during the debate. We know that tens of thousands of workers have already left local government, and COSLA has estimated that 15,000 would leave as a result of this budget. Does he have an estimate, and will he share it with Parliament?

John Swinney: What I will say to members today is that I believe that the estimates that local government has made are exaggerated and have been inflated by the Labour Party, into the bargain.

When we come to vote at 5 o’clock, members of Parliament will have a choice. It is a choice between investing in public services and simply posturing in a debate. The reason why no other party is voting for the budget is because we have an election coming up in a few weeks’ time, when people will have their choice.

At 5 o’clock, it will not be the SNP that votes the same way as the Tories, as the Labour Party would love to say. It will be the Labour Party and the Conservatives back together again, voting together against a budget that invests in the public services of our country. This is a budget to secure the future of the people of Scotland, to protect people in low-income households and to ensure that we invest for the future of our country.

Business Motion

17:00

The Presiding Officer (Tricia Marwick): The next item of business is consideration of business motion S4M-15714, in the name of Joe FitzPatrick, on behalf of the Parliamentary Bureau, which sets out a business programme.

Motion moved,

That the Parliament agrees—

(a) the following programme of business—

Tuesday 1 March 2016

2.00 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Topical Questions (if selected)

followed by Economy, Energy and Tourism Committee Debate: Work, Wages and Wellbeing in the Scottish Labour Market

followed by Scottish Government Debate: Social Security

followed by Stage 1 Debate: Footway Parking and Double Parking (Scotland) Bill

followed by Business Motions

followed by Parliamentary Bureau Motions

6.00 pm Decision Time

followed by Members' Business

Wednesday 2 March 2016

2.00 pm Parliamentary Bureau Motions

2.00 pm Portfolio Questions
Health, Wellbeing and Sport

followed by Scottish Labour Party Business

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Thursday 3 March 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 Scottish Parliamentary Corporate Body Questions

followed by Stage 3 Proceedings: Health (Tobacco, Nicotine etc. and Care) (Scotland) Bill

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

Tuesday 8 March 2016

2.00 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Topical Questions (if selected)

followed by Stage 3 Proceedings: Land and Buildings Transaction Tax (Amendment) (Scotland) Bill

followed by Stage 3 Proceedings: Higher Education Governance (Scotland) Bill

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Wednesday 9 March 2016

2.00 pm Parliamentary Bureau Motions

2.00 pm Portfolio Questions
Culture, Europe and External Affairs;
Infrastructure, Investment and Cities

followed by Scottish Government Business

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Thursday 10 March 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: Lobbying (Scotland) Bill

followed by Stage 3 Proceedings: Scottish Fiscal Commission Bill

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

(b) and that Rule 2.2.5(a) of Standing Orders be suspended for the purpose of allowing the Parliament to meet beyond 5.30 pm on Tuesday 1 March 2016.—[Joe FitzPatrick.]

Motion agreed to.

Parliamentary Bureau Motions

17:00

The Presiding Officer (Tricia Marwick): The next item of business is consideration of nine Parliamentary Bureau motions. I ask Joe FitzPatrick to move en bloc motions S4M-15715 to S4M-15722, on the approval of Scottish statutory instruments.

Motions moved,

That the Parliament agrees that the Bankruptcy and Debt Advice (Scotland) Act 2014 (Consequential Provisions) Order 2016 [draft] be approved.

That the Parliament agrees that the Courts Reform (Scotland) Act 2014 (Consequential Provisions) Order 2016 [draft] be approved.

That the Parliament agrees that the Equality Act 2010 (Specific Duties) (Scotland) Amendment Regulations 2016 [draft] be approved.

That the Parliament agrees that the Freedom of Information (Scotland) Act 2002 (Designation of Persons as Scottish Public Authorities) Order 2016 [draft] be approved.

That the Parliament agrees that the Advice and Assistance and Civil Legal Aid (Financial Conditions and Contributions) (Scotland) Amendment Regulations 2016 [draft] be approved.

That the Parliament agrees that the Letting Agent Code of Practice (Scotland) Regulations 2016 [draft] be approved.

That the Parliament agrees that the Public Services Reform (Insolvency) (Scotland) Order 2016 [draft] be approved.

That the Parliament agrees that the Rehabilitation of Offenders Act 1974 (Exclusions and Exceptions) (Scotland) Amendment (No. 2) Order 2016 [draft] be approved.—[Joe FitzPatrick.]

The Presiding Officer: I ask Joe FitzPatrick to move motion S4M-15723, on the designation of lead committees.

Motion moved,

That the Parliament agrees under Rule 9.7.1(b) that stage 2 of the Burial and Cremation (Scotland) Bill be taken as follows—

- (a) the Health and Sport Committee to consider (in the order set out by, or by virtue of, Rules 9.7.4 and 9.10.8)—
 - (i) sections 36 and 46 to 55,
 - (ii) any amendments that relate primarily to sections 36 and 46 to 55, and
 - (iii) any amendments that relate primarily to the disposal of ashes by cremation authorities,
- (b) the Local Government and Regeneration Committee to consider (in the order set out by, or by virtue of, Rules 9.7.4 and 9.10.8)—
 - (i) sections 1 to 35, 37 to 45, 56 to 77, schedule 1, section 78, schedule 2, sections 79 to 81, and the long title, and

(ii) any amendments to those provisions, other than those to be considered by the Health and Sport Committee by virtue of paragraph (a)(ii) and (iii).—[Joe FitzPatrick.]

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

Decision Time

17:01

The Presiding Officer (Tricia Marwick): There are three questions to be put as a result of today's business. The first question is, that motion S4M-15693, in the name of John Swinney, on the Budget (Scotland) (No 5) Bill, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

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

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

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)
 Brown, Gavin (Lothian) (Con)
 Buchanan, Cameron (Lothian) (Con)
 Carlaw, Jackson (West Scotland) (Con)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Davidson, Ruth (Glasgow) (Con)
 Dugdale, Kezia (Lothian) (Lab)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 Findlay, Neil (Lothian) (Lab)
 Finnie, John (Highlands and Islands) (Ind)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 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)
 Hume, Jim (South Scotland) (LD)
 Johnstone, Alex (North East Scotland) (Con)
 Johnstone, Alison (Lothian) (Green)
 Kelly, James (Rutherglen) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Macdonald, Lewis (North East Scotland) (Lab)
 Macintosh, Ken (Eastwood) (Lab)
 Marra, Jenny (North East Scotland) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 McArthur, Liam (Orkney Islands) (LD)
 McCulloch, Margaret (Central Scotland) (Lab)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McMahon, Michael (Uddingston and Bellshill) (Lab)
 McMahon, Siobhan (Central Scotland) (Lab)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Milne, Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Murray, Elaine (Dumfriesshire) (Lab)
 Pearson, Graeme (South Scotland) (Lab)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Rennie, Willie (Mid Scotland and Fife) (LD)
 Rowley, Alex (Cowdenbeath) (Lab)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Scott, Tavish (Shetland Islands) (LD)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Drew (Glasgow) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Liz (Mid Scotland and Fife) (Con)

Stewart, David (Highlands and Islands) (Lab)
Wilson, John (Central Scotland) (Ind)

The Presiding Officer: The result of the division is: For 64, Against 57, Abstentions 0.

Motion agreed to,

That the Parliament agrees that the Budget (Scotland) (No.5) Bill be passed.

The Presiding Officer: The next question is, that motions S4M-15715 to S4M-15722, on the approval of Scottish statutory instruments, be agreed to.

Motions agreed to,

That the Parliament agrees that the Bankruptcy and Debt Advice (Scotland) Act 2014 (Consequential Provisions) Order 2016 [draft] be approved.

That the Parliament agrees that the Courts Reform (Scotland) Act 2014 (Consequential Provisions) Order 2016 [draft] be approved.

That the Parliament agrees that the Equality Act 2010 (Specific Duties) (Scotland) Amendment Regulations 2016 [draft] be approved.

That the Parliament agrees that the Freedom of Information (Scotland) Act 2002 (Designation of Persons as Scottish Public Authorities) Order 2016 [draft] be approved.

That the Parliament agrees that the Advice and Assistance and Civil Legal Aid (Financial Conditions and Contributions) (Scotland) Amendment Regulations 2016 [draft] be approved.

That the Parliament agrees that the Letting Agent Code of Practice (Scotland) Regulations 2016 [draft] be approved.

That the Parliament agrees that the Public Services Reform (Insolvency) (Scotland) Order 2016 [draft] be approved.

That the Parliament agrees that the Rehabilitation of Offenders Act 1974 (Exclusions and Exceptions) (Scotland) Amendment (No. 2) Order 2016 [draft] be approved.

The Presiding Officer: The next question is, that motion S4M-15723, in the name of Joe FitzPatrick, on the designation of lead committees, be agreed to.

Motion agreed to,

That the Parliament agrees under Rule 9.7.1(b) that stage 2 of the Burial and Cremation (Scotland) Bill be taken as follows—

- (a) the Health and Sport Committee to consider (in the order set out by, or by virtue of, Rules 9.7.4 and 9.10.8)—
 - (i) sections 36 and 46 to 55,
 - (ii) any amendments that relate primarily to sections 36 and 46 to 55, and
 - (iii) any amendments that relate primarily to the disposal of ashes by cremation authorities,
- (b) the Local Government and Regeneration Committee to consider (in the order set out by, or by virtue of, Rules 9.7.4 and 9.10.8)—

(i) sections 1 to 35, 37 to 45, 56 to 77, schedule 1, section 78, schedule 2, sections 79 to 81, and the long title, and

(ii) any amendments to those provisions, other than those to be considered by the Health and Sport Committee by virtue of paragraph (a)(ii) and (iii).

Fairer Fife Commission

The Deputy Presiding Officer (John Scott):

The final item of business is a members' business debate on motion S4M-15040, in the name of Jayne Baxter, on the fairer Fife commission report "Fairness Matters". The debate will be concluded without any question being put.

Motion debated,

That the Parliament acknowledges the Fairer Fife Commission report, *Fairness Matters*, which was launched on 30 November 2015 at the Cottage Family Centre in Kirkcaldy; understands that the commission was established by Fife Council in September 2014 and is independent of the council and its partners; notes that its remit was to take a strategic overview of the scale, scope and nature of poverty in Fife, to review the effectiveness of the activity being carried out to address this and to report with recommendations to the local authority and the Fife Partnership by November 2015; recognises what it sees as Fife Council's commitment to addressing poverty and acknowledges the commissioners and everyone who gave evidence to or participated in the process; commends the recommendation that outcomes should be delivered that will allow residents to be able to live good lives, make choices and reach their full potential and let children be safe, happy and healthy, and acknowledges all of the commission's 40 recommendations for a fairer Fife, which it listed under the headings, ambitious, poverty-free, fair-work, affordable, connected, empowered, skilled and healthier.

17:04

Jayne Baxter (Mid Scotland and Fife) (Lab):

I begin by congratulating Fife partnership on the bold decision to set up the fairer Fife commission. The commission was set up as an independent body with membership from across the public, private and third sectors and with support from a secretariat that comprised officers from Fife Council and from Carnegie UK Trust. I welcome the fact that the commission was established to provide a strategic overview of the scale, scope and nature of poverty in Fife and of the effectiveness of activity that is currently undertaken to address such poverty.

The commission was asked to report to Fife Council and Fife partnership by November 2015, and my motion acknowledges the significant contribution that I believe that its report will make to the on-going efforts to reduce inequality in Fife. I thank all the commissioners from the public, private and third sectors who gave up their time and energy to fulfil the brief that Fife partnership set out. The report is enriched by evidence from a wide range of witnesses and by the testimonies of community organisations from across Fife. We have a report that combines data with lived experience, which makes the recommendations all the more powerful.

I attended the launch of the report last November at the Cottage Family Centre in Kirkcaldy. The centre was originally developed by a group of local parents and established in 1987. Its purpose is to provide a family centre that serves Kirkcaldy and caters for the needs of families with pre-school children. The centre adopts a community development approach that puts the needs and aspirations of families and children at the centre of its service development and delivery, and it encourages their participation in the management and development of the centre. The centre embodies the ethos and culture that the report calls for and, along with six other organisations, it hosted visits by the commission and supported its service users to give personal testimonies to inform the commission's work.

It is true to say that fairness is a broad umbrella that encompasses subjective and objective concepts. Fairness can mean different things to different people. The commission defined a fairer Fife as

"a Fife where all residents have the capability to live good lives, make choices and reach their full potential and where all children are safe, happy and healthy".

Poverty and inequality are huge barriers to Fife achieving that vision, but poverty and inequality are not inevitable. They are created by the collective actions of society and can be reduced by the same process. The commission's analysis states that

"ever widening inequality is neither natural nor intractable."

As such, it is important to recognise the scope and ambition of the fairer Fife commission report in addressing this important issue.

"Fairness Matters" may be a report that is specific to Fife, but the messages in it are pertinent to all areas of Scotland and will resonate with many. Indeed, the Organisation for Economic Co-operation and Development is a strong advocate of the argument that inequality is both a moral issue and a severe drag on a society's economic performance. Although the report concerns Fife, it has value across Scotland, for it provides a route map for new ways in which public, private and third sector organisations can work alongside communities to reduce inequality.

I highlight that the report recognises the work that Fife has been doing to tackle the issues. It states:

"There is no doubt that Fife has hugely capable, knowledgeable and committed people working in all sectors."

However, along with all communities across Scotland, Fife has no room for complacency, especially with the hard financial choices that now face councils in Scotland, so we must ensure that resources are targeted in order to develop person-

centred and sustainable solutions. That will require more partnership working, co-location of services and a willingness to reach out to where people are rather than expecting them to come to us, so I am heartened that the commission's approach to tackling poverty and inequality is truly citizen focused and puts community at its centre.

That inclusive approach can result in evidence that leads to solutions rather than in simply recognising the scale of the problem. It is the difference between data and knowledge, and more knowledge leads to better decisions.

The report includes recommendations that reflect the local perspective. For example, why not replicate the principles of the city deal concept with a Fife towns deal that would provide support to local geographies, have a free travel card for those who are seeking work or who have recently gained employment, or make a non-commercial broadband tariff available for social housing tenants? The report includes numerous such recommendations, which are rooted in local people's lived experiences. The challenge will be to make them happen and to develop a "why not?" culture that releases the latent energy in organisations and communities.

I have seen for myself, through my work and political experience, that putting communities at the heart of decision making hugely increases the quality of decisions that are made and the likelihood that they will have a positive impact. I am therefore confident that the report's recommendations—there are 40, which are gathered into eight groups under the headings "Ambitious", "Poverty-free", "Fair Work", "Affordable", "Connected", "Empowered", "Skilled" and "Healthier"—are relevant, have realistic timescales and targets and will reduce levels of poverty and inequality.

The big message that comes out of the report is the emphasis on maintaining a citizen focus, working together, being ambitious and achieving improved long-term outcomes for people, rather than just improvements in process or inputs. When the action plan that follows the report's recommendations is published, I am sure that strategic partners will work together alongside communities to ensure that beneficial change is made.

I am pleased that the initial focus will be on supporting new ways of working and attempting to drive the cultural shift that will be necessary to create the fairer Fife to which the report aspires. I hope that Fife partnership will fully explore the more innovative recommendations.

Community action will be at the heart of making change. The report says:

"Top down imposed change will no longer be effective. Fife Council and the community planning partnership ... have an important leadership and convening role, but change requires action from everyone living, employing, doing business and working in Fife."

I welcome that assertion, and I hope that the report will start a conversation in Fife between all sectors of our community and inspire a drive for change that is led for and delivered by the community.

The fairer Fife commission report tackles an extremely serious matter in our society. The Parliament must welcome any attempt to address the problem, and we must seriously consider all recommendations about how to lessen what is a great unfairness in our country.

I am pleased that my motion has been recognised with cross-party support. Only by working together to address the concerns that affect people in their daily lives can we build a better future.

17:11

Roderick Campbell (North East Fife) (SNP): I apologise to members: after my speech I will not be able to stay for the rest of the debate, because I have another engagement.

I congratulate Jayne Baxter on bringing this debate to the Parliament and I welcome the opportunity to speak briefly on the fairer Fife commission's report. Since the commission was established in September 2014, it has progressed towards its remit, which is to

"Take a strategic overview of the scale, scope and nature of poverty in Fife and the effectiveness of activity currently undertaken to address such poverty."

Tackling deprivation ought to be close to all our hearts. I am sure that members agree that a strategy in that regard is fundamental to achieving a better world for everyone, especially young people. I commend the members of the commission, who volunteered their time to work for the commission for the benefit of others.

In his introduction to the report, Martyn Evans, the chair of the fairer Fife commission and chief executive officer of the Carnegie UK Trust, said:

"Our report has been enriched by those taking the time to contribute their thoughts and experience."

I am sure that that is correct. He went on to express particular gratitude

"to the looked-after children from Fife who, supported by the Scottish Children's Parliament, spent the morning with us and provided outstanding evidence on what is important for all children. Their view was that all children should be 'safe, happy and healthy'."

That is undoubtedly the case.

I also commend the contribution of Steve Grimmond, the chief executive of Fife Council, who I understand gave valuable advice and support to the commission throughout its work.

As it says in the introduction to the report,

“concepts of fairness, poverty and participation are at the top of the political agenda in Scotland, as they are in many other countries.”

That is an important comment. One of the great problems in many western countries is that the gap between rich and poor, far from narrowing, is getting wider. As the report makes clear, there is no universally accepted definition of fairness, but what is clear is that

“Unfairness exists when inequalities are allowed to interrelate and compound, which results in those experiencing disadvantage in one area of their lives too often experiencing others. In our society, income and wealth inequality is strongly correlated with inequalities in education, health, housing and our environment.”

That is undoubtedly true.

The report goes on to note the OECD argument

“that inequality is both a moral issue and a severe drag on the economic performance of a society.”

It is undoubtedly the case that if we tackle inequality, we are more likely to have a growing economy—it should be a win-win situation.

Looking at the report's recommendations, I highlight those in the section on fair work, which include not only recommendations relating to the aim of making Fife “a living wage region” but a recommendation to explore fairness in self-employment, with a view to encouraging self-employed workers to

“structure their work and enterprise arrangements to maximise their earnings and work security.”

In my view, self-employees are particularly at risk during economic downturns and recessions, and they are at risk of poor health, either physical or mental. I therefore welcome that recommendation in the report.

Jayne Baxter has talked about a number of the recommendations. There are too many to go through in detail, but another one that I think is relevant is the recommendation to

“refocus the geography of economic development activity from a ‘Fife outwards’ perspective, to one that focuses on the assets within Fife ... supporting towns to attract ‘good jobs’ to Fife.”

This is an important debate, and I welcome having had the opportunity to make that modest contribution. Once again, I thank Jayne Baxter for bringing the debate to the chamber.

17:15

Alex Rowley (Cowdenbeath) (Lab): I, too, thank Jayne Baxter for bringing the debate to Parliament today. The fairer Fife commission was an important step in the right direction in looking at how we tackle inequality and poverty in Fife, and I congratulate those who served on the commission for the report that they produced. However, it is important that we start to look at all 40 of the commission's recommendations and that the partners in Fife who set up the commission start to set out in detail how they intend to put the recommendations into action. They must set out a timescale for the actions that need to be taken and say by whom they should be taken.

I had the pleasure of chairing the Fife partnership over a period, but it was not always clear—as is the case in community planning generally—what each partner brought to the table and what their role was. That is not a criticism of the Government, because I know that the Government is as committed to community planning as I am. However, we need to start getting much clearer outcomes and clearer information about who is responsible for what, what they are going to deliver and how all that comes together.

For example, one of the recommendations in the report is about the living wage. Employers have a large part to play in delivering the living wage, as they do in delivering apprenticeships, but I was never convinced about the role of employers and those who represented them at the table in the Fife partnership. Indeed, I would say the same about the third sector—I was never convinced that the body that came from the third sector actually represented all third sector organisations in Fife. Therefore, although the commission was a step in the right direction, there is a lot more work to do.

Back in the first half of the last century, the five evils that Beveridge talked about in his report were want, squalor, idleness, ignorance and disease. He set out clearly why we had to tackle those five giant evils in society, but the reality is that, in one shape or another, those five evils are very much with us in Fife and across Scotland today. The fact is that 75,000 people in Fife are living in poverty. Indeed, poverty in Fife has grown, in absolute terms, over the past five, six or seven years and because of the welfare reforms that we are now seeing. The evidence of that is the fact that we have food banks. Absolute poverty can be defined as people not being able to access what we would describe as the basics that are needed to survive, and I suggest that being able to eat and to feed your kids is a basic need. The growth of food banks in my constituency in Crosshill, Cowdenbeath, Rosyth and Inverkeithing—in fact, the growth of food banks right across Fife and

Scotland—is the evidence that absolute poverty exists in our communities, and we need to work out how we are going to tackle it.

As Roderick Campbell said, the report makes a lot of recommendations. They are all worthy, and we need to see a programme for how they will be implemented.

I will use credit unions to illustrate my thinking. I am a member of the Dunfermline and District Credit Union, and I save and borrow at its Kelty branch. We need to see the development of credit unions not just for poor people but for the whole community. More must be done, and I believe that local authorities can do more. We can say nice words about the need to grow the use of credit unions by employers. Although I agree that we must do that and that part of the partnership should be about that, we need to set a clear strategy, with measurable outcomes, for how we are going to grow credit unions across communities.

One of the most successful credit unions in Scotland is Benarty and Lochgelly Credit Union, which is a small credit union in Ballingry. It has millions of pounds' worth of assets. It has helped thousands of people in those communities over the years. It is a massive success story. Again, there are lessons to be learned there.

The key points are that I welcome the report and the work that has been done. However, all the partners need to look at the report and set out clearly how its recommendations can be progressed and achieved, how they will be measured and, more important, who is going to do what to try to achieve that.

17:21

The Minister for Local Government and Community Empowerment (Marco Biagi): I thank Jayne Baxter for her motion on the fairer Fife commission and for securing the opportunity to be here.

The debate has been quite fascinating for me as local government minister, because the fairer Fife commission is a wonderful example of a local authority leading a partnership approach and reconnecting with some of the spirit when—this was even before Beveridge—our local authorities were the pioneers and the experimenters at the forefront, before national Government had caught up fully with the need to deal with inequality. The term “municipal socialism” was fashionable in the early 20th century, but that sense of local authorities as champions for their areas, to advance wellbeing and to identify the ills in their local area, is an important one.

The fairer Fife commission's work is remarkable in a number of ways. I have noted the division of the work into the four themes of paid and unpaid work, place, being well and life courses and transitions. That has produced a great piece of work. I will speak more about that in a moment.

The commission certainly has an impressive line-up. It has a series of people with distinguished and various backgrounds. I know one its members: Dr Jim McCormick. He sat with me on the commission on local tax reform to which he made a great contribution. Just as with that commission, the fairer Fife commission is not all about the people who sit on it; it is more important than that. Indeed, how it has worked—its participative approach—has been talked about.

I have been fascinated by my work on the commission on local tax reform and what I have seen from fairer Scotland and the fairer Fife commission about the sheer effect that having personal face-to-face contact with the people who have to live every day with the problems that we are trying to be solved can have.

To sit around a table and, as the commission did, to have people who are looked-after children, the users of food banks or people who have experienced sanctions to tell that story means the difference between knowledge and data, as Jayne Baxter eloquently put it.

In that way, the real experience can be understood with far greater colour than would otherwise be the case—and those colours are often stark ones. It is remarkable that—this can be seen in the report's recommendations—the people who are facing the challenges are not short of ideas on how to fix them and on what needs to be done.

For many decades, the common approach to public policy of putting experts in a room and having them come up on their own with the ideas of what to do is seeing its day. The approach where Government does things with people rather than to them has a lot to commend it.

Jayne Baxter's idea about developing a “Why not?” culture nicely summed up the issue. Instead of ideas sitting there and being felt to be impossible, with people thinking, “What can I do with that? No one will pay me any attention”, we need people to be thinking “If we want to have a social enterprise capacity in business gateway that is greater, why not?”

In the context of joining up services, another of the commission's recommendations was that NHS staff should provide a bit of information on income maximisation. Why not? We must take such ideas and run with them.

One of the things that I have constantly tried to do as I have gone around the country in my capacity as the community empowerment minister—particularly when I have spoken to community planning partnerships—is emphasise the message of participation. The idea of bringing people in and getting them to give their ideas is very different from the old-style consultation. It is not possible to do that for everything, but on the core issue of equality and inequality in this country, the people we are trying to help should be in the driving seat on the action that is being taken.

The only way to empower the disempowered is by showing faith in them through having such conversations, by taking them seriously and by demonstrating the action that will come out of it. Nothing will compound cynicism more than bringing people in, listening to them and then going away and not acting on what they say or doing something else entirely. That is a circle that we have to close in all our public sector activity to make sure that we keep the faith of the public.

Alex Rowley mentioned some of the issues with CPPs. I agree with him on some of the areas in which they need to step up their work. Somewhat frivolously, I have sometimes referenced “The Hitchhiker’s Guide to the Galaxy”, in which someone else’s problem was recognised as a thing that could make anything invisible, even if that was a sofa flying across Lord’s cricket ground. If something is not someone’s problem, they just do not see it. Wherever I go, whenever I bang the drum for community empowerment and public service reform, I say that “That’s somebody else’s problem” is a phrase that should be banned.

The community planning partnerships exist to bring all the people around the table so that the priorities can be isolated and the problems that cannot be solved by anyone alone can be solved together. Making sure that there is buy-in lay behind some of the provisions in the Community Empowerment (Scotland) Act 2015, but I think that further work will probably need to be done on that in the next session of Parliament, building on that act.

As Alex Rowley said, perhaps the key is to make sure that we have strong employer and business representation around the table and that all third sector organisations can feed into the process. There is a very big difference between the big third sector providers that will work Fife-wide and, for example, a small neighbourhood association in a deprived area. Both have important things to bring to the table.

The fairer Fife commission’s report is a model of good work. It offers a model for combining the expertise of the different public and voluntary sector players and public participation, and I

commend it. I do not envy the task of the people who must take the recommendations and turn them into an action plan, given how ambitious they are, but I commend the work that has been done and would recommend that any other council that is thinking about doing something similar should do so.

Meeting closed at 17:28.

Correction

John Swinney has identified an error in his contribution and provided the following correction.

The Deputy First Minister and Cabinet Secretary for Finance, Constitution and Economy (John Swinney):

At column 21, paragraph 3—

Original text—

In the past 12 months, the number of jobs that have been lost in the devolved public sector in Scotland is 500—that is 0.1 per cent of public sector employment.

Corrected text—

In the past 12 months, the number of jobs in the devolved public sector in Scotland has increased by 500—that is 0.1 per cent of public sector employment.

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

Published in Edinburgh by the Scottish Parliamentary Corporate Body

All documents are available on
the Scottish Parliament website at:

www.scottish.parliament.uk

Information on non-endorsed print suppliers
Is available here:

www.scottish.parliament.uk/documents

For information on the Scottish Parliament contact
Public Information on:

Telephone: 0131 348 5000

Textphone: 0800 092 7100

Email: sp.info@scottish.parliament.uk
