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Scottish Parliament

Wednesday 5 October 2016

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

Portfolio Question Time

Health and Sport

Crohn's Disease and Colitis

1. **Pauline McNeill (Glasgow) (Lab):** To ask the Scottish Government what action it is taking to increase support for people with Crohn's disease or colitis. (S5O-00211)

The Minister for Public Health and Sport (Aileen Campbell): We are pleased to have supported and funded Crohn's and Colitis UK in the production of "Scotland Leading the Way: a National Blueprint for Inflammatory Bowel Disease in Scotland", which seeks to support national health service boards in improving care and treatment for people living with inflammatory bowel disease in Scotland. The main aim of the blueprint document is to suggest improvements across a wide range of areas including diagnosis at primary care level; improving patient access to advice and information; provision of specialist services such as clinics, paediatricians, dieticians and psychological support; and information technology strategies. Scotland is the only United Kingdom country that is doing that kind of work on behalf of this group of patients.

Pauline McNeill: I thank the minister for that detailed answer. She will be aware that, for some reason, there is a higher prevalence of Crohn's and colitis in Scotland than in the rest of the UK and that children in particular are sufferers. An estimated 26,000 sufferers in Scotland are benefiting from the work that she described.

First, will the minister endorse the work of the Catherine McEwan Foundation in Scotland? Secondly, is the minister open to meeting me to discuss how we can increase the number of IBD nurses in Scotland but also how we can refine those services to ensure that they meet the individual needs of patients and sufferers?

Aileen Campbell: I would be delighted to meet Pauline McNeill and to learn more about the Catherine McEwan Foundation and the good work that it undertakes. I am also interested to learn what more we can do to help, in particular, children and young adults with the condition.

I would like to raise awareness in the chamber of a young girl who spoke in the Parliament

yesterday, Grace Warnock, who has been instrumental in having the disabled toilet signs in the Parliament changed, with the help of Iain Gray. She spoke movingly about the work that she is doing to ensure that people have a greater understanding of invisible conditions that require people to have access to disabled toilets.

Linda Fabiani (East Kilbride) (SNP): Further to what the minister said about Grace Warnock, is she aware of Miss Jenny Cook, a young girl from East Kilbride who, with the support of her family and Derek McEwan of the Catherine McEwan Foundation, has now raised more than £285,000 for the foundation and the Glasgow Children's Hospital Charity, formerly Yorkhill Children's Charity? Does she recognise that many children fundraise for others with conditions that they have suffered themselves and that they work tirelessly on that? Will she join me in wishing Jenny Cook all the best as she heads towards the £300,000 mark at the age of 13? [Applause.]

Aileen Campbell: Absolutely. I think that all members in the chamber are united in congratulating Jenny Cook on that fantastic work. I am aware of the outstanding fundraising work that she has carried out to help to improve the lives of fellow sufferers of ulcerative colitis.

Given my previous role as Minister for Children and Young People, I am well aware of the enormous effort that our fantastic young people make to put back into society if they have needed help themselves, and to ensure that others can benefit from their knowledge, their expertise and their fundraising endeavours. It is fantastic that Jenny has received the award of young Scot of the year 2016. That is well-deserved recognition of the selfless work that she has done and the difference that she has made to the lives of others.

Donald Cameron (Highlands and Islands) (Con): Although the introduction of the national blueprint on IBD and the emphasis on increasing support for people with Crohn's or colitis is highly welcome, will the minister update the Parliament on what the Scottish Government is doing to deal with the dramatic rise in the number of children in Scotland who are being diagnosed with IBD?

Aileen Campbell: We continue to work hard to ensure that young people and anyone who suffers from these conditions are given the help and support that they need. We have continued to work with Crohn's and Colitis UK and on the delivering out-patient integration together programme, which is a multistakeholder working group that includes patients, clinicians, specialist nurses and dieticians who are developing pathways for the treatment and care of patients who have IBD across Scotland. The member also pointed to the blueprint.

We need to continue to be vigilant on this issue and to take on board other people's views and opinions. We have made great strides on this. Some of the work that I mentioned in my response to Pauline McNeill is being done in Scotland, and we are the only country in the UK that is doing this kind of work on behalf of this group of patients.

We will continue to make the progress that we need. We will continue to work with patients and young people, particularly the ones who are doing so much to ensure that others do not have to suffer unnecessarily, and we will continue to make the improvements that we need to make to these services.

The Presiding Officer (Ken Macintosh): Rachael Hamilton.

Rachael Hamilton (South Scotland) (Con): To ask the Scottish Government when the estimated completion date is for the new East Lothian Community—

The Presiding Officer: I am sorry, Ms Hamilton. I thought that you had pressed your button because you had a supplementary question. I have you down for question 10. My mistake.

East Lothian Community Hospital

2. Iain Gray (East Lothian) (Lab): To ask the Scottish Government whether it will provide an update on the new East Lothian community hospital project. (S5O-00212)

The Cabinet Secretary for Health and Sport (Shona Robison): I am delighted to announce that financial close was reached for this contract on 23 September and that construction will start in a few weeks on this £70 million project. The new hospital will be a significant addition to the local healthcare facilities that are available in East Lothian, bringing services back to the area and helping more patients to get treatment closer to home. I look forward to work getting under way and seeing this fantastic new facility become a reality.

Iain Gray: It is great news that construction is about to begin on the new hospital in Haddington, given that it should have started almost 10 years ago and should have been completed seven years ago.

As a Haddington resident, I have to tell the cabinet secretary that local joy is tempered by the fact that day surgery under general anaesthetic, which is currently carried out in Haddington, has been cut from the new hospital before a brick is laid. Approximately 2,000 patients a year will not get surgery locally and clinicians tell me that there is nowhere in Lothian for them to go except, presumably, on to an ever-lengthening waiting list.

Even at this late stage, will the cabinet secretary intervene, make a £70 million project into a £71 million one and retain day surgery at Haddington?

Shona Robison: I am glad that Iain Gray welcomed the good news, because good news it is for the people of East Lothian.

Iain Gray talked about the issue of surgical services. As he is aware, a lot of work has been done by the group that was established to look at NHS Lothian's use of the facility and the services that should be provided in the new hospital. There has clearly been a long discussion based on clinical decision making about what should be provided in the new hospital.

The hospital will provide a range of primary care and out-patient services, step-down care, mental health services and care of the elderly accommodation. I hope that Iain Gray welcomes the fact that the £70 million investment will deliver an improvement in patient care for his constituents. Of course, I am happy to continue to discuss the development of the hospital with Iain Gray.

Richard Lyle (Uddingston and Bellshill) (SNP): As a member of the Health and Sport Committee, I welcome the news that work will soon be under way on the new East Lothian community hospital. Does the cabinet secretary agree that the services returning to East Lothian will result in an increase in the number of people being treated closer to home and in an overall improvement in the quality of care of patients?

Shona Robison: It is important to the delivery of the national care strategy that more people are treated as close to home as possible. The new hospital will help to deliver that. As I said earlier, it is a fantastic project with £70 million of investment, which members across the chamber, including Iain Gray, should welcome.

NHS Highland (Waiting Times)

3. Edward Mountain (Highlands and Islands) (Con): To ask the Scottish Government what action it is taking to reduce waiting times for urology and orthopaedics appointments in NHS Highland. (S5O-00213)

The Cabinet Secretary for Health and Sport (Shona Robison): The Scottish Government continues to support all boards, including NHS Highland, to ensure that patients get swift access to the hospital care that they need. In 2016-17, we have increased NHS Highland's resource budget by 5 per cent to £577.5 million, which is an above-inflation increase.

In addition, at the end of August I announced that a further £2 million will be made available to the national health service specifically to address

long waits for out-patient consultations. That money will be allocated to boards shortly, and it is expected that NHS Highland will focus the additional funding that it receives on addressing long waits in orthopaedics and urology.

The Scottish Government has also announced its commitment to invest £200 million to create five new elective centres, including one in Inverness. Those new centres will help to ensure that procedures such as hip and knee surgery can be carried out more quickly, which I hope the member will welcome.

Edward Mountain: What I would welcome is plans to address the problem. At the moment in the Highlands, the target time of 18 weeks between seeing a surgeon and having an operation is, in most cases, met within the tolerances that are allowed. However, that hides the real problem, which is the time that it takes between someone getting a referral from their doctor and their seeing the surgeon. For example, in orthopaedics there is a 48-week delay between a patient being referred by their doctor and their seeing a surgeon, and in urology there is a 60-week delay in patients seeing a surgeon from when the need is identified by their doctor. That means that the time for which someone who needs a urology operation is having to wait is closer to two years than it is to one year.

Will the extra money that is being provided be sufficient to bring the Highlands into line with the rest of Scotland and to get the delays down from their present unacceptable length?

Shona Robison: The member raises some very important questions. The urology service in NHS Highland has been an important subject of discussion between my officials and NHS Highland and it is extremely important that improvements are made. NHS Highland's local delivery plan highlights urology services—in particular, prostate surgery—as a major area of concern. A recent agreement with NHS Grampian will result in NHS Highland patients being assessed in Inverness and operated on in Aberdeen. That will increase capacity on both sites for that complex surgery.

Further work is required to develop regional and national solutions to the provision of additional capacity. I mentioned the elective centres. Meanwhile, NHS Highland has stated clearly that it will focus its share of the additional money on addressing the long waits in orthopaedics and urology. I will be happy to keep the member updated on developments as they progress.

Kate Forbes (Skye, Lochaber and Badenoch) (SNP): Will the cabinet secretary advise the chamber of what specific measures the Scottish Government has employed to recruit more doctors

to rural areas, such as the NHS Highland area, which would reduce waiting times?

Shona Robison: The future of general practice is, of course, very important and is at the heart of our NHS. We have increased the number of general practitioners by more than 7 per cent, but we recognise that in some parts of the country there are significant recruitment challenges.

We have taken a number of measures to attract GPs to rural and remote areas: we have increased the number of GP recruitment places this year from 300 to 400; we have created the Scottish targeted bursary scheme; and we have looked at a number of other initiatives, including a £2 million package to help a number of GP recruitment and retention projects, such as the Scottish rural medicine collaborative. I would be happy to write to Kate Forbes with more detail.

Monica Lennon (Central Scotland) (Lab): I am interested in the question that was asked about orthopaedic services in the Highlands. The cabinet secretary will be familiar with the fact that a decision was taken to remove trauma and orthopaedic services from Monklands hospital in the Central Scotland region that I represent. The Scottish Parliament has made it clear that the Government must call in that decision. Will the cabinet secretary respect the will of Parliament? Will she make an urgent statement to Parliament on that serious matter?

The Presiding Officer: That is not a supplementary to the question that is on the order paper.

Maree Todd (Highlands and Islands) (SNP): What recent steps has the Scottish Government taken to improve accident and emergency performance in NHS Highland? What is the current A and E performance in the health board area?

Shona Robison: The performance of Highland hospitals in meeting their A and E targets has certainly improved, and the latest figures show performance at 95.5 per cent for Caithness general hospital, 93.7 per cent for Raigmore and 100 per cent for Lorn and Islands hospital. However, there is always more room for improvement, and we will be developing and working with boards on their winter plans, which will include helping them to take forward other measures to ensure that A and E performance is maintained during the winter period.

NHS Lanarkshire (Meetings)

4. **Christina McKelvie (Hamilton, Larkhall and Stonehouse) (SNP):** To ask the Scottish Government when it will next meet NHS Lanarkshire. (S5O-00214)

The Cabinet Secretary for Health and Sport (Shona Robison): Ministers and Government officials regularly meet representatives of all health boards, including NHS Lanarkshire, to discuss matters of importance to local people.

Christina McKelvie: When the cabinet secretary gets the opportunity to next meet NHS Lanarkshire, I would ask that she raises with it the evidence sourced by the time for inclusive education—TIE—campaign, which shows that 95 per cent of young lesbian, gay, bisexual, transgender and intersex respondents report that being bullied at school impacted on their mental health. In conjunction with that, 58 per cent of LGBTI respondents admitted self-harming as a result of bullying, with 45 per cent doing so regularly. Does the cabinet secretary agree that adopting the inclusive educational approach advocated by the TIE campaign would go a long way towards reinforcing the Scottish Government's progressive mental health strategy for young people not only in Hamilton, Larkhall and Stonehouse, but across Scotland?

Shona Robison: I agree with Christina McKelvie that bullying of any kind is unacceptable and must be addressed. We know that children and young people's wellbeing and attainment can be severely impacted by bullying. We want all schools to promote an inclusive approach to relationships, sexual health and parenthood education. Therefore, anti-bullying policies should be at the heart of a whole-school approach, and a positive and welcoming ethos should be created. In addition, health and wellbeing sits alongside literacy and numeracy as a responsibility of all staff.

I would be happy to write to Christina McKelvie if she wants more detail on the programmes that we support.

Anas Sarwar (Glasgow) (Lab): The cabinet secretary has had time to think about the answer to this question, which relates to Monklands hospital. The reality is that there was no consultation process for the closure of orthopaedics at that hospital. As my colleague has stated, the will of Parliament was clear last week: there was a clear majority to have the change called in for ministerial decision. Will the health secretary make an urgent statement to the Parliament to say that she will call in the decisions on Monklands hospital and the other hospitals and will reject them?

Shona Robison: It was the Presiding Officer who decided whether the question asked by the member's colleague was to be answered. I am sure that the member will respect the Presiding Officer's will.

In answer to the member's question, as I have said previously in this chamber, NHS Lanarkshire's interim plans are about ensuring clinical safety and quality of care, as supported by clinical experts at the Academy of Medical Royal Colleges and Faculties in Scotland. I am sure that Anas Sarwar would not want to doubt the importance of what they have to say about clinical safety and the quality of care, given his own clinical background.

The plans will also help to address issues with the recruitment, retention and training of key clinical staff, as highlighted in reports from Healthcare Improvement Scotland and the postgraduate dean for medical education. As Anas Sarwar and others are aware, NHS Lanarkshire's longer-term service plans are the subject of formal public consultation, which will run until 1 November. Again, I would encourage all local stakeholders to play a full part in the consultation.

As the First Minister and I have said, it is important to stress that no decisions have been taken on any of the proposed service changes. There is nothing in front of me to say anything about. Before any decisions are made, the proposals have to go through a well-established process, which includes the engagement and consultation of local people—something that I would hope that Anas Sarwar would support.

Following the conclusion of that process, I will be in a position to make a judgment. Of course, I will take last week's debate and decision very much into account and I will report back to Parliament, as the First Minister has already confirmed.

Elaine Smith (Central Scotland) (Lab): As the cabinet secretary may know, the decision on orthopaedic and trauma services has been taken; it will come into effect at the end of this month without any consultation. Could she perhaps explain to Parliament and to constituents how, if the service is unsafe, it has become unsafe under her watch over the past 10 years of this Government?

Shona Robison: As Elaine Smith knows, there has been significant investment in Monklands hospital over recent years, something that she consistently fails to recognise in this Parliament and which does a great disservice to the staff of Monklands hospital and, indeed, the patients who use it.

I have said time and time again to Elaine Smith and she understands well and good that the NHS Lanarkshire proposals that have been approved and are going forward are interim plans based around clinical safety. Also, the recommendations are supported by the Academy of Medical Royal Colleges and Faculties in Scotland. If politicians in

this place think that they know better than the clinicians who raise clinical safety, they should think long and hard about whether they have the expertise that puts them in a position to know more than the clinicians who are making the recommendations.

As Elaine Smith also knows well, the longer-term plans beyond the interim plans are the subject of formal public consultation and will indeed come to me at the end of the day. I encourage Elaine Smith and others to play a full part in that consultation, which runs until 1 November.

NHS Ayrshire and Arran (Waiting Times)

5. John Scott (Ayr) (Con): To ask the Scottish Government what it is doing to reduce waiting times for initial hospital appointments following general practitioner referrals in NHS Ayrshire and Arran. (S5O-00215)

The Cabinet Secretary for Health and Sport (Shona Robison): The Scottish Government continues to support all boards, including NHS Ayrshire and Arran, to ensure that patients get swift access to the hospital care that they need. In 2016-17, we have increased the NHS Ayrshire and Arran resource budget by 5.3 per cent to £669 million, which is an above-inflation increase.

In addition, at the end of August, I announced that a further £2 million will be made available to the national health service, and the money will be allocated shortly to NHS boards, including NHS Ayrshire and Arran.

John Scott: The cabinet secretary will be aware of a lack of physiotherapy services and extended waiting times for surgery in areas such as orthopaedics in NHS Ayrshire and Arran, as well as the problems that were encountered last winter, when surgical beds were used for medical patients, resulting in extended waiting times for planned surgery.

Notwithstanding the cabinet secretary's initial answer, for which I thank her, can she reassure my constituents and the people of Ayrshire that waiting times will reduce in the future and that plans are in place to deal with the expected increase in demand for hospital beds over the approaching winter period?

Shona Robison: John Scott again raises some important issues. He will be aware that there is a clear process for developing winter plans. The plans are scrutinised carefully by officials to make sure that they are robust. I will make sure that, when we look at NHS Ayrshire and Arran's winter plan, the issues that John Scott raises—particularly in relation to physiotherapy and waiting times—are addressed.

It is important, going into the winter, that boards are in the best position that they can be in. I reassure John Scott that we will certainly be interrogating NHS Ayrshire and Arran's winter plan to make sure that we satisfied that it will be able to deliver a safe and good-quality service through the winter.

Emma Harper (South Scotland) (SNP): How does NHS Ayrshire and Arran's budget compare with its budget when the Government took office?

Shona Robison: NHS Ayrshire and Arran's resource budget has increased by £172.1 million, or 34.6 per cent, since 2006-07. That is a real-terms increase of £65.1 million, or 11 per cent. Of course, demand has also increased, as has pressure on services, so it is important that, as new resources flow into the NHS, we also change how services are delivered to ensure that quality continues. We will do that through the national clinical strategy.

Social Care Staff (Working Conditions)

6. Patrick Harvie (Glasgow) (Green): To ask the Scottish Government what action it is taking to improve working conditions for social care staff. (S5O-00216)

The Cabinet Secretary for Health and Sport (Shona Robison): Terms and conditions of employment are matters for individual employers. However, the Scottish Government expects all employers to adopt fair working practices. The Scottish Government has taken action in a number of ways to address fair work practices: through the measures in statutory guidance on procurement, through the fair work framework, and by encouraging fair work more generally through the promotion of the Scottish business pledge.

The Scottish Government is providing significant investment to enable local authorities to commission care services that pay adult care workers, including those in the independent and third sectors, the full living wage of £8.25 per hour from 1 October this year. The codes of practice for employers that are published by the Scottish Social Services Council set out employers' responsibilities for supporting their workforce to achieve the standards of practice and behaviour that are required of them.

Patrick Harvie: The Scottish Greens fully support the provision of the real living wage in the care sector and throughout our economy, and we support the Government's efforts in that regard.

Turnover in the sector is relatively high, and we know that a great many employers in the sector are actively recruiting in other European Union countries. What impact does the cabinet secretary think that people will experience with regard to their working conditions if employers are required

by the United Kingdom Government to begin listing foreign workers in an effort to stigmatise and shame them? Can she tell us what impact will be felt by those who are already working in the sector if employers find it more difficult to recruit overseas workers, who are so vital in our care services, as a result of that blatantly racist policy?

Shona Robison: Patrick Harvie raises some very important matters. First, I welcome his support for the living wage and his comments in that respect. He is right to identify retention and turnover as issues in the care sector. The living wage is so important because it is part of the solution in encouraging people to come into the care sector and to remain working there.

Without a doubt, a relatively large percentage of those who work in the care sector and in care homes in particular are from the EU. I have asked the SSSC to do some work on getting more and better data on how many of the people who work in the care sector are from the EU. If we were to lose that cohort of people who work here, that would create a significant gap for our care services. It is very important that we send out a message that those people are welcome here and are welcome to work here. I want the UK Government to ensure that those who are working and living here, and contributing to the Scottish economy, can remain doing so.

I agree with Patrick Harvie that the idea of businesses listing foreign workers is abhorrent. It is a terrible, terrible thing for any minister to say, and it creates division and the type of society that we would not want in Scotland. It is important that we unite across the chamber to send out a message that we do not think that that is a right and proper thing to do. We reject it, and we welcome those from the rest of the EU who are working in our health and care sectors.

Colin Smyth (South Scotland) (Lab): On 27 September the Scottish Government wrote to integration joint board chief officers about the living wage for social care workers. The letter told them that IJBs did not need to pay the living wage for workers carrying out sleep-over shifts. Will the cabinet secretary apologise to those workers for failing to deliver the living wage to them on 1 October, as promised by the Scottish Government? Will she tell members today exactly when those workers can expect to be paid the living wage?

Shona Robison: It is sad that Colin Smyth cannot welcome the fact that nearly 40,000 care staff, many of whom are women, are getting a pay rise from 1 October. Can those on the Labour benches not bring themselves to welcome that? It is very sad that they cannot.

On the issue of sleepovers, Dave Watson from Unison has said:

“With sleepovers, we want everybody to be paid the living wage but we accept it does require a bit more work.”

If Unison, in representing its members, can be constructive on the issue, why cannot the Labour Party?

National Health Service (Living Wage)

7. Clare Haughey (Rutherglen) (SNP): To ask the Scottish Government what progress it is making to ensure that national health service staff receive at least the living wage. (S5O-00217)

The Cabinet Secretary for Health and Sport (Shona Robison): The requirement to pay the Scottish living wage in the NHS was introduced in 2011 and the lowest available pay point has been at or above the Scottish living wage rate ever since. In addition, the Scottish Government has provided significant investment to support the payment of the Scottish living wage to adult social care workers from 1 October this year and has been working closely with health and social care partnerships and providers to make delivery of the policy successful.

Clare Haughey: As NHS Scotland staff are guaranteed the real living wage, how much better off per year is someone in Scotland who enters the lowest point in agenda for change band 1 compared to somebody in the same situation in NHS England?

Shona Robison: Someone who enters the lowest pay point currently available in NHS Scotland will be £881 per year better off than their English counterpart. That is a sign of the good partnership working that we have with the unions and the fact that we have accepted the pay recommendations from the independent pay review body, unlike other parts of these islands. We believe strongly that partnership working with the unions is an important aspect of ensuring that we deliver progress for staff working in our NHS.

Surgical Mesh (Counterfeit Material)

8. Jackson Carlaw (Eastwood) (Con): To ask the Scottish Government what its position is on the assurances that it has received from Boston Scientific regarding the possible use of counterfeit material in surgical mesh. (S5O-00218)

The Cabinet Secretary for Health and Sport (Shona Robison): The Medicines and Healthcare Products Regulatory Agency regulates medical devices across the United Kingdom and has not issued a medical-device alert regarding the implants concerned. The MHRA has found no evidence to indicate that mesh implants are unsafe, and has not found it necessary to initiate

any enforcement action against Boston Scientific or any other manufacturer in the UK. Should that situation change, we would expect the MHRA to take appropriate action.

The Scottish Government's request to suspend procedures was the result of an independent review of use of mesh products, which was brought about by wider concerns about their use. It is not related to the allegations about counterfeit material.

Jackson Carlaw: I have here the letter that the cabinet secretary wrote to my constituent Elaine Holmes and to Olive McIlroy and other mesh survivors who are living with the appalling and unforeseen consequences of mesh implants. I understand what the cabinet secretary says about the MHRA, but I refer to its lamentable performance at the Public Petitions Committee in the previous session of Parliament, when it transpired that its examination of the issues had involved a desktop study by three people over two weeks costing £20,000. Is the cabinet secretary really satisfied that a phone call by the MHRA to the company concerned, which said that there is nothing to worry about, is an adequate examination of the suitability of the material, given the seriousness of the consequences of the problem?

Shona Robison: I have some sympathy with what Jackson Carlaw says, but we cannot get away from the facts that it is the MHRA's role to regulate use of medical devices in the UK and that it has not, as yet, issued an alert in relation to Boston Scientific's products. If Jackson Carlaw would find it helpful, I am willing to relay to the MHRA the concerns that he has expressed in Parliament. I did that after the committee meeting to which he referred, because there was clearly strong feeling about the MHRA's role in the process that had been gone through. I am happy to relay those concerns again to the MHRA.

Neil Findlay: I find the cabinet secretary's attitude on what is a very serious issue to be complacent. Will the cabinet secretary join me in calling on the Crown Office to investigate the very serious allegations against Boston Scientific of using counterfeit materials, which could be implanted in women in Scotland?

Shona Robison: I am sorry that Neil Findlay feels that way about my answer, but I do not regulate the use of medical devices in the United Kingdom; that is the responsibility of the MHRA. All that I can do is make clear the views of Parliament—including the views of Neil Findlay and Jackson Carlaw—to the MHRA. It is up to the Crown Office to decide whether it believes that there are issues relating to the matter for it to look at. I am sure that the Crown Office will respond to Neil Findlay about that. The fact is that it is the

MHRA's role to regulate the use of medical devices in the UK, not the Scottish Government's role.

NHS Dumfries and Galloway (New District General Hospital)

9. **Emma Harper (South Scotland) (SNP):** To ask the Scottish Government what progress is being made with the construction of the new district general hospital for Dumfries and Galloway. (S5O-00219)

The Cabinet Secretary for Health and Sport (Shona Robison): Excellent progress is being made. A couple of weeks ago, the topping-out ceremony took place at the new hospital, which signified that the building had reached the highest point in its construction and marked an exciting milestone for all those involved in the project. This is a very exciting time for the new hospital project, as the vision for a fantastic new facility for patients and staff moves one step closer to becoming a reality.

The new hospital project has delivered significant community benefits in terms of new jobs, apprenticeships and training opportunities, and we will continue to maximise those gains over the coming year.

Emma Harper: Does the cabinet secretary agree that single-occupancy rooms such as will be in the new hospital are important for patient welfare and for meeting current infection-control standards?

Shona Robison: The Scottish Government is committed to providing patients with the best possible standard of patient care: single rooms provide a better and safer environment for our patients. In view of the potential benefits to patient safety and experience, it has been our policy since 2010 that for all new-build hospitals, and other healthcare facilities that provide in-patient accommodation, there should be an assumption that all patients will be accommodated in single rooms, unless there are clinical reasons for multi-bed rooms being available.

East Lothian Community Hospital

10. **Rachael Hamilton (South Scotland) (Con):** To ask the Scottish Government what the estimated completion date is for the new East Lothian community hospital. (S5O-00220)

The Cabinet Secretary for Health and Sport (Shona Robison): The highly anticipated facility, which is being developed jointly by NHS Lothian and East Lothian health and social care partnership, will provide a fit-for-purpose facility to deliver high quality healthcare for the county, and it is expected that it will be open to patients in 2019.

Rachael Hamilton: As the cabinet secretary will know, services have been relocated from Roodlands hospital as the new hospital has been built. How will disruption to patients from East Lothian be kept to a minimum as the new build takes place?

Shona Robison: We would expect such relocations to happen, and we would expect any disruption to be kept to a minimum. Inevitably with projects of such scale there will be some disruption, but it is important that there is continuity of patient care and that disruption to local residents is kept to a minimum.

If Rachael Hamilton would like, I would be very happy to ensure that she is provided with further details of how that will be done in practical terms.

Universities (Study of Medicine and General Practice)

11. Richard Lyle (Uddingston and Bellshill) (SNP): To ask the Scottish Government what discussions it is having with universities to encourage the study of medicine and general practice. (S5O-00221)

The Cabinet Secretary for Health and Sport (Shona Robison): We continue to work with Scotland's five medical schools to ensure that we have a sustainable workforce for NHS Scotland. That includes working closely with universities to deliver our medical education package, which will increase supply and widen access. Through the package, we are investing £23 million in increasing medical undergraduate places by 50 from 2016-17, and in establishing Scotland's first graduate medical entry programme and a pre-medical entry programme.

Richard Lyle: Recently I met my constituent Daniel, who is distressed because he was not accepted to study medicine due to grades that he received through personal circumstances that he faced during the academic year. How are young people being supported in their ambition to study medicine and general practice?

Shona Robison: I understand that we have the details of the case that Richard Lyle referred to. Officials will reply to him directly.

On the wider point, the Scottish Government and Scottish Further and Higher Education Funding Council are taking specific actions to widen access to studying medicine to people from the widest range of backgrounds. The funding council also supports the reach Scotland project, the purpose of which is to increase the proportion of pupils from the 40 per cent most deprived postcodes and from under-represented schools into higher education. The focus of reach Scotland is high-demand subjects, including medicine.

The funding council has also developed a series of outcomes with all universities, against which progress on widening access can be measured. The 50 extra undergraduate places that I mentioned will be focused on widening-access criteria.

The Presiding Officer: That concludes topical questions.

Douglas Ross (Highlands and Islands) (Con): On a point of order, Presiding Officer.

I apologise for not giving advance notice of this point of order. As the member with question 12 in today's health questions, I ask whether the Presiding Officer will reflect on the number of questions that were selected and the number of supplementaries that were taken. Given that we had 40 minutes for questions today and 20 members were asked to submit questions which, like mine, were on today's important constituency cases—for example, people in Elgin who have significant concerns about eye care at Dr Gray's hospital—should you perhaps be selecting fewer questions and ensuring that we get through all of those, or taking fewer supplementaries to ensure that all the important issues are raised and debated in the chamber?

The Presiding Officer: I thank Mr Ross for that. I am not sure that it is a point of order, but I assure him that the matters are under active consideration. For example, we are considering whether to reduce the number of questions selected. I am conscious that the member who has question 20, for example, will be sitting in the chamber without there being any realistic chance of our getting to that question. We are looking at the possibility of reducing the number of questions being submitted.

On supplementary questions, I am anxious to take members who want to ask those. A number of members pressed their buttons today—including a number of Mr Ross's colleagues, whose supplementaries I was not able to take. Sometimes I am unable to do so due to the length of replies from the minister, but that happens sometimes because the question requires a lengthy answer.

These are difficult matters, but they are under consideration; I hope that Douglas Ross will accept that.

Supporting Farming and Food Production

The Deputy Presiding Officer (Linda Fabiani): The next item of business is a statement by Fergus Ewing on supporting farming and food production. The cabinet secretary will take questions at the end of his statement, so there should be no interventions or interruptions.

14:42

The Cabinet Secretary for Rural Economy and Connectivity (Fergus Ewing): I am pleased to update Parliament on the support that the Government provides for farming and food production. We are very close to completing the last of the 2015 direct support payments to farmers and crofters and I remain absolutely determined to ensure that every farmer and crofter who is due a payment for 2015 receives it in full.

On basic and greening payments, £2 million more has been paid out since statistics were published last week, and approximately 18,000 farmers and crofters have received a payment. There is now a maximum of 350 who have not yet received a 2015 payment. A few will be ineligible; most others have received a loan. The number who await a balance payment in addition to their first payment is down to 100. Payments under the beef and sheep schemes will be completed this week.

As I indicated on 13 September, we had hoped to start less favoured area support scheme payments in September. Unfortunately, the technical issues that I advised of then have continued and we will not be in a position to begin LFASS payments until later this autumn. However, it is useful for members to remember that 11,000 farmers who are entitled to an LFASS payment have already received loans that are worth £54 million.

Rapid progress is being made to implement the 2016 loan scheme. Letters were sent last week to invite 17,324 farmers and crofters to apply for a loan. As was advised through the answer to a parliamentary question on Monday and the answer to a topical question yesterday, manual checking of a sample of calculations uncovered an undervaluation that affected some potential applicants. The farmers and crofters significantly affected by that undervaluation have been written to again to advise them of their revised loan offer.

Every member should note that no farmer or crofter will be worse off as a result. The error is regrettable, and I apologise to anyone who is affected, but immediate steps have been taken to rectify matters. The deadline for applying for a

loan has been extended to 19 October—in other words, by a week—for those who are affected, and officials have advised that all those whose applications have been received by then will receive their full loan entitlement within the first half of November. The loan scheme, which will inject up to £300 million into Scotland's rural economy this winter, will ensure that farmers and crofters have funding before the date on which they could normally expect to receive their common agricultural policy payments for 2016.

CAP pillar 1 payments form the cornerstone of Government support for farming and food production in Scotland, but funding that is provided under pillar 2 of the CAP also makes a vital contribution. On Monday, I announced £8.8 million in funding for food processing with a visit to McQueens Dairies, which is a family-run business. It has a grant, which is part of that funding, to purchase new equipment that will enable the business to grow while protecting the livelihoods of its workers and among dairy farmers.

Such support contributes to the on-going success of our food and drink sector, which enjoyed a record turnover of £14.4 billion in 2014 and is well on the way to meeting the target of £16.5 billion for 2017. That will be further aided by the development of a national food and drink hub with key partners next year.

On 1 September, I announced £11.4 million to support investment of up to £48 million in sea fisheries, aquaculture and the processing industries. That coincided with the first rural summit with the farmed shellfish sector. Further summits are planned this winter to consider challenges and opportunities in supply chains, in farming and planning and in the fin-fish aquaculture sector.

I am doing all that I can to support how we currently farm and produce food, but it is also vital that we look to the future, which is why I am focused on ensuring the sustainability of farming in Scotland. The fact that farmers of more than two thirds of the Scottish beef breeding herd have signed up to the new beef efficiency scheme indicates that farmers share that focus.

Sustainability is also about growing markets. Officials are analysing responses to our consultation on seeking negligible BSE risk status, which will benefit livestock farmers and potentially many food-processing businesses. We continue to support collaboration among Scotland's vets, our research institutes and our further and higher education institutions to address the problems of antimicrobial resistance in animals and livestock. That is not just a wellbeing issue but an economic one, as addressing those problems will enable more efficient and profitable food production in the long term.

People are key to the future of farming and food production. This morning, I was privileged to attend a workshop as part of the development of our vision for Scottish agriculture, and I spoke to young farmers after I attended a meeting of the co-operative Farm Stock to address some of its members. At the Royal Highland Show this year, key emerging themes for our vision were published, and today's workshop focused on what is arguably the most important of those: ensuring that agriculture is recognised as a rewarding career that is accessible to new and young entrants.

That is why I recently announced £7 million in funding to create and develop around 140 new farming businesses across Scotland. In my many conversations with people who are involved in farming and food production across the country, a recurrent issue has been the need to encourage children and young people to recognise that a career in farming and food production—or in the many varied ancillary functions that support it—is a good choice to make. The fact that five out of the 24 recommendations in John Scott's Scottish sheep sector review relate to education and training underpins that.

The vital statistic that the average age of farmers is now 58 confirms the urgency with which we need to act. Today's workshop brought together education providers to share what works well in supporting young people who are considering or have chosen agriculture as a career.

That approach will augment the support that the Government already provides in that area: £35,000 to the Royal Highland Education Trust to run 18 food and farming events for approximately 4,000 school pupils and to involve 300 primary pupils in farmers market projects; £420,000 annually to Lantra to work with schools and colleges to identify skills gaps and provide modern apprenticeships; and more than £10 million annually to Scotland's Rural College for teaching on subjects that relate to farming and food production.

We know that informal support that is delivered by young people to other young people makes a positive difference. I am therefore announcing today additional funding of £20,000 to the Scottish Association of Young Farmers Clubs to create a peer support network in rural communities to complement existing careers advice for young people so that more choose subjects and courses at school and beyond that lead to careers in farming and food production; to add value to existing activities that explain routes into working in farming and food production; and to provide mentoring and buddying for young people who are taking on or starting a farm.

We must get the direct support for farming and food production right, and I remain utterly focused on achieving that. We are still working flat out to complete the 2015 CAP payments, to implement the 2016 loan scheme and to put the 2016 CAP payments on to a proper footing, but additional support also helps to drive forward Scotland's rural economy and is all the more important during these most uncertain of times.

That uncertainty means that the Government is not waiting for decisions to be made for us about rural Scotland's future. Instead, through direct and indirect support for current and future farming and food production, we are getting on with the job of making rural Scotland's future.

The Deputy Presiding Officer: The cabinet secretary will now take questions on the issues that were raised in his statement. I intend to allow about 20 minutes for him to do so, after which we will move on to the next item of business.

Peter Chapman (North East Scotland) (Con): I thank the cabinet secretary for advance sight of his statement and remind members of my farming interests in the register of members' interests.

The cabinet secretary has again been dragged to the chamber to explain his inability to get to the farming community money that is rightfully its money and is desperately needed. I remind him that, when he was appointed to his new role, he promised members that getting the information technology system sorted was his first priority and that he was going

"to get in about it."

He has failed miserably. There has been no step change in the speed of the money going out; it continues to flow at a snail's pace.

I make no apologies for repeating that the debacle has caused more hurt, heartbreak and worry to the farming community than any other single issue in the past generation. It has meant that families across rural Scotland—

The Deputy Presiding Officer: Can we have a question, please, Mr Chapman?

Peter Chapman: Yes—I am nearly there.

The Deputy Presiding Officer: Can you hurry up?

Peter Chapman: That has meant families sitting round kitchen tables worried sick about how they will pay their bills. That is the reality.

I repeat the question that I asked yesterday, which the cabinet secretary completely failed to answer. Why are only 17,324 farmers being offered a loan under the scheme, out of 18,300 businesses that are eligible for CAP payments? Are the 1,000 businesses the same ones that still

await substantial amounts of money from the 2015 scheme?

Fergus Ewing: Let me introduce a few facts in answering that. In respect of the 2015 payments, 97 per cent—I repeat that: 97 per cent—of all basic payments have been settled in full. That is all but 3 per cent. I want that 3 per cent to be settled in full if the claims are eligible, but 97 per cent is not quite in accordance with the tone of Mr Chapman's contribution.

Other facts are that all but four of the 1,099 Scottish upland sheep support scheme payments have been paid in full, all but nine of the 7,314 Scottish suckler beef support scheme payments have been paid in full and payments that are worth £54 million out of the total £66 million of LFASS payments have been paid in full.

I absolutely understand, and it remains my view, that many farmers and crofters have suffered difficulties, some of them seriously. I will not be satisfied until everyone is paid in full, but I can tell Mr Chapman that, when I was at Farm Stock this morning speaking to farmers who are still farming—not sitting here making speeches about farming—they said that the national loan scheme to inject £300 million into the rural economy was a sensible measure. What a shame that the Tories do not get that.

Peter Chapman: On a point of order, Presiding Officer. I have asked that question twice and I have had no response whatsoever—I got none whatsoever today. Twice I have asked it and had no response.

The Deputy Presiding Officer: That is not a point of order. If you have a problem with the Government's response, you can write to the Government.

Rhoda Grant (Highlands and Islands) (Lab): I, too, thank the cabinet secretary for prior sight of the statement. I understand that an independent technical assurance review of the IT system will take place, which I welcome.

What help is the cabinet secretary giving to the 350 people who have received nothing so far? What further information can he give us about what will happen if the IT system proves to be incapable of delivering? Is a disaster recovery scheme in place? The situation must never happen again.

Fergus Ewing: Those are sensible questions, which I will answer in turn. As I said in my statement, the majority of the 350 people have already received loans of the majority of their entitlement. We are working through the remaining cases that await full payment, depending on confirmation of eligibility. I assure the member that that work is going on.

The member also asked, fairly, about the computer system. That is the top priority for me to resolve. Senior officials and I are busting a gut to do so. We are working with the contractor in a productive fashion and we have seen a great deal of progress. Many of the problems have been addressed successfully with what are called IT fixes, and progress continues apace as we speak. Since last week's meeting of the Public Audit Committee, £2 million of payments have been processed. I expect most of the rest of the full payment process to be completed by the end of October.

There are difficulties, as the member fairly pointed out, but I am confident that, in accordance with the timetable that I indicated in my previous full statement, we will sort the problems out in the early part of next year.

The Deputy Presiding Officer: Many members wish to ask questions. We will get through more questions if questions and answers are as succinct as possible.

Emma Harper (South Scotland) (SNP): I appreciate that everything is being done to remedy matters, but the situation could be confusing for some. Will the cabinet secretary clarify what people need to do about the first letter and the second letter that they received in order to apply for a loan? What will happen if people are not currently eligible for a loan?

Fergus Ewing: Those who receive a loan offer should return the slip if they wish to accept it. Those in respect of whom the undervaluation was made will be contacted by the local office and will receive a second letter, and they should return the opt-in slip by the 19 October deadline. If they return the opt-in slip from the second letter, they do not need to return the first opt-in slip. If they wish, they should of course contact the area office.

Both letters have details about who should be contacted. The rural payments and inspections division website also contains extremely useful information, as most farmers will know. It is a useful port of call.

We want to ensure that the bulk of the payments are made in the first fortnight of November and that is what we are seeking to do. We estimate that we might seek to make a further 800 loan offers. They fall into various categories—entitlement cases, private contract cases, cross-border cases and cases where we feel that there might not be eligibility—but what I will say about all of them is that we are busting a gut to ensure that as many people as possible who are entitled to a loan get one. That includes everybody except, of course, those who are ineligible under the scheme rules. My officials are working flat out—including getting overtime, which is a sensible measure—to

ensure that every farmer can get a loan under the scheme if he or she is so entitled. That will involve a lot of detailed work, but I am determined that it will be carried out, as it is being carried out.

Finlay Carson (Galloway and West Dumfries) (Con): This is becoming like “Groundhog Day”, with the cabinet secretary regularly appearing to apologise for the continued technical issues.

Mr Ewing told members that we should refer our issues to the local office; I was advised that payments are being made by the local office and sent to central payment teams in Edinburgh. Farmers are being told that payments are being approved and they have been given payment dates, but no money has been forthcoming.

An example—

The Deputy Presiding Officer: We do not have time for examples. Can we have a question, please?

Finlay Carson: Since May 2016, one farmer in Dumfries and Galloway has been advised on five separate occasions that the payment will be made by the end of the week, and on five separate occasions that has not been the case.

The Deputy Presiding Officer: May we have a question, please? This is questions on a statement.

Finlay Carson: Thank you, Presiding Officer. In the words of Mr Ewing’s colleague Alex Neil, this has been a “fiasco”. Given that it has been a total failure, why has no price been paid for it?

Fergus Ewing: It is reasonable for me to say that 97 per cent of claims have been paid in full. I think that the rhetoric is a bit past its sell-by date. *[Interruption.]* Mr Carson could have supplied me with the details of the case that he has highlighted before he came to the chamber. If he had wanted a detailed answer, I would have given it to him. If he or any member raises an individual case, I will look into it; however, he did not do that. Instead, he came here and talked about one case without going into circumstances. That is not really very good practice, but I guarantee that I will look into the case as soon as I receive a relevant request so to do.

Claudia Beamish (South Scotland) (Lab): I welcome the £20,000 additional funding for a peer support network for Scotland’s young farmers, but what is the Scottish Government doing to identify more starter farms for new entrants? What, indeed, is the Scottish Government doing to develop the contribution of organics, eco-agriculture, agri-forestry and local supply chains, which will help the next generation of farmers to tackle climate change?

Fergus Ewing: Again, those are all very fair points from the Labour Party. We work very carefully and closely with the organic sector; I recently met the Soil Association and we will engage with it again. Plainly it represents a niche market, but it is still an important part of farming.

As for further work to identify land for young entrants, I am convening a meeting with all public bodies that might have land available to ascertain whether we can do more. I refer the member to the Forestry Commission, which has a scheme that has helped young entrants; indeed, I met several of them at the Royal Highland Show at Ingliston on 23 June. Just this morning, I had a very interesting discussion and dialogue with four young farmers on precisely these matters and how we help them make a success of entering into farms. I am delighted that we are doing that work, but of course there is a lot more to be done and we are getting on with it.

Mark Ruskell (Mid Scotland and Fife) (Green): On 13 September, the cabinet secretary said that work to support agri-environment schemes was

“literally impossible ... because of the lack of ... clarity from the United Kingdom Government”—*[Official Report, 13 September 2016; c 30.]*

on pillar 2 and the rural development programme. This week, we received that clarity when, on Monday, the UK Government announced that farmers are eligible for funds up to the point of Brexit. When will we get a definitive statement from the Scottish Government on its commitment to pillar 2 and agri-environment funds, or is it Mr Mackay who is now creating the uncertainty and the problems?

Fergus Ewing: Let us get to the facts here: we have not had clarity from the UK Government on pillar 2, and we have been seeking clarity on pillar 2 payments since the day after Brexit.

Pillar 2 payments support agri-environment schemes, forestry and LFASS. They are absolutely vital in supporting vulnerable communities and valuable greening schemes. I agree with that, but the brief statement that we heard yesterday begs far more questions than it answers. It does not say what will happen between March 2019 and March 2020—one whole year of the Scottish rural development programme. According to a leading member of the farming community yesterday, the uncertainty remains.

I pledge that as soon as we receive certainty and clear facts about continuance of all the funding under pillar 2, we will be in a position to consider providing the guarantees that so many people in the rural economy desperately seek.

Mike Rumbles (North East Scotland) (LD): On Thursday, the director general economy said in evidence to the Public Audit Committee that the review of the current system

“could conclude that the system as it is is absolutely fine and that we should just continue as we are.”—[*Official Report, Public Audit Committee, 29 September 2016; c 30*]

Does the cabinet secretary accept that continuing with the current system is not an option, that he needs to start planning now for a new Scottish system of farm support for post-2020 when we have left the EU and that the responsibility for such a system will be entirely his? Will he set up a group of civil servants to look at the options for the future post-2020?

Fergus Ewing: We have been working on this for a very long time. We set up a team of civil servants to work on it a long time ago.

Mike Rumbles: When?

Fergus Ewing: There goes Mr Rumbles again, barracking from the back benches as always. Let me continue to try to answer his question.

At the Royal Highland Show in 2015, we set out a debate about the future of agriculture in this country and we received lots of responses from people in the countryside. We did not receive a response from Mr Rumbles, right enough, but he is making his voice audible now, at least. His criticisms of the Scottish Government in respect of the flaws in the CAP policy, in particular on slipper farming, are way off the mark. Members will recall those criticisms from the other day, when we did not hear that it was the Liberal Democrats in the form of Alistair Carmichael who—in a press statement in 2013—praised the common agricultural policy and the slipper farmer payments. He said that it was the best result that Scotland could ever get. There we have it—the same old Liberal Democrats. One thing from one side and one thing from another side—AKA Mr Rumbles.

Stewart Stevenson (Banffshire and Buchan Coast) (SNP): Given the importance of primary and processed food production in my constituency, I welcome the announcements that the cabinet secretary has made about supporting the food industry. What steps can he take—or can he advise what steps the UK Government is contemplating—to protect those industries’ access to labour from other parts of the EU on which they are critically dependent?

Fergus Ewing: That is an extremely serious matter. I have made many visits to farms and great co-ops such as Aberdeen Grain Services, Ringlink Scotland or Grampian Growers and we are reliant—whether for raspberry picking, tattie picking or a range of jobs in the rural community—on people who come from the EU to work here,

who choose to do so, who are welcome here, and who, in many cases, are migrant workers.

As Stewart Stevenson knows from his constituency, in respect of fish processing, we are utterly reliant on the good will of people who are welcome in this country. The announcements emerging from the Conservative conference are of the most right-wing and reactionary variety that I have heard in 17 years in politics. They are quite shocking and quite disgraceful.

Douglas Ross (Highlands and Islands) (Con):

As a former chairman of Lower Speyside Young Farmers in Moray, I noted the announcement of £20,000 for Scotland’s young farmers. That followed the Scottish Government’s decision in January to end the SAYFC annual grant of £66,000 and to reinstate less than half of that following pressure from the sector. Can the cabinet secretary confirm that the money being provided to young farmers now is still less than last year, and will he give a commitment to reinstating the regular grant to young farmers in future years?

Fergus Ewing: I am sorry to disappoint the young farmer, but I reassure him that I was speaking to a group of young farmers this morning. I was able to confirm the very substantial support—

Douglas Ross: Sixty-six thousand pounds.

Fergus Ewing: There we go again. I confirmed the support that the Scottish Government has been delivering this year. I am happy to write to the member with the full details.

Of course, we want to help young farmers and, by helping them, we want them to have access to the single market and to be able to hire people who come from Europe and are happy to do so, and not send them away and say that they are unwelcome in this country.

Colin Smyth (South Scotland) (Lab): I will continue with what I hope is the reasonable line of questioning from Labour. Bearing it in mind that we are now into October, can the cabinet secretary clarify at what date he expects all farmers who are waiting for LFASS payments to have received a loan? How many of the 11,000 farmers who are entitled to an LFASS payment have received a CAP payment? How many of those 11,000 have had their LFASS payment delayed but have received a loan? How many of the 11,000 have received neither a CAP payment, nor a loan?

Fergus Ewing: I am sorry, but I am not quite sure what the member is talking about. Is it solely about LFASS?

Colin Smyth: Yes.

Fergus Ewing: Okay. The number of claims to be paid is estimated at 11,500 and the total due is £66 million; of that, approximately £54 million has been paid. As I said in my statement, we are working very hard to deliver the remaining IT fixes to enable payment processing to begin. Progress has already been made with some elements of the IT fixes in order to deliver the LFASS payments. As I also said in my statement, I believe—I can check this and write to the member if my memory is incorrect—that we plan to make all those payments this autumn. However, we should be mindful of the fact that all those payments are the remaining 20 per cent, because in almost every case those making the claims will have received a loan of around 80 per cent.

I recognise that the situation is not perfect and not satisfactory, but my pledge to those involved is that, by the end of the autumn, we will have completed those payments, if we possibly can. If there is any further difficulty, I will of course, as I always do, report back to Parliament. I am sure that I will not be short of opportunities so to do.

Gail Ross (Caithness, Sutherland and Ross) (SNP): I, too, am an ex-member of the SAYFC, and I welcome the announcement of additional funding for young farmers clubs and hope that those in my constituency will benefit. How will that new initiative work with the established formal routes that are provided by the likes of Scotland's Rural College and the University of the Highlands and Islands?

Fergus Ewing: I was at a workshop this morning with young farmers and the SRUC, and I know that they have good working relationships. We will take that forward with them.

We appreciate very much the support of banks for young entrants. I was struck by the real enthusiasm that people in the banking community, who are very embedded in the rural community in Scotland, showed by going out of their way to provide mentoring for young people, which can be even more important than the provision of finance. They provide the right kind of mentoring and finance. I very much welcome the positive role that is played by the banks and many others in helping those young people.

The Deputy Presiding Officer: We have gone over the 20 minutes, but I can squeeze in Edward Mountain if he is brief.

Edward Mountain (Highlands and Islands) (Con): As instructed, I will be brief. I thank the cabinet secretary for giving me sight of his statement and I declare an interest in that I am part of a farming partnership.

Last week, the director general economy said that the problems with the CAP payments were no one's fault and that it was just optimism bias on

behalf of the Government. I am not sure what that means, but I want to ask the minister a simple question. Without any optimism bias, when will the final 20 per cent of the 2016-17 payment, worth about £60 million to £80 million, be paid to farmers? What I would like, minister, is an equally quick answer: the month and the year, please.

Fergus Ewing: If I heard the member correctly, he is referring to 2016-17, not 2015.

Edward Mountain: It is 2016-17.

Fergus Ewing: Well, 2016-17 is next year, and I have already covered that in the statement that I made to Parliament before. However, I think that there is an element of confusion in the question, so I will be happy to write to the member, if he so wishes.

The Deputy Presiding Officer: That ends the statement and questions on supporting farming and food production in Scotland.

Employment Services (Devolution)

The Deputy Presiding Officer (Linda Fabiani): The next item of business is a debate on motion S5M-01793, in the name of Jamie Hepburn, on devolution of employment services. I call Jamie Hepburn to speak to and move the motion. [*Interruption.*] Can I stop you, Mr Hepburn? There seems to be something wrong with your microphone. Is your card in upside down?

15:15

The Minister for Employability and Training (Jamie Hepburn): I would never make such a mistake, Presiding Officer, but yes—it was. [*Laughter.*]

I welcome this opportunity to tell Parliament how I propose to deliver on one of the first of the powers to be devolved under the Scotland Act 2016—the power for Scottish ministers to deliver employability support to help disabled people and those at risk of long-term unemployment to seek, obtain and retain employment.

The Parliament first debated those new powers in April 2015, which marked the start of a process of engagement on the services that we want in Scotland. We have taken a consultative and collaborative approach to policy and programme development in order to listen to views and assess policy options. We have engaged with openness and determination with the United Kingdom Department for Work and Pensions and Jobcentre Plus and we have made significant progress as a result. I am pleased to say that we are now coming to the significant point where we move from designing services to delivering them. Importantly, the Government intends to deliver new powers for Scotland in the interests of the people of Scotland, with dignity and respect being central to our thinking.

Today, I want to set out the way forward for the smooth and seamless delivery of new devolved services and how those services will support people into employment. I will also set out where we will use powers differently in Scotland, including how our devolved employment programme will interact with the systems of conditionality and sanctions that remain reserved to Westminster.

Today is also an opportunity for members to set out their views on these matters. I look forward to the debate. To be clear at the outset—it is always useful to have clarity at the outset—we will not support the Conservative amendment, but we will support the Labour amendment. Had the Green

amendment been selected, we would also happily have supported it.

We have a significant and unique opportunity to deliver employment support in Scotland, and I intend to take that opportunity to deliver employment support services that will reflect fair work and social and economic inclusion; put an emphasis on partnership delivery, building on our strengths in both the public and private sectors and in local authority, third sector and specialist delivery; treat service users with respect; and take people with us, encouraging and supporting people into work rather than cajoling them, regardless of their individual circumstances.

It is fair to say that delivering on the new powers is not without its challenges. There are limitations to the powers that are being devolved by the UK Government. Devolution is limited to powers to replace the existing contracted services that are delivered by the DWP in the work programme for long-term unemployed people and work choice, which is a voluntary disability employment service.

The Devolution (Further Powers) Committee in the previous session of Parliament shared our disappointment that the degree of devolution does not deliver on the Smith commission's recommendation. Only a week after the publication of the Smith commission agreement, the UK Government, despite our strong case for a swift transfer of powers, announced that, rather than devolve services on the expiry of its existing commercial arrangements in March 2016—as had been agreed—it would extend the contracts to March 2017.

In the 2015 autumn budget statement, the then UK chancellor announced the replacement of the current programmes with a new work and health programme in England and Wales. That programme is still undefined, meaning that disabled people and those who are long-term unemployed in England and Wales still do not know what support services they will have. Members can be assured that we are determined to give people in Scotland certainty about the future support that our programme will offer.

By far the biggest impact of the UK spending review has been the massive funding cuts for those services. We estimate that expenditure on current DWP programmes in Scotland this year will total around £53 million. In December 2015, the DWP indicated a budget for the delivery of new devolved programmes in 2017-18 of just £7 million. That represents a budget cut of almost 90 per cent. As I think Parliament and the people of Scotland would expect the Scottish Government to do, we have argued that that cut is unacceptable. It was made with no prior consultation after we had started the consultation on our services and it significantly undermined our plans.

The shifting policy and financial landscape imposed by the UK Government has therefore been a challenge. However, we are meeting that challenge head on, and we are on track to deliver our programme for government commitment to deliver devolved employability support services in Scotland from April 2017. We have a clear sense of the services that we should aim to deliver that is informed by the engagement we have undertaken. Building on that engagement, we will continue to listen to those who rely on the services so that we can use their experience in developing our services.

Just this morning, I met a group of unemployed single parents in Edinburgh with One Parent Families Scotland, and I heard how important it is that support for people to gain employment can adapt to meet the needs of the individual and be flexible enough to recognise childcare needs, working patterns and travel to work issues.

We are also responding to the challenge posed by the reduction in funding. Scottish ministers have agreed to provide up to £20 million in additional funding above the reduced settlement from the UK Government to replace the work choice and work programme schemes. That triples the funding that is being made available to exercise the new devolved employability powers from 1 April 2017. We have made a further commitment for subsequent years up to 2021 to invest £20 million a year over and above the UK Government's settlement to ensure that those who most need support can get it.

Our investment means that we can create a strong platform for delivering future services from 1 April 2017 and in subsequent years. It means that we will continue to support the most vulnerable unemployed people in Scotland, including those who have a disability. Our aim is to have employment support in Scotland that meets the needs of people who need support and the needs of employers, that reflects the current delivery landscape, and that helps to deliver sustainable employment and economic growth.

To start to deliver that, I announced, on 8 September, a two-part approach to services from April 2017. In work first Scotland, Scottish ministers will agree a one-year contract with the current providers of work choice in Scotland. The service will deliver employment support and advice for up to 3,300 people who have disabilities, with a tailored approach to meet individual needs, including pre-work and in-work support. The procurement process is already under way, and I expect contracts to be signed next month.

In work able Scotland, Skills Development Scotland will deliver a one-year transitional employability service for clients who have a

disability or health condition, are at risk of long-term unemployment and want to enter work. The service will provide a combination of advice, support and coaching. The schemes will ensure continuity in 2017 of effective and accessible support for those who need it most. That means we are building on existing assets and delivery strengths, both in the Scottish Government and in Skills Development Scotland.

Crucially however, the transitional year will also give us the space to define the service that we want to put in place from April 2018. That is why engagement with those such as One Parent Families Scotland who are interested in the services that we will take forward will continue to be important. Members' views on the matters that I am expressing today will, of course, be useful.

Pauline McNeill (Glasgow) (Lab): Perhaps the minister is going to cover this, but I want to make sure that he does. I have been following the exchanges between the minister and Angela Constance and the UK Government about the intention to make the services voluntary rather than mandatory. I would whole-heartedly support that. I want to be clear that the Scottish Government and the UK Government have agreed on that.

Jamie Hepburn: Ms McNeill will not be disappointed, as I will come on to that point. Our motion clearly indicates the direction of travel in which we want to take things and I do not think it is too different from where she hopes they will go.

As part of delivering our employment programme, we are taking forward a wider and longer-term agenda of integration and alignment of services. We are working to align and join up services, to redefine the current complex delivery landscape, and to set out where policies could better align and where roles and responsibilities could be clearer across Scottish Government policies and programmes and across local authority and third sector provision.

To be clear, the process will not be complete by April 2017, or indeed by April 2018, but it is one that we must begin if we are to ensure maximum benefit for those whom we need to support.

We are also working to align, where we can, with Jobcentre Plus. The Scottish Government has long argued for Scotland to have full powers over employability policy, programmes and delivery, including in relation to the operation of Jobcentre Plus. There are still strong and compelling arguments for that, not least as part of the process of better alignment of services that I have just mentioned, as it would give us a more coherent set of powers to develop the links between Jobcentre Plus and devolved services, as well as the ability to change the culture, focus and

approach of Jobcentre Plus. However, the current political reality is that Jobcentre Plus will remain reserved, and it will be a critical conduit for people to pass through into devolved employability services.

The Scottish ministers, and indeed the Parliament and much of Scottish civic society, have long been critical of the UK Government's approach to mandating—in effect, forcing—people to take part in work programmes without always considering other issues that affect their lives, which has led to too many people being sanctioned.

Sanctions often affect the most vulnerable in society, including lone parents, young people and those with a disability. People who face sanctions are often unable to comply with the conditions that they are requested to comply with for a range of complex reasons, including many practical and personal barriers. Even with the devolution of the new area of responsibility that we are debating today, the UK Government will remain responsible for decisions over claimant conditions in its social security system and any penalties that are imposed if those conditions are not met.

The sanctions regime that is in operation remains the policy and responsibility of the UK Government, but it is not the policy of the Scottish Government. Existing Scottish programmes to support people on the pathway to employment are voluntary, and they give people the opportunity to participate in activities to support them into work. To come to Pauline McNeill's point, I believe that we should continue to operate a voluntary approach with our devolved employment programme, in which the DWP's conditionality requirement, and therefore its sanctions, will not apply.

In December 2015, the then Secretary of State for Work and Pensions indicated that the extent of conditionality in our devolved employment programme was for us to determine. I therefore wrote to the current Secretary of State for Work and Pensions to seek confirmation that, while Jobcentre Plus will clearly have a central role in referring its clients into our employment programme, the Department for Work and Pensions should not require that it does so on a mandatory basis or that Jobcentre Plus clients must take part in our employment programme to continue to receive social security support.

The Secretary of State for Work and Pensions has replied to my letter and has set out a commitment for us to work together on the approach that I want to take forward. He has reiterated, too, that the conditions in our devolved programmes are for the Scottish ministers to determine. However, let me be clear. I have decided that I do not want our enabling, person-

centred approach to be undermined by participation under threat of DWP sanction, and my clear expectation is that the DWP will respect that perspective and our way forward. On that basis, I have today again written to the Secretary of State for Work and Pensions, and I will continue to pursue the matter with him when we meet next week.

I believe that the programmes that we will take forward will work better if they are voluntary. I believe that our programmes will work better if we bring people with us. I believe that services will work better if they are designed around people's needs. I believe that our programmes will work better if they are seen as an opportunity, not a threat, but I do not believe that that will happen if we enforce mandatory participation in devolved programmes.

We will maintain our good progress to deliver services in 2017, and contracts will be in place before the end of this year. Next year, I will announce to Parliament further details of progress on our 2018 service.

The Scottish Government will deliver devolved employment programmes that support people into work and help them to tackle the barriers to employment that they face. We will do that with fairness, dignity and respect at the forefront of our minds and at the heart of our services. I urge Parliament to endorse that approach this evening.

I move,

That the Parliament welcomes the devolution of employment support programmes under the Scotland Act 2016, with a transitional year of operation from April 2017 and a longer-term programme from 2018 that will reflect fair work and social and economic inclusion, ensure that people are at the heart of a service that treats people with fairness and respect and which will help deliver an inclusive, socially-just, equal and prosperous Scotland; regrets the funding reductions by the UK Government for these employability support services of almost 90% in the first year of devolved services in 2017-18, but notes that the Scottish Government is providing additional resources to ensure continuity of employment support for the most vulnerable in Scottish society, including disabled people, and welcomes voluntary access to Scottish devolved services that will support people into work, as opposed to mandatory participation and the threat of benefit sanctions by the Department for Work and Pensions.

15:29

Adam Tomkins (Glasgow) (Con): I welcome the devolution of employment support services; they will add valuably to the Scottish Government's already considerable powers to shape and improve the labour market. There is much in the Government's motion—indeed, there is much in the Government's approach—that we support and agree with. We agree that employment support services should

“reflect fair work and social and economic inclusion”

and

“ensure that people are at the heart”

of the service provided, and that the service should treat

“people with fairness and respect”.

We agree with all of that.

Our amendment seeks to do three things. First, it recognises that

“For those who can, work represents the best route out of poverty”.

Those are not my words; they are the words of the Joseph Rowntree Foundation, which has been at the forefront of research into social policy in Britain for decades.

Helping people move from welfare into work has been the main driver behind the welfare reforms programmes that the Conservatives have undertaken since we came to office in the United Kingdom in 2010, and they are working.

Ben Macpherson (Edinburgh Northern and Leith) (SNP): Will the member take an intervention?

The Minister for Social Security (Jeane Freeman): Will the member take an intervention?

Adam Tomkins: I will make a little progress, and then I will give way to Mr Macpherson.

Through the work programme, more than half a million jobseekers have found work lasting six months or longer; long-term unemployment has fallen to its lowest level since 2009; the number of people claiming unemployment benefits has fallen to its lowest level since 1975; and there are 31.7 million people in work in the United Kingdom—up by more than 2.7 million since 2010. In Scotland, the work programme has helped more than 47,000 Scots back to work.

In his speech, the minister was right to recognise that this is about not just jobs but job security and the quality of jobs. Here too, there is good news—not that one would necessarily know that from what the minister has just said. In the year to August, almost two thirds of the rise in employment came from full-time work. Since 2010, 95 per cent of growth in employment in the UK has come from permanent employees or people working for themselves. An innovative design feature of the work programme is the way in which it incentivises sustained job outcomes. It is not just getting people into work but keeping them in work that matters. Recognising and welcoming those facts—inexplicably overlooked in the Government’s motion—is the second function of our amendment.

Ben Macpherson: For the sake of clarity, completeness and accuracy, does Mr Tomkins acknowledge that the Joseph Rowntree Foundation’s report is also highly critical of zero-hours contracts and insecure work, for example—measures that are controlled at the Westminster level? Does he acknowledge that the report also strongly encourages the payment of the real living wage—the voluntary living wage—which the Scottish Government promotes at every opportunity?

Adam Tomkins: On zero-hours contracts, I have just said that 95 per cent of the jobs growth in the United Kingdom since 2010 has been in full-time employment or in self-employment. It was the Conservative-Liberal Democrat coalition Government in 2013, I think, that legislated to ban the most exploitive zero-hour contracts across the United Kingdom.

There are also more disabled people in work today: in the past two years, 360,000 people with a disability have found work who were not previously in employment. In the UK there are now 3.4 million people with a disability in work. That is unambiguously good news. On that front, however, we recognise that there is still more to do. The disability employment gap has reduced in recent years—that is to be welcomed—but it remains far too big. Therefore, it is Scottish Conservative policy to halve it. If the SNP would join us in making that happen, it would have our full support. Perhaps the minister could say something about that in his winding-up speech.

Jeane Freeman: Will the member take an intervention?

Adam Tomkins: Not at the moment.

Thirdly, our amendment calls on the Scottish Government to use its powers to address what can only be described as the dismal fact that Scotland has the lowest employment growth rate anywhere in the United Kingdom. It is lower than in the north-east of England, the north-west of England, Wales and Northern Ireland. London has an employment growth rate that is some five times greater than Scotland’s; the east Midlands has an employment growth rate that is twice Scotland’s. Why?

Jamie Hepburn: Will the member give way?

Adam Tomkins: Let me finish the point, and then I will give way to the minister.

Why is job creation so much worse in the SNP’s Scotland than it is anywhere else in the UK? Does it have anything to do with the chronic skills shortages in the Scottish economy? Those skills shortages are made so much worse by the SNP’s slashing of 152,000 college places and by the fact that Skills Development Scotland has had its

budget cut by more than £25 million, or 13 per cent, since 2011.

Gillian Martin (Aberdeenshire East) (SNP): Will the member give way?

Adam Tomkins: I have already said that I will give way to the minister in a minute.

Those skills shortages are hardly helped by the low number of apprenticeships in the Scottish economy. In England, there are nearly twice as many apprenticeships per head of population as there are in the SNP's Scotland. If the minister would like to respond to any of those points, I will happily give way to him.

Jamie Hepburn: That is very interesting because what is sauce for the goose is sauce for the gander. Professor Tomkins suggested that there was a degree of omission from our motion, but there was a degree of omission from some of the labour market statistics that he quoted. Perhaps he could reflect on the fact that, according to the latest labour market statistics, the unemployment rate in Scotland is somewhat lower than the rate in the UK. Scotland's unemployment rate is 4.7 per cent in comparison with the UK rate of 4.9 per cent. In addition, we outperform the UK on youth employment, unemployment and inactivity, and productivity in Scotland is rising higher than in the UK as a whole.

Adam Tomkins: Indeed—I am coming to that.

What did we hear from the minister today about the Scottish Government's plans to address any of those problems of skills shortages and apprenticeships? Nothing. What did we hear about why the inactivity rate is higher in Scotland than it is in the rest of the UK; why the employment rate is lower in Scotland than it is in the rest of the UK; or why the employment rate is lower in Scotland now than it was in 2007, while it is higher in the rest of the UK than it was in 2007 and is getting worse in Scotland but getting better in the rest of the UK? What did we hear about any of that? Nothing.

Instead, we heard more nationalist moaning about British Government policy. We heard not about the success of the work programme but about its budget. The truth is that the work programme has worked. Unemployment has fallen by 30 per cent and long-term unemployment has fallen by 35 per cent. The employment rate in the United Kingdom has gone up. The number of British jobs has gone up. The number of full-time jobs has gone up. The number of women in employment has gone up. The number of disabled people in employment in Britain has gone up. The work programme has played its role in helping with that.

The all-party House of Commons Work and Pensions Committee—which is chaired by a Labour MP, I note—concluded in a report that was published at the end of last year that the work programme has

“streamlined the procurement of welfare-to-work ... created a stable, GB-wide welfare-to-work infrastructure”

and produced good job outcomes

“for a greatly reduced cost”

to the taxpayer—indeed, for about half the cost of the programmes that it replaced.

Instead of bleating, why does the minister not reflect for a moment on whether the programmes that the Scottish Government runs deliver for the taxpayer anything like the value for money that the work programme has delivered?

Only about 10 per cent of public spend in Scotland on employment support, skills and apprenticeships is spent by the DWP; the vast majority of expenditure is undertaken by bodies that are already devolved, such as Scottish Enterprise and Skills Development Scotland. Do they achieve the results that have been secured by the DWP's work programme? Do they achieve the same job outcomes and the same value for money?

This afternoon's debate is an opportunity for the Parliament to discuss all these matters. It is an opportunity that we on this side of the chamber welcome, for there are pressing questions demanding urgent answers from Scottish ministers, and I have raised a number of them in my speech.

As I said at the beginning of my speech, I welcome the devolution of employment support services. I recognise that the labour market of 2017 and beyond requires different priorities from those that we needed in the immediate aftermath of Labour's recession in 2010. However, I say to the minister that in designing the new devolved programmes, he must not throw the baby out with the bath water. He should take what is best about the work programme and work choice and build on them, not jettison what is proven to have worked well. He should keep the contracted-out model; keep the system free from overprescriptive interventions from ministers and let the professionals get on with it; and keep a system of differential payments and avoid the temptation to think that one size fits all. Most important, he should keep incentivising sustained job outcomes and high-quality job outcomes.

I move amendment S5M-01793.1, to leave out from “regrets” to end and insert:

“recognises that, for those who can, the best route out of poverty is work, and that one of the principal functions of social security is to smooth the journey from welfare to

work; understands that the UK Government's Work Programme has assisted more than 47,000 people in Scotland into the workplace and that there are now 2.7 million more people in work in the UK than there were in 2010, and calls on the Scottish Government to exercise its powers under the devolution of employment support programmes to address the dismal fact that Scotland has the lowest employment growth rate of any nation or region of the UK."

15:39

Pauline McNeill (Glasgow) (Lab): In moving my amendment, I join the Scottish Government and all those party to the Smith agreement in welcoming the devolution of work support programmes for the long-term unemployed and other groups who find it difficult to get into work.

I agree with one aspect of Adam Tomkins amendment, which is that the best route out of poverty is work. However, like Ben Macpherson, I would say that it is the type of work that matters.

Programmes for the long-term unemployed should be designed to upskill people, in the recognition that the vast majority of people on benefits do not want to rely on them. It is clear, however, that the UK's current work programme is failing too many people who need real and genuine support to find work and to obtain modern-day skills in order to get suitable well-paid work. In 2014, DWP statistics showed that work programme contractors had been responsible for twice as many sanctions as job outcomes for the people who were referred to them. That is just plain ridiculous.

According to the Scottish Council for Voluntary Organisations, the system is

"A cluttered and inflexible landscape of provision"

that is

"inadaptable to the individual needs of people".

The figures for those progressing from low skills to high skills are ridiculously low—it is about not just employment but upskilling. Something is very wrong.

The task is indeed a great one in today's world. The Tinder Foundation has said that 90 per cent of all new jobs require digital skills and two thirds of employers say that they would not employ anyone without basic computer skills. Interestingly, a staggering 800,000 people in Scotland still do not have access to the internet, and we must remember that.

The task for any Government is challenging, but, for many, the critique of our service is far worse. Many see the work programme as a damaging and cruel system that forces destitution on those who are reported for failing to comply

with the strict—and sometimes impossible—conditions that are set.

The charity Mind has said that the work programme is "fundamentally flawed" and is

"causing a huge amount of distress without achieving results".

Mind's research says that the programme is having a negative impact on people with mental health problems and it reports that the programme is actually making those people less able to work.

Adam Tomkins: If those things are true, why does the member think that a Labour-chaired, all-party House of Commons committee failed to record any such criticisms in its report on the work programme last year?

Pauline McNeill: Is the member saying that Mind is making up those statistics? I will go on to talk about lone parents—will he say that those figures are also made up? I will let him come back on that when I get to that point.

It seems that the problem is a matter of design. There has been a dramatic increase in appeals through tribunals and the overwhelming number of those appeals are upheld. What more evidence do we need?

There are groups who fare worse than most when it comes to sanctions and lack of support. One of those groups is lone parent families. Full conditionality with the most serious sanctions will apply to parents who claim jobseekers allowance when their child is five years old. More limited sanctions will be imposed on parents with children as young as one year old. According to One Parent Families Scotland, the regime is intensifying. With the roll-out of universal credit, single-parent families with children as young as three will soon be subject to the same conditions.

Recent studies on conditionality by a number of UK universities have highlighted that being late or missing an appointment for whatever reason can lead to sanctions, creating desperately poor situations for many people. It was reported that, in one case, a man was sanctioned even though he told the job centre that he had a hospital appointment.

Sanctions can be applied for any number of reasons, including because a claimant does not want to apply for a job for which they think that their skills are inappropriate. A friend of mine whose car broke down on the way to an appointment about his self-employment was sanctioned for six weeks for failing to turn up on time.

I suggest that there is something very wrong with the system that we have come to know. As has been mentioned, it can take people months to

get through an appeal system, and many claimants simply give up because it is too difficult for them to navigate.

People are often shocked at the reasons why they are sanctioned. I have heard many stories of people who were not aware that a sanction was going to be imposed on them. The wide use of the work programme service, which is run by private contractors, sometimes leads to unachievable job searches and onerous conditions. That is far from a dignified approach, when people are at the lowest point in their lives.

We in the Labour Party believe that the cruel and ineffective sanctions regime should not be the basis of the approach in Scotland. Of course, that is largely a matter for the UK Government. However, as the minister said, we have a chance to create a completely new Scottish service with the devolved powers.

In relation to our Labour Party amendment, I believe that most if not all the parties in the Parliament agree that we should have a new accord of dignity and respect for all those who need that support in their daily lives. As the SCVO described in its briefing for the debate, the new Scottish employability service could adopt a human rights-based approach to helping people into work.

We support the Scottish Government in creating a non-mandatory scheme, provided that that is clearly within our powers. We believe that outcomes will be better if people opt in to the schemes. On the exchange that I had with the minister, I want to be clear that, although we support the approach that the Government is taking, we do not want that to result in an unnecessary fight between the Scottish and UK Governments. I ask to be kept apprised of the on-going discussions.

Jamie Hepburn: Will the member give way?

The Deputy Presiding Officer: You will have to address the issue in your closing remarks, minister. Will you wind up, please, Ms McNeill?

Pauline McNeill: Yes, I will.

From 2018, we will have full responsibility for employment programmes. The transition period must not result in any detriment to existing users and we must ensure that we create a fairer and more dignified Scottish system when the powers come in 2018.

I move amendment S5M-01793.3, to insert at end:

“, believes that those who want to work but need extra support are given it and that support should be based on the principles of dignity and respect, not cuts and punitive sanctions; recognises that further action is needed in order to significantly reduce involuntary unemployment and move

towards full employment, and calls on the Scottish Government to be bold and innovative in designing Scotland's future employment services, including a review of the punitive and discredited content and delivery of assessments, as well as identifying the needs of local economies and the ability to tailor employment programmes to suit them.”

The Deputy Presiding Officer: We move to the open debate. We are really pushed for time, so we will have to be quite strict about speeches taking no more than six minutes.

15:46

Sandra White (Glasgow Kelvin) (SNP): I thank the minister for his comments, particularly his reiteration that people are to be treated with dignity and fairness in the delivery of employment services, which are to be devolved. It is not as much as we would like, particularly for those of us in the Scottish National Party, but they are to be devolved and we have to work with what we have.

I welcome the intention to have voluntary access to the services that support people into work. The threat of mandatory participation and sanctions by the DWP not only affects the most vulnerable in our society but in many cases is allegedly killing them. I will come back to that later.

I thank Pauline McNeill for her contribution, in which she recognised the principles of dignity and respect, as mentioned in the Labour amendment.

The minister mentioned the Tory UK Government's decision to cut moneys for employment support by 87 per cent, from £53 million to £7 million. In the words of Martin Sime, the chief executive of the SCVO, that move,

“As well as flying in the face of the Smith agreement ... is a clear breach of the no detriment principle”.

We have to remember that. I welcome the additional moneys from the Scottish Government to ensure the continuity of employment support.

Many people are affected by sanctions and conditionality. As I said, I want to return to the issues of people who are particularly affected. I will mention one parent families, young people and those with mental health issues. As Pauline McNeill mentioned, one parent families have a very difficult time. The parents have extra responsibilities that others do not necessarily have. They have to juggle childcare and in many cases, particularly with women, they care for elderly relatives. As the minister mentioned, it is important that we in the Parliament and the Scottish Government take a holistic approach and do not just look at various isolated instances.

For a single parent, it is very difficult to get their kids to school or to cope during school holidays. If they have childcare responsibilities, they cannot always match the hours that they are supposed to

work with their responsibilities. If someone happens to miss an appointment, they will be sanctioned. I thank One Parent Families Scotland for giving us information on that. In one particular case, a lady tried her very best to get to work but, because of her caring responsibilities and responsibilities for young children, she ended up being sanctioned and losing her benefits. Eventually, she nearly lost her home, because she could not afford to pay her rent.

That is what is happening now. We can take on board what Adam Tomkins says, but the Westminster Tory Government—he is part of that Government's party—is responsible for sanctioning people, which puts the most vulnerable people's lives at risk and makes those people live in absolute misery.

Young people have particular issues. They sometimes have frantic lifestyles, they might come from broken homes and their parents sometimes do not give them advice. We have to look at those issues and ensure that young kids are treated with dignity when they come out of care or school and into the jobs market.

It is all right for Adam Tomkins to talk about getting people into work, and I know that Pauline McNeill will agree with that part of the motion. We all agree that the best way for people, even people with mental health problems, to get out of poverty is to get into work—but that should not be at any cost. People should not be pushed into work simply because the ideology of the Tory party at Westminster is that people must go to work, even if they have a serious illness.

Such an illness might not be that apparent, which is why I will come on to people with mental health problems. I visited the Scottish Association for Mental Health in Flourish House in my constituency, as I am sure other members have. I have spoken to people and heard how difficult it is for them to put themselves forward for an assessment. If they do not do that, they are sanctioned. If they forget what day their assessment is, they are sanctioned. If someone has a mental health problem, we will not be able to see a bone protruding, but they still have a problem. They may be well if they are taking their medication on the day that they go to their assessment, but when they come out of it and are told that they have been sanctioned, they will be away back down again.

I mentioned that people commit suicide—MSPs will have had letters about that. A chap in my constituency did not turn up and letters were sent to his door. The only reason that that man was found was that his door was broken down because he had not paid his rent. The man was dead. He had taken his own life, and a letter that said he had been sanctioned was found there.

That is what we are facing. I am not accusing anyone in particular, but we need to recognise that people have particular problems at times and we should be looking at them with dignity and respect. I welcome the Government's approach to that.

15:52

Annie Wells (Glasgow) (Con): In addition to providing financial security for individuals, there are economic, social and moral arguments that, for those who are able to, work is the most effective way to improve the wellbeing of individuals, their families and their communities. As of April next year, employment services will be devolved to Scotland under the Scotland Act 2016. The Scottish Conservatives have asked that, rather than start from scratch, we look at what works in the UK system and adapt it to meet Scotland's needs.

Jamie Hepburn: Surely—

The Deputy Presiding Officer (Christine Grahame): Minister—if I can just get to my seat. [*Laughter.*]

Jamie Hepburn: That is a turn up for the books. It is usually the other way round, Presiding Officer.

Ms Wells will surely welcome the fact that for the transition in 2017, we are contracting the current providers of the work choice programme to deliver our new service.

Annie Wells: I welcome that, and I will come to it later.

We will have a transitional year from 2017 and a longer-term employability service from April 2018 onwards. Undoubtedly, accusations today will focus on the employment services of the past and a re-examination of all that is wrong with the system. I acknowledge some of the flaws—the assessment of those with long-term illnesses, for example—which is why I was pleased to see that this weekend the new work and pensions minister, Damian Green, said that those with long-term illnesses will stop having to have their benefits reassessed. That will benefit tens of thousands of claimants.

However, repeated criticism moves us away from the purpose of today's debate. I want to know from the Scottish Government how its proposed services will give the best support to those who face the greatest barriers to employment and whether it looks to carry forward any elements of the current work programme that are shown to be working. As has already been said, we understand that it will look at that.

Christina McKelvie (Hamilton, Larkhall and Stonehouse) (SNP): Will the member take an intervention?

Annie Wells: Not at the moment. Let me move on.

Let us look at the positives of the UK work programme and work choice, and more generally at the benefits of working with existing local—often voluntary—services to create broader systems that meet diverse needs.

Between 2011 and 2015 the work programme helped nearly 50,000 people in Scotland back into work, and in the wider UK long-term unemployment has fallen to 480,000—its lowest level since 2009. The elements of support provided vary, typically involving regular contact with an adviser, an assessment of the employment needs of the user, IT training and support and help with finding suitable jobs and preparing for interviews.

However, I was concerned to read that there are approximately 402,000 young Scots aged between 16 and 24 who are not in education, employment or training. [*Annie Wells has corrected this contribution. See end of report.*] Many of them—as Action for Children Scotland points out—are from disadvantaged backgrounds and require extra support to find and sustain employment; that is certainly something to be gained from working with the voluntary sector.

It is great to see examples: there is not only Action for Children, which runs its own Youthbuild service, but companies such as Asda, which in collaboration with The Prince's Trust has created its own get into retail scheme. Stores in Linwood, Govan, Bishopbriggs and Robroyston offered 17 unemployed young people the chance to gain work experience, accredited skills and training in a four-week training programme. Crucially, all 17 of the graduates on their most recent programme have been offered permanent contracts.

When I worked in retail, I was once the champion for Marks and Spencer's marks and starts scheme, a four-week programme designed to help people with health conditions or disabilities, young people, single parents and people who are homeless or at risk of becoming homeless.

I also want to highlight the success of work choice, a programme that supports jobseekers who have a disability by providing a wider and more intensive range of support to help them remain economically independent. Since it was introduced, there have been nearly 12,000 referrals to work choice in Scotland—it is a voluntary scheme—leading to over 9,500 starts and nearly 4,500 job outcomes. It is currently run by the Shaw Trust and Momentum Scotland, and success stories include those such as HMP Low Moss, where the Shaw Trust has delivered a successful pilot project helping prisoners with health problems and disabilities to move into work

upon release. As a result of the pilot, 100 per cent of participants have moved into employment.

I am pleased to see that the Scottish Government has recognised the worth of the programme, setting up its own work first Scotland and work able Scotland schemes as part of a one-year contract between the Scottish ministers and the current third sector providers of work choice in Scotland.

Ultimately, as has been mentioned before, I believe that getting people into work is the best way to help them out of poverty. People want to work; we know that—we have seen it. We have heard the references to the Joseph Rowntree Foundation report. I want to see the process of creating and administering employment services in Scotland being done in a positive and can-do way.

15:58

Alison Johnstone (Lothian) (Green): Although some of the parties—mine included—that are represented in the chamber were disappointed with the overall package of powers that have been, or are being, devolved by the new Scotland Act 2016, some individual powers can be used in creative and radical ways, perhaps even in ways that were not anticipated by the UK Government when it devolved them. Devolution of employment services is a very good example of that; we will have to be creative, given the massive cut that Westminster has passed on.

The current model of employment support that is used by the Westminster Government is a narrow one. Evaluations of the current work programme show that participants are often forced into jobs as soon as possible, regardless of whether the job will provide them with appropriately paid and sustainable employment that allows them to progress in the labour market. It risks trapping people in low-wage, low-status employment, as a number of studies have demonstrated.

The support that is offered by UK programmes is often generic in nature. Although help with writing CVs and applying for jobs can be very beneficial for some programme participants, people who experience multiple and complex barriers to employment often need individualised packages of support that bring in physical and mental health services, social services and training.

UK Governments have tested such integrated packages of support, but they were not included in the work programme. The condition management programme, for example, which helped people to manage their health conditions, was lost in the switch-over to the work programme in 2011. The assumption was that market competition would

drive private sector providers to offer such support, but that has not been the case. The DWP's own survey of work programme participants found that over 70 per cent of those who were on the programme and had a health condition were not offered health-related support to help them to find work. Therefore, I very much welcome the work first Scotland and work able Scotland programmes, which will assist about 5,000 people with disabilities and health conditions into employment in the interim year 2017-18. The fact that the Government is prioritising those groups that have been left behind by the current schemes is certainly encouraging.

I also hope that the contracting process for the interim and later programmes recognises the experience and skills of smaller third sector and non-profit providers. As Annie Wells pointed out, they often have the expertise to provide specialist support that is needed to help people who are furthest from the labour market. I look forward to their playing a much more central role in Scottish programmes than has been the case with the work programme.

With all relevant services under the control of this Parliament, Scotland has an enormously valuable opportunity to provide co-ordinated and innovative services that support into well-paying and long-lasting employment opportunities people who experience multiple barriers. As One Parent Families Scotland has argued, employment support for parents can be joined up with the newly expanded early years and childcare support, and we can tackle the gender gap by not forcing women into highly gender-segregated and low-paid sectors of our economy. As those of us who attended the Equate Scotland reception last week will know, women are desperately needed in science, technology, engineering and mathematics subjects.

The renewables revolution that we so badly need can be supported by employment schemes that train people to work in green industries. Those are the kinds of opportunities that an imaginative and radical set of employment programmes offers us, so I hope that the Scottish Government is willing to invest time, effort and funds in building such a model of employment support.

I will move on to sanctions. Although I accept that members all across the chamber feel very strongly about the negative impact of benefit sanctions, earlier this year I was proud to stand on the only party manifesto that pledged to use the new powers over employment services to reduce significantly the number of benefit sanctions that are applied in Scotland.

In August, the Scottish Greens launched Scotland against sanctions and the report "Sanction-free Scotland: The case for voluntary

employability programmes". It presents original research that shows that on average 13,000 sanctions a year are applied to the benefits of Scottish claimants. The report also lays out in detail how sanctions could be stopped, should the UK Government refuse to refer to Scottish programmes on a voluntary basis. I am heartened by recent correspondence, and I hope that the willingness to proceed on that basis will continue.

The evidence that the report presents is clear. First, sanctions do not achieve their intended purpose. Their positive impact in helping people into employment is marginal and transitory. Secondly, the positive effects are far outweighed by the way in which they can trap people in low-wage work and by the detrimental impact on welfare recipients' health and wellbeing. If the purpose of sanctions is to help benefit recipients into work by enforcing their participation in employment programmes, they are even more unacceptable when those programmes do not provide a genuine chance for unemployed people to gain work.

Although it is welcome that the performance of the work programme has improved year on year, I suggest to Adam Tomkins that 65 per cent of participants still go through the whole two years of the programme without gaining work—the figure is much higher for people with health conditions and disabilities. The Westminster Government is telling people to take part in activity that is more likely not to help them, and to do so under the threat of having their income taken away from them. That is not at all acceptable, so I welcome the motion, which pledges that all Scottish employability programmes will be voluntary. The Scottish Government has said that it wants to build the programmes on the values of dignity, respect and fairness; making them sanction free is an important start.

The devolution of employment programmes is perhaps not the most high-profile power to be devolved by the Scotland Act 2016, but it is one of the most exciting. I am pleased that the Scottish Greens have played a part in the process by putting forward the idea of sanction-free programmes, and I look forward to continuing to work with the Government and colleagues from across the chamber on the issue.

16:04

Christina McKelvie (Hamilton, Larkhall and Stonehouse) (SNP): I am very proud that the Scottish Government is showing real vision, commitment and determination to link employability and employment better. Particular groups face different challenges and barriers—for example, disability—in seeking employment. However, I am concerned about the less-obvious

groups and individuals who have been left behind by services that do not meet their needs or offer any encouragement to find a suitable job. We have just heard about that from Alison Johnstone.

Scotland can do more; we can do things differently and we can provide effective employment support for physically disabled people, people with special needs, people with additional support needs or mental health issues, young people who are leaving care, and people who have fallen through the care net, for example.

Westminster's current muddled regime is at best chaotic, and at worst is completely failing. A few years ago, the work was given to two private companies—not to the third sector, where it should have gone. The regime will no longer be a brake that holds back Scotland's productivity. We need systems that take a capability approach that recognises that while focusing on an individual's personal employability journey, the individual's wider needs must also be addressed.

We can congratulate ourselves when we talk about the unemployment rate of 5 per cent in Scotland, but the problem is that that group includes a disproportionate number of people who are furthest from the workplace—those who, because of disability or other barriers, need additional support. Threats, sanctions, enforced work schemes and the like do not represent the route to bringing people into work. Those people are often in need of help to build greater self-esteem, to get the confidence and support to learn new skills, and to get the skills and training that maximise their potential.

There are as many reasons for people not being in work as there are individuals. Each individual is unique, but there are things that the Government can do to improve life chances. Now is the time for us to ensure that we have the right structures and systems in place before we embrace the new powers. That is what we are doing today. Those systems need to be person centred, flexible and properly targeted. Young people who are leaving care can face challenges including childhood trauma, difficult family relationships and even having nowhere to live. If a person finds somewhere to live in supported accommodation and finds a part-time job or goes to college or university, their housing benefit is taken from them, so they lose their support system. We in the Scottish Parliament can fix that.

Young single mothers who struggle to manage alone often feel isolated and struggle financially. Many suffer from stress and anxiety, so they feel demoralised and out of control. That, in turn, leads to complete loss of motivation and any real will power.

The conditionality regime hits the most vulnerable people with vicious sanctions. Young single mothers must seek work to claim jobseekers allowance once their youngest child reaches five. The whole regime is based on punishment. If a person turns up five minutes late for a jobcentre interview because their child needed to go to the toilet, they can find themselves with no benefits and sanctioned for a fortnight. I have spoken in the chamber on many occasions about the catastrophic effect of sanctioning. I add to those sad observations that a young mum's not being sanctioned does not mean that the conditionality regime will not bite. The fear of knowing that that might happen is destructive in itself and often leads to depression, stress and anxiety. It can also exacerbate existing health conditions. That is all totally destructive when trying to find a job and better quality of life.

On top of that, the conditionality regime forces many single parents into poor-quality, low-paid and temporary work. Social security rules actively prevent single parents from improving their job prospects through further education, training or volunteering.

That is not, of course, getting it right for every child. Conditionality seems to be designed to create fear, anxiety and stigma rather than any positive reinforcement and encouragement.

Action for Children has told us a real-life story about Alex. Alex is a lone parent who is bringing up three children. After a time claiming JSA, when she felt constantly in fear of being sanctioned, she was transferred to the work programme, where the fear continued. Her work programme provider told her that she was required to job search for 30 hours a week, although her claimant commitment agreement was for 20 hours; that she could be sanctioned if she did not consider working at weekends; that she could not take her children with her to meetings with her work programme provider, and would be sanctioned if she did not arrive; that her oldest child could look after the younger siblings; that she could organise childcare at a summer club for her children, even though no funds were available to pay for that; and that she should speak with Jobcentre Plus to query her activity requirements over the summer. JCP told her that she should speak with the work programme provider about that.

The work programme provider also continually pressured her to apply for jobs that did not fit in with the childcare that she could access. Her support worker commented:

"Work Programme demands and activities left her out of pocket, affecting her confidence, sense of self-worth and in turn had a negative impact on her children during their school holidays—where she as their sole carer was not in a position to hide as much as she may normally be able to from them."

I am sorry, but that is not getting it right for every child or supporting people into work; that is absolute and utter punishment. If we want families to be productive, to be involved in their communities and to get into work that is sustainable, we need to change how we do things and to create a system in Scotland that is fairer and puts dignity and respect at its heart. Every minute of every year that I am in Parliament, and with my every breath, that is what I will fight for.

16:10

Mark Griffin (Central Scotland) (Lab): Parliament will break new ground simply by taking over control of employment support services. Our beginning to take charge of the help that is provided to disabled people is unprecedented, and a social security bill being debated and passed by members here will be historic. “Ground-breaking, unprecedented and historic”—those words will be at the forefront of the message to the public about the changes in the coming months and years.

However, this is a time when politicians must tread carefully with our language, and when we should and must be humbled by the challenge that is ahead of us, because it will be outcomes that matter. We should start the debate by asking ourselves what kind of society we wish for our children and grandchildren, and what support is required to create it.

In this Parliament, a majority of members have campaigned and worked against cuts in mobility support, and politicians of all stripes have fought to build up the work chances of our disabled people. We have a drive that keeps us awake at night wondering how we can better help those who devote their lives to caring for our loved ones.

I am grateful to those who have got us to where we are today, and I think of the battles for recognition that have been waged and won, the prejudices that have been challenged and beaten back, the perceptions that have been changed in our communities and workplaces, and the expectations that have been raised, met and exceeded.

Rightly, expectation is building once again, in the light of the challenges that are still faced by disabled people today—challenges that are being fought against every day by campaigners who will be watching closely to see how we approach the new powers. That expectation is not just for those who will be directly affected by the powers that we will hold, but for the country as a whole. It is expectation not of a system that ties up disabled people in red tape and inflicts punitive sanctions on them, but of a system that preserves people’s independence and provides them with not only a safety net to allow them to survive but a

springboard to enable them to play a full part in society. It is expectation of a system that moves us beyond the idea of social protection into a new dawn of social enhancement, of full social engagement, of participation in education, employment and volunteering and of people being able to care for their kids and simply enjoy and live their lives.

The sentiment behind the Government motion suggests that there is a consensus to be found with the Labour movement. That leaves options for the minister. He can look to those who have overseen the precipitous decline of Government help or to those who seek to raise the bar still further. He can look to those who have marginalised our most vulnerable people or to those who seek to uplift them. He can look to those who restrict support for people who face challenges or to those who seek to enhance it. I appreciate the Government’s support for our amendment, which shows the side to which the minister will look for support and collaboration.

We in the Labour movement have a long-standing belief that when barriers block the path of one, they block the path for us all, and that when one person is left behind, we cannot advance together. If the Government decides to bring about meaningful change and to build a system that enhances the lives of our disabled citizens, that ensures that people who find themselves out of work are treated with compassion, and which reflects the language of fairness and respect that is in today’s motion, the minister will have our support and that of the Labour movement.

The future of employment support in this country requires us to work together—not with our eyes clouded with political grievance but with our focus firmly fixed on the expectation of a nation. Going back to Pauline McNeill’s point, I am seeking not to cause artificial fights between Governments but to find meaningful solutions to the problem. At this point, I am happy to take the intervention that the minister might have been seeking to make on Pauline McNeill on this issue.

The Deputy Presiding Officer (Christine Grahame): I am sorry, but you are in your last minute.

Mark Griffin: Perhaps in his summing up the minister will tell us about the progress that has been made between the Governments in discussions on sanctions.

There are times in this country when we go about our own business, enjoying the opportunities with which we have been blessed. Sometimes we campaign on a political basis, and sometimes we campaign together on issues that we hold close to our hearts. However, there are other times when we need to come together,

inspired by the dignity of the individual—the people whose individual circumstances have been identified by many members this afternoon. There are days when we have to unite and help to build and shape a shared future to improve the lives of the many people whom members have talked about. Today is one of those days.

Thank you very much, Presiding Officer.

The Deputy Presiding Officer: Thank you. My hand signals eventually had some effect.

16:17

John Mason (Glasgow Shettleston) (SNP): I very much welcome the opportunity to speak today. It is great to see the devolution of some of the benefits system, even if many of us would like more of it to be devolved.

I will focus on three main topics, the first of which is attitude—by which I mean the whole attitude of any employment service that we have and, following on from that, the treatment of applicants. Mark Griffin mentioned compassion, but we could use many other words. I accept that any system needs rules and regulations that have to be adhered to and that someone has to pass on unpopular decisions. I should stress that many individuals in the DWP are working hard and well and are doing a great job.

However, it is not acceptable for people who apply for a benefit to be treated like a piece of dirt. Too often, that is how many decent people feel. Any of us might need to apply for a benefit as a result of falling on hard times through, say, ill health or losing our job, in the same way as any of us might need a passport, dental treatment or some other public service. In all those cases, we should remember that we are talking about a public service.

Of course, all public services can be abused—some library users might be there to vandalise the books—but we assume that the vast majority of people are there for good reasons. Some patients might deliberately waste a doctor's time, but again we have to assume that the majority really need medical help. In the same way, we can and should assume that the majority of those who look to claim benefits do so for genuine reasons. This is a public service and it is there to serve the public. I expect the same level of service, respect and helpfulness when using an employment service as I expect when I go into, say, Slaters to buy a suit.

That point ties in with the briefings from Barnardo's, which talks about "a more individualised programme", and from Action for Children, which emphasises the needs of disadvantaged young people and says that it wants employability support services

"which are young person focussed, flexible, and inclusive of different approaches."

That is the point. We cannot have one size fits all any more than we can have one book that fits all in our library service.

My final point on attitude is that it need not cost any money. We should be able to provide the same services for the same cost, but in a better way.

On conditionality, I accept that some benefits may be subject to conditions, but I argue that every person in this land has a right to a certain basic income. Further down the line, I would like us to look at a citizens income or a universal basic income, which would be guaranteed to every citizen and would have no conditionality at all. However, I accept that that is more of a medium-term objective.

In the short term, we can still look at conditionality. There is a moral side to the argument. The worst people in our society are in prison, yet they are guaranteed food, shelter and warmth. Why are decent people who are disabled or who have lost their job not also guaranteed that minimum? When sanctions are imposed on disabled and unemployed people, they are treated worse than prisoners. If someone is to be fined in court, there are many safeguards before that happens, yet sanctions can be imposed on vulnerable people with very few safeguards in place. I accept that benefits above the minimum level can be made conditional, but I do not accept that benefits at the minimum level—the level at which they are meant to keep people alive—should be conditional.

I accept that there are particular challenges in helping some disabled people into work. Employers might be unwilling to adapt workplaces or workplace practices, or they might not be aware of the help that they can receive to do that.

At the Economy, Jobs and Fair Work Committee meeting yesterday, I was fascinated to hear that disabled people in south-east England have been more successful at finding employment than those in other parts of the UK. That seems to be because there are skills shortages in that area and employers have discovered that it is worth their while to make adaptations and to employ disabled people who have the skills that they need.

That proves that, if employers have the incentive and the support, they will employ disabled people. However, when there is no shortage of labour—as is perhaps the case in other parts of the UK outside the south-east—it can be hard for a disabled person to compete in the open marketplace.

I still think that there is a place for supported employment in some cases, but I accept that the main aim of our policies should be to integrate disabled people into mainstream workplaces. It was disappointing to lose many Remploy jobs and I welcome provision along the same lines in, for example, Glasgow and Falkirk.

I am grateful for the opportunity to speak today. Employability services have much to do with finance and the economy, but please let us not forget that they also have a lot to do with individual people and with our moral responsibility as a society.

16:22

Maurice Golden (West Scotland) (Con): I will focus on employment support for individuals with disabilities and on the role that public procurement can play in securing employment for those who are disabled or disadvantaged.

First, I make it clear that work must always pay and that it must always be more rewarding to be in work than to be on benefits. Employability programmes are important, but it is just as important that Scotland is creating jobs, that the economy is expanding and that Scotland is open for business. Sadly, the SNP Government has let Scotland down on those fronts, as the economy is stalling and output is flatlining.

In employment support, the Scottish Government should be doing everything that it can to ensure that people are supported to prepare for, find, secure and retain employment. I commend Scotland's range of supported businesses for providing employment to individuals with disabilities, and I recognise that it is right to provide transitional funding to organisations over the next year through the proposed work first Scotland programme.

However, ageing workforces, low numbers of younger employees and a lack of onward progression to the open job market are key challenges in supported businesses. The Scottish Government should explore what it can do to aid supported businesses to reshape their businesses in order to give disabled workers every opportunity to move into open employment. Supported businesses that provide onward employment outcomes should be incentivised for doing so under Scotland's specialist employability programmes after March 2018.

Disabled individuals who are employed by a supported business should be given the training, support and encouragement that will enable them to move into the wider job market. Supported businesses should, in the first instance, be seen as providing a route to conventional work and not as a long-term destination in their own right. Of

course, I recognise that, for some, prolonged employment in a supported business may be the best long-term solution.

Successfully balancing the commercial and social aims of supported businesses is undoubtedly a significant challenge, and the Scottish supported businesses sector is under considerable strain. The rate at which supported businesses are disappearing across Scotland is worrying, as we risk losing those valuable assets.

The Scottish Government and the wider public sector must do all that they can to lessen the financial pressures that are being placed on supported businesses, to ensure their long-term viability. One of the most effective ways in which to do that is to increase the opportunities for them to succeed in public sector procurement.

I commend the Scottish Government for the national collaborative framework agreement for supported factories and businesses, but the framework's scope is too narrow and does not cover the range of goods and services that can be delivered by Scotland's supported businesses. Further, public bodies are falling short on their commitment to use reserved contracts for supported businesses, as outlined in their sustainable procurement action plans.

New opportunities exist for the public sector to do more, because recent amendments to European Union procurement legislation have significantly broadened the scope to use reserved contracts for supported businesses. Critically, the profile of an organisation to which a public body can award a reserved contract has been changed, as the percentage of the workforce who must be disabled has been lowered from 50 per cent to 30 per cent.

In addition, the scope has been broadened to include

"economic operators whose main aim is the social and professional integration of disabled or disadvantaged persons".

The inclusion of the terms "economic operators" and "disadvantaged persons" is crucial because, suddenly, in comparison with the handful of organisations that fulfilled the old criteria, hundreds of social enterprises and third sector organisations that provide employment support to those with disabilities and/or those who are disadvantaged in the employment market can be brought into the fold. The Scottish public sector now has the legal framework that can, if the sector chooses to do it, revolutionise contracts for goods and services from supported businesses, social enterprises and the wider third sector. Ultimately, that spend can drive wider positive social impacts through procurement and support the employment

of those who are most disadvantaged in the job market.

Supported businesses must increasingly act as a transition mechanism to enable disabled employees to get into the open job market, and public procurement must drive that support for the benefit of those who are disabled and disadvantaged.

I have finished with three seconds to spare, Presiding Officer.

The Deputy Presiding Officer: Yes—I can see the clock as well. Thank you, Mr Golden.

16:28

Ben Macpherson (Edinburgh Northern and Leith) (SNP): It is great to speak in this extremely important debate about how we assist the most vulnerable in our society and how we get people into work and keep them there. I want to cover four main areas, which are the ethos by which we approach using the new employability powers; the context that we are in; the Scottish Government's proposals; and how we deliver them.

The ethos relates to what John Mason said about attitude. We are debating employability services, but we are also considering how we motivate people into work. Do we use the carrot or the stick? Which is more meaningful and effective: encouragement or threats; a lift up or the fear of a put-down through sanctions and conditionality? Many other speakers have said this, but it is also my personal experience in different sectors from hospitality to engineering and from the commercial world to working briefly in the public sectors that, in all those roles and in wider society, a person who is appreciated, respected and invested in will always do more than is expected. Encouragement, empathy, belief and generosity will always help those who are in need in a more meaningful and effective way. In essence, it is better to provide support than to get to a position where we need to pick people up off the floor.

That is the context in which we should approach the use of the new powers that we are discussing today and the social security powers that are coming to the Parliament. That approach should apply as we design and implement governmental systems; we should support other people with encouragement, respect and dignity.

With that ethos and attitude, we need to approach the new powers with a sense of context, considering where we have been, where we are today and where we want to go. In terms of where we have been, we have seen a process of deindustrialisation, financial crisis and austerity together with intergenerational poverty, low morale and low self-belief in many of our communities.

Everything that we in the Parliament do with the new powers should be about getting past that and doing what we can with the limited powers at our disposal to tackle the hugely difficult and challenging issues.

The issues in the present context that I will mention are ones that my constituents have raised, but they matter to the whole of Scotland. Low pay has been endemic in far too many communities and parts of our country. I raised earlier the problem of zero-hours contracts, which are creating difficult circumstances for many people who are trying to get into meaningful work and get beyond the challenging circumstances that they are in.

There are also problems with the UK Government's current approach to sanctions, which was spoken about most powerfully by Sandra White. Not only is the sanctions regime punitive and wrong headed, in my view and the view of many, it does not work. Citizens Advice Scotland has said that 90 per cent of its front-line staff feel that the use of sanctions and conditionality does not work in any meaningful way. It is also important to consider that there has been an 87 per cent cut to the budget for delivering these programmes. That is the situation that the Scottish Government is in.

What we want to create in future is a system around employability in which we support more of our people and realise their potential for the benefit of us all. That is why I warmly welcome the Scottish Government's approach, which is to use the powers that are coming to the Parliament to focus on disabled people and people who are at risk of long-term unemployment in a way that is designed to help people to get into long-term, stable jobs.

I particularly welcome the minister's point that these will be voluntary schemes that bring people together in the system—within the devolved areas—aligning them with other aspects of the public sector and ensuring that the programmes are seen as an opportunity for people and not as a threat. I also welcome the £20 million of Scottish Government support, particularly in the light of the cut that I mentioned.

In that context of the Scottish Government's proposals, the cuts and conditionality that are being implemented by Westminster and the sanctions that will remain under Westminster control, I warmly welcome the fact that the minister has corresponded with the Secretary of State for Work and Pensions and the confirmation that the DWP will not require on a mandatory basis that Jobcentre Plus clients take part in any Scottish Government programme in order to continue to receive support.

Briefly, because I know that I am in my last minute—

The Deputy Presiding Officer: You are in your last 30 seconds.

Ben Macpherson: I emphasise Alison Johnstone's point that we can use the third sector to help to deliver some of the programmes in future and get away from everything coming through Jobcentre Plus. There are many organisations in my constituency that have some expertise in the area, including Cyrenians, Fresh Start, North Edinburgh Childcare, Citadel Youth Centre and Granton Youth Centre. Anything that we can do to help in the delivery mechanism will make a meaningful difference.

I look forward to the positive change that lies ahead in this area, despite the challenges of an 87 per cent cut by Westminster, and I look forward to playing a part in the implementation and delivery.

16:35

Alex Rowley (Mid Scotland and Fife) (Lab): I welcome the debate today and it is clear from the discussion so far and from the level of interest in the subject that, in Scotland, we have the opportunity to get this right for every person who needs to access such services.

I want first to look at the importance of skills. The SCVO brief highlights a number of interesting statistics, one of which is that, despite the high levels of investment, there remains a skills mismatch in Scotland and 69 per cent of businesses in Scotland are not confident about filling high-skilled jobs in the future. Indeed, in most areas in Scotland, there are major skills shortages in the building trade, the care sector, manufacturing and many other sectors. Therefore we should be clear from the outset and make sure that the employment support programmes that we develop in Scotland are meaningful and that they will equip people for the world of work.

I speak as someone who started their working life on a youth training scheme programme. Employment programmes must be about more than meeting targets to get people off benefits. Their main objective must be to provide the support, guidance, signposting, direction and training opportunities that will result in good, paid, and sustainable employment. If we are to achieve that, I suggest that we need joined-up strategies that are based on local intelligence of the support and skills needs locally and the availability of employment in the local area and region. Services must be designed to meet people's needs rather than people being expected to fit into some kind of Government programme.

The example from the SCVO of its work in Glasgow, where there was a requirement and demand for support with numeracy and literacy, is a good one and one that I suspect we would find in all parts of Scotland. As the SCVO puts it,

“without basic education, young people are unable to participate in further education, training or employment.”

That is of course also the case with adults. To simply put people on to employment programmes without addressing their basic support needs is to tick a box, get people off benefits for a short period of time and do very little to help them improve their prospects in the longer term. Any system or programme that is to work for the individual must have a comprehensive and personalised initial assessment—a kind of individual work plan—that sets out what that person's support needs are and the progress that is being made to meet those individual needs. A person-centred work programme is what we need to strive for as we develop these new programmes in Scotland.

I also suggest that we must devolve much of the responsibility for the development and management of employment programmes to a regional level. The report from the Joseph Rowntree Foundation that was published just a few weeks ago—“We Can Solve Poverty in the UK”—makes the point that

“Devolution is one of the defining political agendas of our time. Poverty will not be solved from Whitehall or by central government alone – but by the policy-makers closer to those people experiencing it.”

I say today that we must move beyond Holyrood and take the new powers and budgets much further down to achieve the best results for the people of Scotland.

The Rowntree report also states:

“Local authorities can also play a leadership role, developing an economic vision tailored for their area and bringing together local partners to deliver it.”

We must build partnership at a more local level and bring together business, employers and trade unions, set regional skills and jobs strategies and put in place whatever provision is required to deliver a person-centred approach to getting unemployed people into good sustainable employment.

Although I have been a vocal supporter of community planning, I do not think that the objectives have been achieved in most areas. It has become a bit of a tick-box exercise for professionals in public sector organisations, and there has been a failure to properly engage with key stakeholders from the third sector, employers and trade unions. Therefore, a rethink on community planning is necessary, but the principle of planning and delivering skills, training and jobs at a regional and local level is, in my view, a must.

We should be willing to use the new powers and services, we should talk to our partners across the third sector and local government, and we should take a local and a regional approach. Most important of all, we should take a personal approach to the individuals concerned.

16:40

Ruth Maguire (Cunninghame South) (SNP): I am grateful for the opportunity to speak in this important debate on the devolution of employment services. It is deeply regrettable that the UK Government has imposed reductions of almost 90 per cent in funding for those important services, but I welcome the minister's commitment to provide additional resources to ensure that services continue to be provided to the most vulnerable in Scottish society, including people who are furthest away from the job market and disabled people.

I would like to focus on the Scottish Government's commitment that the devolved employment services will be voluntary services and why that is so important. We need services that support people into work rather than the mandatory participation and the threat of benefit sanctions that are currently used by the UK Government, which, frankly, do nothing to increase someone's chances of accessing good-quality, well-paid employment and simply pour human misery on human misery.

Most members will have experience of hearing at first hand how conditionality and sanctions impact on the lives of their constituents. Only this week, I heard from Jonathan, a young man who lives in my constituency. He told me that he feels let down by the way in which he is being treated, and he gave me permission to mention him in the debate. Jonathan told me that the latest sanction that has been imposed on him, which was imposed two months after an alleged infraction, has resulted in £74 being taken off his universal credit when he is already struggling. He told me that that made him feel worthless. That young man suffers from depression and anxiety. It is not necessary to be a mental health professional to understand that taking an aggressive and punitive approach will worsen mental health conditions and make it harder rather than easier for people to return to work.

We have heard many times that sanctions often affect the most vulnerable in our society: lone parents, disabled people and the young. Sanctions leave people unable to pay their bills, their rent or their debt repayments and put tenancies at risk, which results in a threat of homelessness. In her speech, Christina McKelvie made the important point that it is not just the sanction and the loss of income that cause harm; the fear of sanctions

causes stress, anxiety and depression. One Parent Families Scotland agrees. It also points out that there is a danger that the conditionality regime and the fear of sanctions force parents into low-paid and temporary work that is not in the best interests of them or their children. Our goal must be to support people into decently paid, quality work and not to frighten them into unsuitable employment.

As Pauline McNeill and Ben Macpherson said, the worst of it is that all that harm, hurt and stress do not help at all. More people are sanctioned because of the work programme than obtain jobs from it. In Scotland, 46,265 sanctions were applied between June 2011 and March 2014. During the same period, 26,740 job outcomes resulted from the work programme.

I am a member of the Social Security Committee, and in evidence sessions with key stakeholders the negative impact of sanctions featured highly in our discussion of which priorities should inform our work programme and our consideration of how the Scottish Parliament should approach the new welfare powers that are being devolved here.

At our 8 September meeting, all the following respected witnesses highlighted sanctions as having a particular detriment on the vulnerable groups that they work with: John Dickie from the Child Poverty Action Group in Scotland; Rob Gowans from Citizens Advice Scotland; Alys Mumford from Engender; and Kayleigh Thorpe from Enable Scotland. They all work for trusted and respected organisations, and they are clear about what helps and harms the people with whom they work.

A number of bodies and studies have also drawn attention to sanctions and benefits delays being the most common cause of someone needing to access emergency food aid. For example, "Emergency use only: understanding and reducing the use of food banks in the UK", which is a report that was published jointly by the Child Poverty Action Group, the Church of England, Oxfam GB and the Trussell Trust in November 2014, says that sanctions featured as a main reason why people used the food bank, and that

"around 20-30% of food bank users had had their benefit reduced due to a sanction."

It is frankly astounding that the UK Government has continually failed to recognise the damage that conditionality and sanctions have on people and their dependants and the harm that that inflicts on their ability to participate in society.

Despite the drastic scale of funding reductions being imposed by the UK Government, I am reassured by the minister's statement that our

Scottish Government's employment services will treat people with dignity and respect, putting the needs of individuals at the centre of services and never forgetting their purpose to help people reach their full potential and to secure good quality, well-paid employment.

16:46

Willie Rennie (North East Fife) (LD): Thank you, Presiding Officer, for finding the time this afternoon to allow me to make a contribution to this important debate.

I do not know whether William Beveridge, the architect of the welfare state, had as many people in the room watching him create that welfare state. I have counted a couple of dozen people in the public gallery, but that does not reflect the significance of this day. The gallery should be packed, because we are creating a new Scottish welfare state. The debate deserves that kind of attention.

I am grateful for the minister's contributions this afternoon, but we should be thinking big about what the potential opportunities are for the new welfare state. The foundations that we are setting today are probably broadly the right ones, and we support it being established with the principles of respect, dignity and fairness.

We will support the SNP motion and the Labour amendment; unfortunately, we will not be able to support the Conservative amendment. However, the spirit of the debate shows the seriousness with which we all address the topic.

We are here this afternoon because the Smith commission went further than was originally intended. We did not intend to devolve as much of the welfare state as we eventually did. There may be some quibbles about what eventually came from the commission but—as the Conservatives and other members will know—it went much further than was originally intended, and it included the devolution of the employability schemes.

Jamie Hepburn: That might be the case, but I am sure that Mr Rennie would agree that the Devolution (Further Powers) Committee in the previous parliamentary session said that the legislation that came through the UK Parliament did not go as far as Smith had recommended.

Willie Rennie: I am sure that an SNP-dominated committee would say that. We should not quibble on this issue; rather, we should seek the opportunity to work in a partnership. I know that the minister bemoans the fact that Jobcentre Plus has not been devolved. However, Mr Swinney and Michael Moore, my former colleague at Westminster, were very good at working in

partnership to bring together the two Governments to make a better whole. A partnership like that should not be precluded in this arrangement, too.

Today we have developed the beginnings of a cross-party effort, like the one that William Beveridge achieved all those years ago, to create a new Scottish welfare system. Creating the system is incredibly important; it is also incredibly important that we do that together.

As has been said, work is the best route out of poverty. We need to make sure that everybody understands that, although we have views about sanctions and the scheme's voluntary nature, they have a responsibility to work and to contribute towards the wellbeing of society. We have an ageing population, and there are still large numbers of people who are not contributing to the country's economic wellbeing. We should be encouraging and incentivising those people to work, if they possibly can. The system should be devised to do that in order for us to create that sustainable economy for the future.

All of this should be founded not just upon the employability schemes. Our education system is failing just now. We do not have an education system that is training people for the world of work. We need to invest more, all the way back to nursery education, to give young children the opportunities throughout their school life and through to college and university to contribute towards the world of work. That should be the incentive. We should not just be looking narrowly at the employability schemes, but at the whole education system, too.

Earlier, I heard an SNP member parading his views about the proper living wage. However, just yesterday we heard about Amazon in Dunfermline, which is recruiting quite a lot of new people—but all of them at below the proper living wage. That company received millions of pounds in grants from the Scottish Government. There should have been a compulsion on Amazon to pay the proper living wage if it was to receive Government grants. Let us practise what we preach—that is important in this context.

The devolution of the employability schemes gives us the opportunity to bring the different stakeholders to work together, with Skills Development Scotland playing an important role. That will give us the opportunity to drive efficiencies through the system and learn from best practice here in Scotland.

I agree with Alison Johnstone, who is not in the chamber just now, about the third sector contribution. I have met many charities and third sector organisations and they could make a big contribution because they understand their clients and the people who seek their support

exceptionally well. I hope that they are brought into the system so that full use can be made of that knowledge.

In my last 30 seconds, I turn to the issue of sanctions. I agree that the system should be voluntary. I agree that we should be incentivising and encouraging people to take up the opportunity of the employability schemes. I agree that the overbearing, overused and counterproductive sanctions regime is not appropriate for the employability schemes. That should be at the centre of the approach and that is why I am happy to support the motion.

16:52

Alison Harris (Central Scotland) (Con): I am pleased to contribute to the debate, especially as it is on an area in which the UK Government has yet again honoured the promises that it made.

The agreement to devolve powers over employment services means that this chamber will become responsible for key areas such as the existing work programme and work choice. Soon, the Scottish Government will have the power and, with that power, the responsibility; it will be time to stop always blaming someone else.

Scotland needs a can-do Government, not a can't-do Government. Now the Scottish Government needs to tell us how it will incentivise work and how, without sanctions, it will limit abuses of the system. How will any additional costs be met and how, for all those who are seeking a route to employment, will any new system be better?

Jamie Hepburn: Will Ms Harris give way?

Alison Harris: I am sorry—I have too much to do.

I hope that the Scottish Government will take a balanced view in determining how it uses those new powers. It should not say that the schemes that are devolved are bad simply because they were designed at Westminster. Those schemes have been of great help to many tens of thousands of Scots and provide programmes that are a good foundation on which to build.

Pauline McNeill: Will the member give way?

Alison Harris: I am sorry—no.

After all, the terms of reference for the advisory group that was set up to listen to the views of stakeholders say:

“The Scottish Government intend to deliver employability support in Scotland that builds on excellence and experience in existing service delivery”.

I have no doubt that the Scottish Government will introduce changes. After all, surely this will not

be yet another example of the Scottish Government gaining powers only to fail to use them. However, I hope that the Government will bear in mind the continued need to incentivise work—not only to provide a range of services that deliver support to those seeking employment and training, but to pursue business-friendly policies that will encourage the enterprise that provides those jobs and, very importantly, policies that help to retain jobs and keep people in employment.

SNP policies have led to the level of job creation in Scotland being the lowest of any of the nations of the UK and that must change. Scotland's record on creating jobs is behind regions in England such as the north-east and Merseyside. Those areas have gained by providing a more stable and much more settled destination for businesses, as they do not suffer from having a Government that is more interested in reheating constitutional arguments than in providing the right environment for growth and job creation.

Making Scotland the highest-taxed part of the UK is not the way to provide the right environment. SNP policies such as doubling the large business rates supplement, which will add more than £64 million a year to the costs of Scottish businesses; replacing stamp duty; and forcing through an increase in the council tax that will be paid by people in bands E and F—just the sort of people who aspire to save so that they can set up small businesses and provide employment—are costing employment and stifling the growth that offers people the best routes into employment.

Getting people into work and breaking the cycle of not working is the best and most sustainable way of tackling poverty. It is better than any scheme or programme. We have heard this quote many times today, but it is worth repeating. The Joseph Rowntree Foundation puts it this way:

“For those who can, work represents the best route out of poverty”.

If we assume that the SNP is not going to abandon the policies that deter enterprise and business, there are other things that it should be doing. For example, it should ensure that disabled people who would currently benefit from the opportunities that are offered by the work choice programme continue to get as good a service under any successor programme, building on the great work that is being done by Scotland's local councils in delivering support for employment. The local knowledge and experience that the Government has gained through its involvement with such bodies as community planning partnerships must be fully utilised.

When we talk about a tailored localised approach, we should mean that local authorities must work closely with other local partners to

identify people who need help from various agencies; to bring together services to meet their needs so that they can get back into work; and to enable them to overcome problems including learning difficulties, health and housing issues.

I realise that the Scottish Government has embarked on a consultation exercise, but it needs to be a real listening exercise. The views of users, partners, contractors and voluntary bodies must be considered, and there should be no instant dismissal of the views of people who highlight the good points of the existing programmes. Organisations such as Capability Scotland, Enable Scotland and the Shaw Trust have much experience, which needs to continue to be put to good use.

I said earlier that the Government needs to start taking responsibility. I am pleased that the Conservative amendment recognises the importance of employment programmes and seeks to remove the usual carping from the SNP motion. It is an amendment that I shall have much pleasure in supporting this afternoon.

16:57

Ivan McKee (Glasgow Provan) (SNP): I begin by putting on record that the First Minister has appointed me as a parliamentary liaison officer for the economy, jobs and fair work portfolio. I look forward to working with colleagues across the chamber in that capacity.

I congratulate the minister on the work that he has undertaken to begin to build a distinctive Scottish approach to employment services. It is regrettable that the Scottish Government does not have access to all the powers and economic levers that we need to grow our economy and create all the jobs that we need in Scotland, and we will continue to make the case for full devolution of job-creating powers. However, the devolution of employment services can still make a huge difference to the lives of people in Scotland and is therefore to be warmly welcomed.

We have the opportunity to build an employability support system that works for everybody in Scotland, and which has the potential to provide meaningful long-term change. I am proud to support a Scottish Government that rejects Westminster's system of sanctions and punitive measures and instead seeks to create a fairer, more just system with Scotland's people and prosperity at its heart. A skilled workforce brings economic, social and cultural benefits, and the measures that the minister announced are a significant step in the right direction.

The programme of measures that the Scottish Government has announced is transitional and focuses on supporting disabled people and those

at risk of long-term unemployment. Those measures have started the Scottish employment services programme off in the right direction, and they are to be welcomed.

There is more work to be done prior to the launch of a full range of employment services in 2018 and beyond. The minister has encouraged input from stakeholders and others that those services are designed to support in order to ensure that we deliver the most effective services for those who are seeking work.

However, our ambitions must be achieved within the constraints of budget cuts from Westminster, the scale of which is significant, as there has been a reduction of almost 90 per cent on current DWP spend. Although the Scottish Government will invest an additional £20 million a year in Scotland's employability services, the impact of the Westminster cuts creates a challenging environment for the roll-out of the new programmes. Therefore, although the devolution of the powers is certainly welcome, the manner in which it has been done is far from satisfactory.

Let us be clear that the Scottish Government rejects the sanctions regime that is imposed by the UK Government whereby people can have benefits stopped for not taking up places. The evidence shows how damaging the DWP's conditionality regime has been. It disproportionately affects vulnerable people, disabled people, young people and lone parents. Sanctions have increased in length and severity under the current UK Government. They can last anywhere from a few days to as long as three years. Hardship funds are not available until 15 days into the sanction period, which leaves no safety net for vulnerable people. When more people are sanctioned because of the work programme than obtain work from it, it is clearly not fit for purpose.

The culture of sanctioning is damaging. It often adversely affects the health and wellbeing of individuals and their children and reduces rather than enhances their suitability for work. Furthermore, the threat of being sanctioned is a stigma that feeds into the myth of deserving and undeserving poor. The Scottish Government knows that there is no such distinction and that everyone deserves dignity and respect.

In contrast, the Scottish Government's employability programme will have equality and fairness at its heart. We will seek to encourage those who are furthest from the labour market to achieve social justice and economic outcomes that break the cycle of poverty and unemployment. We will treat people with dignity and respect at every stage of their journey into work, and we will focus on developing their skills to fulfil their employment potential.

However, it is important to note that, although the Scottish Parliament will take over responsibility for employability programmes and that some responsibility for social security related to disability is to be devolved, the UK Government remains entirely responsible for decisions over an individual's entitlement to working-age benefits such as jobseekers allowance and employment and support allowance. Unfortunately, that includes all decisions over claimant conditions and sanctions.

I welcome the steps that the minister has taken to call on the UK Secretary of State for Work and Pensions to seek confirmation that the Department for Work and Pensions will not force Jobcentre Plus clients to take part in our new employment programme as a condition of receiving continuing support.

Pauline McNeill: I made the same points as Ivan McKee has made about the vulnerability of people who use the employment service. Does he agree that it is important to highlight that there are professional people who find themselves unemployed in today's world and that they also need that service to enhance their skills?

Ivan McKee: Yes, I agree. I think that the member is making the point that the initial programmes are focused on a limited number of people. As I mentioned earlier, those are transitional steps and the minister will bring forward proposals to roll out the programmes more widely as we move beyond the initial transitional stage.

We fundamentally believe that the programmes will work better if they are voluntary. That will bring people with us and ensure that the services are designed round them. It will ensure that the programmes are seen as an opportunity and not a threat. Evidently, if the whole system was entirely in the Scottish Parliament's hands, that would be better, but we will work with what we have.

We will consider the societal and social barriers that are faced by people returning to work, particularly people with disabilities or long-term health conditions. Crucially, we will reject the DWP's approach, which incentivises underemployment and low-paid work. Instead, we will encourage fairer pay, fairer work and fairer opportunities for all. We believe that that is right for Scotland and is consistent with our values and aspiration for a person-centred and enabling service for those whom we look to support—a system that is fair to people. The people of Scotland should know that their Government will use those powers to ensure that the principles of support, enablement and fairness are the hallmark of our employability programme.

The Presiding Officer (Ken Macintosh): We move to closing speeches.

17:03

Richard Leonard (Central Scotland) (Lab): I will start by recapping the scale of the problem that we face. A few members have spoken about context: the context is that, although it is true that last month there were 80,000 men and women in Scotland on the claimant count, or claiming jobseekers allowance, in fact 130,000 working-age men and women were officially unemployed, and on top of that, in the annual population survey by the Office for National Statistics, more than 180,000 people of working age were described as being currently economically inactive but wanting to work. That is 310,000 people of working age seeking work today—not 5 per cent, but nearly 12 per cent of the workforce. Those levels of involuntary mass unemployment and worklessness represent not just a failure of our economy but a failure of our society.

There are human faces behind those stark statistics. Over the summer, I met the Airdrie ACE—advisory committee of Enable—group, which is a group of adults in Lanarkshire who have learning disabilities. Enable had brought them together to empower them and give them a voice, and when I met them in August I promised them that I would bring their concerns to Parliament and push their case up the Scottish Government's agenda. They are simply demanding equality, and they are right to do so. Most of them are seeking work. None of them is in work, although one has started college and one works as an unpaid volunteer in a workplace where, to be frank, he could be in paid employment. Joblessness among adults who have learning disabilities stands at more than 92 per cent, yet the vast majority of them, including the young people in Airdrie, want to work.

The picture for people with mental health issues is similar, which is why we welcome the introduction of the work able Scotland strand in the Scottish Government's programme. Resources of £4.8 million are being allocated to deliver the target of 1,500 starts, but if we are to do this properly, as I believe we must, and if we are to support individuals to the extent that we need to support them, the minister needs either to increase the funding or to set a more realistic target.

Jamie Hepburn: Will Richard Leonard accept that the UK Government has cut funding for delivery of the programmes by 87 per cent, which is £7 million for the coming financial year, and that we have leveraged in an additional £20 million?

Richard Leonard: I accept that. Reflecting on that cut, I ask Adam Tomkins why, if the job programme is so successful, are the Tories slashing it by such a big amount of money?

In the limited time that I have left, I want to touch on something that Maurice Golden and John Mason spoke about. Recently, I asked a parliamentary question about the Government's framework for supported factories and businesses. I discovered that since 2012, only £1.9 million-worth of orders have been placed with supported businesses by public bodies in Scotland, with an average value per order of less than £5,000. I say to all those public bodies that that is not good enough, and I say to the minister that the Scottish Government should redouble its efforts.

Having listened to the debate, I think that when we come to design the work programme here, we need to decide what we aim to achieve. Annie Wells asked us to build on the existing work programme. I say to her that when the Tory-Liberal coalition introduced the work programme—for it was that coalition that brought it in—it said that it was

“a major new payment-for-results welfare-to-work programme”

and that it was

“central to the Coalition Government's ambitious programme of welfare reforms.”

There we have it: a programme that is unashamedly not about growing work and tackling mass unemployment but is about cutting welfare payments. At its launch, the Tory coalition said that the programme was a flagship

“at the leading edge of wider government commissioning of payment-for-results public services.”

I say to the minister that we do not want “payment-for-results public services”; we want publicly run public services. We are not hiring taxis; we are providing employment support to working people. We know that in Scotland the two prime providers of the work programme are Working Links and Ingeus—two large multinational corporations whose first fiduciary duty is to make money for their owners. We would like the minister to explore continuously whether there are alternatives to that form of provision.

I want to ask a couple of things. Do we want action only on the supply side of the labour market, or should we look more at action on the demand side? Do we need investment in reindustrialisation and public services, rather than four more years of austerity? We need a radical but achievable economic strategy, so that we can expand the real economy and generate jobs. We need the readoption of full employment as a major

policy objective so that, in the words of William Beveridge, who was referred to by Willie Rennie,

“Jobs, rather than men,”—

I would add women—

“should wait.”

As Mark Griffin said, with the devolution of employment support we have an historic opportunity, because the challenges that we face are not new; they are the problems that earlier generations faced up to and overcame. Let us not just demonstrate our concern this afternoon: let us prove our willingness to act, and let us leave no one in any doubt about the scale of our ambition for change and our determination to rebuild a full employment economy for all, for this generation.

I call on Parliament to support the Government motion with the Labour amendment.

17:10

Dean Lockhart (Mid Scotland and Fife) (Con):

The devolution of employment support services marks yet another significant transfer of power to this Parliament. With these new powers comes significant responsibility for the Scottish Government, because it will be assuming power in areas of policy where there has been meaningful success in recent years.

Policies including the work programme have helped almost 50,000 unemployed people in Scotland into the job market. More importantly, they have helped many families to break the desperate cycle of multigenerational welfare dependency. Long-term unemployment rates are now at the lowest levels since Labour's great recession, there are more disabled people in work and overall 2.7 million new jobs have been created since 2010. Most important, perhaps, is that half a million fewer children now live in workless households, which will greatly enhance their life chances.

I will address something that Richard Leonard said. The success of the UK Government's economic strategy in creating 2.7 million new jobs and reducing long-term structural unemployment means that there is less need for funding for the work programme, because it has been a success.

All that is very positive, but there is more to be done—there is more to be done to help those who need additional support to access the job market, and to expand the job market and the economy in Scotland. To address those issues, the Scottish Government will have control over a range of existing employability powers and benefits, and the power to introduce new support services such as work first Scotland and work able Scotland.

Jamie Hepburn provided an outline of the Government's plans, but it was more about the direction of travel than about details of how the new policies will be implemented and funded. Based on today's debate, there is clearly no shortage of advice about how it might work. I would like to pick up on some of the issues that have been raised across the chamber this afternoon.

First, a number of members discussed the principles that should underpin employment support in the future. There are obviously a number of viewpoints on the issue. The view on the Conservative side of the chamber is that we should follow the principles that underpin the success of the work programme and work choice. Most important, and something that was mentioned by a few members, is that we should follow the advice that has been provided by the Joseph Rowntree Foundation:

"For those who can, work represents the best route out of poverty".

We should also remember the analysis that shows that

"Additional spending on benefits without addressing the"

underlying root cause of poverty

"has failed to reduce poverty."

The overall approach that we favour recognises the importance of using policy as the means of encouraging people into work—if necessary, with additional financial or other in-work support. That has to be better than policies that discourage or put barriers in the way of the transition into work. It should always pay to be in employment.

In order to be fully eligible for JSA or equivalent benefits, the claimant has to take some action to show that they are willing and able to work. For someone who is claiming job seekers allowance, it makes sense that they must take steps to find a job and be available to do that. According to the DWP, more than 70 per cent of claimants say that they are more likely to follow the rules if they risk having their benefits stopped—a view that is supported by the recent independent Oakley review.

Pauline McNeill: Will Dean Lockhart give way?

Dean Lockhart: I will give way in a moment.

To put it into context, the UK has a far less strict benefit sanctions regime than other European countries including Ireland and Sweden, and it is less strict than the European Union average.

Other members have made valuable contributions in respect of the increasing opportunities for disabled people to participate fully in the workplace under the work choice programme, which is entirely voluntary. Over the

past two years, 365,000 more disabled people have moved into work, and our target is to halve the disability employment gap by 2020. As Adam Tomkins said, we look forward to hearing whether the Scottish Government is able or willing to match that commitment.

Pauline McNeill: No one is saying that there should never be sanctions, and no one is denying that being in work is important. However, are the Conservatives going to address—at any stage in the debate—the draconian nature of some sanctions? I ask Dean Lockhart directly to consider the case that I mentioned, which is not uncommon. Is it fair that a person should have their benefits removed for six weeks?

Dean Lockhart: I cannot comment on individual cases, but sanctions affect only a small number of claimants. Fewer than 2.5 per cent of JSA claimants and only 0.26 per cent of ESA claimants are sanctioned. Perspective is important. [*Interruption.*] I have answered the question.

Another topic that has been mentioned during the debate—indeed, it was raised by a number of third sector contributors ahead of the debate—is the need for greater integration and co-operation between employment support and other policy areas. Some good examples have come out of the debate. The cutting of 152,000 college places has created a skills gap at a time when the economy needs new and developing skills across all sectors.

Gillian Martin: Will Dean Lockhart give way?

Dean Lockhart: I will not, right now. Maybe later.

After 10 years of an SNP Government, it is simply not good enough that unemployment is at 5 per cent at the same time as there is a significant skills gap.

Other members have rightly highlighted the fact that we need to improve the employment chances of children from the poorest backgrounds. In this chamber, we have discussed the attainment gap, but less attention has been given to the digital gap that is emerging in our schools. Figures that were published in August by ScotlandIS show that the number of computer teachers in Scotland has dropped by 25 per cent in the past decade and that 17 local authorities have no dedicated computer teachers available. With research by the Tinder Foundation—which Pauline McNeill mentioned—showing that 90 per cent of all new jobs require digital skills, we are simply not equipping our children with the skills that will be necessary for employment in the future.

The Scottish Government should also focus on the apprenticeship levy and use it to address the number of young people in deprived areas who

are not in education, employment or training. Annie Wells mentioned the dismal figure of over 400,000 young people between the ages of 16 and 24 who are not in education, employment or training. Again, after 10 years of an SNP Government, that is simply not good enough.

Another issue that was raised is inclusive growth.

Ivan McKee: Will Dean Lockhart take an intervention?

Dean Lockhart: No—I am wrapping up.

To be fair to Jamie Hepburn, the SNP motion refers to a more “prosperous Scotland” and “inclusive” growth. However, in order for economic growth to be inclusive, there must be economic growth in the first place. The Scottish economy recorded zero growth in the first quarter of this year, and the publication of gross domestic product numbers for the second quarter, which ended on 30 June, has mysteriously been delayed until next week—coincidentally during the parliamentary recess. Is that another example of the SNP trying to bury bad news during the recess?

It is becoming clear, as the Fraser of Allander institute has pointed out, that the Scottish economy must improve its performance, because more public spending will be determined by the performance of the Scottish economy. That is why our amendment highlights the need for the Government to take action and use its expanding powers to grow the employment market in Scotland and reverse the decline in the Scottish economy.

The Presiding Officer: I ask the minister to wind up. Minister, you have until 17:29.

17:19

Jamie Hepburn: That is very precise timing, Presiding Officer. I shall do my very best.

I thank members for their speeches today. I will not be able to pick up on every point that has been raised in the debate, but I will try to respond to as many as I can.

Mr Lockhart was right to identify—I think that I said this, too, at the start of the debate—that the debate is an opportunity for members to offer their perspectives on how we take the powers forward. The debate has been largely useful in that regard. It has been wide ranging, and a number of suggestions have been made. We will look at them all in detail as we develop services.

It was very instructive and informative that Mr Lockhart criticised the Scottish Government for a delay in the publication of GDP figures. We source those figures from the Office for National

Statistics, of course, and have no control over the timing. If Mr Lockhart takes such an interest in the matter, I urge him to reflect on that and perhaps take up the issue with others who could be more forthcoming with the information.

Dean Lockhart: One option, of course, is to push back the publication of the numbers so that they can be subject to full scrutiny and debate when Parliament comes back after the recess.

Jamie Hepburn: I go back to my point that we are not in control of the publication of those figures. Perhaps Mr Lockhart will want to take up the matter with those who have responsibility for that. It is perfectly possible for any MSP to reflect on the statistics when they are published and to bring the matter up when we are back after the recess. I look forward with great interest to Mr Lockhart’s take on that.

Alex Rowley spoke about the need to involve a range of people in the process to inform our work. I think that he referred to trade unions and local authorities in particular having a role to play. I absolutely concur with that perspective, and I am sure that he will be happy to know that we have established a devolved employment services advisory group, which is independently chaired by Professor Alan McGregor, who is the director of the University of Glasgow’s training and employment research unit. Professor McGregor has many years—probably more years than he would care for me to make clear to Parliament—of experience in the area, and he is directing that work. I am sure that Mr Rowley will be happy to know that the Scottish Trades Union Congress is represented on that group, too, as is local government, through the Scottish local authorities economic development group. We are taking forward that range of involvement.

I would not disagree with Mr Rowley’s point about local authorities playing a leadership role in delivering employment support at a local level. As I always am, I have been very happy to meet Councillor Harry McGuigan in his Convention of Scottish Local Authorities spokesperson role. I met him last month, and we had a very productive discussion about the need for us to work productively together to ensure that all elements of employment support work together more cohesively, whether they are provided by the Scottish Government with the new element of the devolved employment programme or delivered by local authorities. That is not an easy challenge to respond to, but both of us were keen to see it taken forward. Scottish Government officials will meet the Scottish local authorities economic development group later this month to see how we can take forward that agenda.

Annie Wells spoke about the need to reach out to those who need support most. I could not

disagree with that perspective. That will be essential. She also said that we need to learn from the current schemes that are deployed.

Adam Tomkins spoke about the benefits of the pricing and payment model that is currently used and suggested that it incentivises sustained employment. It will come as no surprise to Professor Tomkins that I have engaged on those matters with a range of people and have heard that under the current model there are perverse disincentives to work with those who need the most support. Indeed, the DWP evaluation confirms that. In my meeting with One Parent Families Scotland this morning, we discussed the problems of the payment-by-results model.

There will, of course, be expectations of outcomes from providers to get people into sustained employment, but we need to recognise the issue that I have raised about the perverse disincentive to reach out to those who need most support. We must recognise the need to take account of various factors that affect people's lives—Sandra White, Christina McKelvie and Alex Rowley made that point—which may require us to take a slightly more nuanced approach.

I welcome Pauline McNeill's comments. She said that she was broadly supportive of our approach, which is something that seems to have been reflected in the comments of most members who spoke today. She said that she hopes not to see a fight between the Scottish Government and the UK Government; to be clear, I do not want to see that, either. We have been working closely with the DWP and Jobcentre Plus from the very start to ensure the effective devolution of the powers—that might reassure Willie Rennie, who also took an interest in that aspect. There has been effective intergovernmental working with regard to the delivery of the powers, and a joint ministerial working group has been established to oversee the smooth transition of the new social security and employability powers to Scotland. I look forward to attending the next meeting of that group next week. The advisory group that I referred to a moment ago features representation from the DWP and Jobcentre Plus, and officials from both Governments meet regularly. Joint working is embedded in a number of areas.

I am in no way seeking a confrontation with the UK Government. On 16 December 2015, Iain Duncan Smith sent a letter to the then Cabinet Secretary for Fair Work, Skills and Training that says clearly:

“Design of employment support programmes in Scotland will be for the Scottish Government to decide, including the extent of conditionality in those programmes.”

Further, Damian Green wrote to me this week, saying:

“With regards to the employability programmes being transferred to the Scottish Parliament under the Scotland Act 2016, it is of course a matter for the Scottish Government to decide how conditionality should be applied in practice.”

I can clearly demonstrate work that is being done between the Governments. We are not fighting with each other. However, that does not mean that I will not robustly defend the approach that we seek to take in Scotland with regard to our employment programme. Let me be clear: given what we have had in writing from the UK Government—not once but twice—I expect the UK Government to respect our perspective in Scotland. I will continue to work with it to ensure that that happens.

We believe that our voluntary approach is the best way forward. Mr Rennie and Mr Leonard spoke about William Beveridge, who once said:

“The State in organising security should ... leave room and encouragement for voluntary action by each individual to provide more than that minimum for”—

using the gendered language of his time—

“himself and his family.”

A voluntary approach is entirely consistent with the approach that we have taken with our other employability programmes, which I think allows us to take people with us rather than creating a situation in which we work against them. I believe that we can deliver a person-centred and person-focused approach, and that that will enable us to deliver more. However, we must ensure that we disentangle ourselves from what I view as the UK Government's debunked and failed sanctions regime.

It was interesting to hear Conservative speakers referring to the Joseph Rowntree Foundation's view that,

“For those who can, work is the best route out of poverty”.

No member of this chamber will disagree with that. However, what I did not hear from Adam Tomkins, Alison Harris or Dean Lockhart is that the Joseph Rowntree Foundation has also said that benefit sanctions lead to unfavourable longer-term outcomes for earnings, job quality and employment retention.

Speaker after speaker told us story after story of the real and practical effect of sanctions on people, and I can speak from my experience of dealing with constituents who are going through the sanctions regime. I say to Alison Harris that we are not carping; we are seeking to protect the interests of the people of Scotland, and our employability programme will in no way facilitate the UK Government's sanctions regime.

Business Motion

17:29

The Presiding Officer (Ken Macintosh): The next item of business is consideration of business motion S4M-01813, in the name of Joe FitzPatrick, on behalf of the Parliamentary Bureau, setting out a business programme.

Motion moved,

That the Parliament agrees the following programme of business—

Tuesday 25 October 2016

2.00 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Topical Questions (if selected)

followed by Scottish Government Debate: A Fairer Scotland

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Wednesday 26 October 2016

2.00 pm Parliamentary Bureau Motions

2.00 pm Portfolio Questions
Communities, Social Security and
Equalities

followed by Scottish Government Debate: Future
Enterprise and Skills Support in
Scotland

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Thursday 27 October 2016

11.40 am Parliamentary Bureau Motions

11.40 am General Questions

12.00 pm First Minister's Questions

12.45 pm Members' Business

2.30 pm Parliamentary Bureau Motions

2.30 pm Scottish Government Debate:
Environmental Protection and Climate
Change

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

Tuesday 1 November 2016

2.00 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Topical Questions (if selected)

followed by Scottish Government Business

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Wednesday 2 November 2016

2.00 pm Parliamentary Bureau Motions

2.00 pm Portfolio Questions
Economy, Jobs and Fair Work;
Finance and the Constitution

followed by Scottish Government Business

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Thursday 3 November 2016

11.40 am Parliamentary Bureau Motions

11.40 am General Questions

12.00 pm First Minister's Questions

12.45 pm Members' Business

2.30 pm Parliamentary Bureau Motions

2.30 pm Scottish Government Business

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time—[*Joe FitzPatrick*]

Motion agreed to.

Parliamentary Bureau Motions

17:30

The Presiding Officer (Ken Macintosh): The next item of business is consideration of nine Parliamentary Bureau motions. I ask Joe FitzPatrick to move en bloc motion S5M-01819, on a variation of standing orders; motions S5M-01820 to S5M-01826, on approval of Scottish statutory instruments; and motion S5M-01827, on suspension of standing orders.

Motions moved,

That the Parliament agrees that, in relation to First Minister's Questions on 27 October—

(i) in the first sentence of Rule 13.7.A1 “30 minutes” be replaced with “45 minutes”;

and

(ii) in Rule 13.6.2 “6” be replaced with “8”.

That the Parliament agrees that the First-tier Tribunal for Scotland (Transfer of Functions of the Homeowner Housing Committees) Regulations 2016 [draft] be approved.

That the Parliament agrees that the First-tier Tribunal for Scotland (Transfer of Functions of Private Rented Housing Committees) Regulations 2016 [draft] be approved.

That the Parliament agrees that the Scottish Tribunals (Offences in Relation to Proceedings) Regulations 2016 [draft] be approved.

That the Parliament agrees that the First-tier Tribunal for Scotland Housing and Property Chamber and Upper Tribunal for Scotland (Composition) Regulations 2016 [draft] be approved.

That the Parliament agrees that the First-tier Tribunal for Scotland (Transfer of Functions of the Homeowner Housing Panel) Regulations 2016 [draft] be approved.

That the Parliament agrees that the First-tier Tribunal for Scotland (Transfer of Functions of the Private Rented Housing Panel) Regulations 2016 [draft] be approved.

That the Parliament agrees that the First-tier Tribunal for Scotland (Chambers) Regulations 2016 [draft] be approved.

That the Parliament agrees that for the purpose of allowing the Delegated Powers and Law Reform Committee to consider the package of Scottish Statutory Instruments laid under the Bankruptcy (Scotland) Act 2016 on 21 September 2016, the second sentence of Rule 10.3.2 of Standing Orders be suspended.—[*Joe FitzPatrick*]

Decision Time

17:30

The Presiding Officer (Ken Macintosh): The first question is, that amendment S5M-01793.1, in the name of Adam Tomkins, which seeks to amend motion S5M-01793, in the name of Jamie Hepburn, on devolution of employment services, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Balfour, Jeremy (Lothian) (Con)
 Briggs, Miles (Lothian) (Con)
 Burnett, Alexander (Aberdeenshire West) (Con)
 Cameron, Donald (Highlands and Islands) (Con)
 Carlaw, Jackson (Eastwood) (Con)
 Carson, Finlay (Galloway and West Dumfries) (Con)
 Chapman, Peter (North East Scotland) (Con)
 Corry, Maurice (West Scotland) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Golden, Maurice (West Scotland) (Con)
 Greene, Jamie (West Scotland) (Con)
 Hamilton, Rachael (South Scotland) (Con)
 Harris, Alison (Central Scotland) (Con)
 Johnstone, Alex (North East Scotland) (Con)
 Kerr, Liam (North East Scotland) (Con)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 Lindhurst, Gordon (Lothian) (Con)
 Lockhart, Dean (Mid Scotland and Fife) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Mountain, Edward (Highlands and Islands) (Con)
 Mundell, Oliver (Dumfriesshire) (Con)
 Ross, Douglas (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Simpson, Graham (Central Scotland) (Con)
 Smith, Liz (Mid Scotland and Fife) (Con)
 Stewart, Alexander (Mid Scotland and Fife) (Con)
 Thomson, Ross (North East Scotland) (Con)
 Tomkins, Adam (Glasgow) (Con)
 Wells, Annie (Glasgow) (Con)
 Whittle, Brian (South Scotland) (Con)

Against

Adam, George (Paisley) (SNP)
 Adamson, Clare (Motherwell and Wishaw) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Arthur, Tom (Renfrewshire South) (SNP)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Bibby, Neil (West Scotland) (Lab)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Cole-Hamilton, Alex (Edinburgh Western) (LD)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Denham, Ash (Edinburgh Eastern) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Doris, Bob (Glasgow Maryhill and Springburn) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Dugdale, Kezia (Lothian) (Lab)

Evans, Mairi (Angus North and Mearns) (SNP)
 Ewing, Annabelle (Cowdenbeath) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Fee, Mary (West Scotland) (Lab)
 Findlay, Neil (Lothian) (Lab)
 Finnie, John (Highlands and Islands) (Green)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Forbes, Kate (Skye, Lochaber and Badenoch) (SNP)
 Freeman, Jeane (Carrick, Cumnock and Doon Valley) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gilruth, Jenny (Mid Fife and Glenrothes) (SNP)
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Greer, Ross (West Scotland) (Green)
 Griffin, Mark (Central Scotland) (Lab)
 Harper, Emma (South Scotland) (SNP)
 Harvie, Patrick (Glasgow) (Green)
 Haughey, Clare (Rutherglen) (SNP)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hyslop, Fiona (Linlithgow) (SNP)
 Johnson, Daniel (Edinburgh Southern) (Lab)
 Johnstone, Alison (Lothian) (Green)
 Kelly, James (Glasgow) (Lab)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lamont, Johann (Glasgow) (Lab)
 Lennon, Monica (Central Scotland) (Lab)
 Leonard, Richard (Central Scotland) (Lab)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Uddingston and Bellshill) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Macdonald, Lewis (North East Scotland) (Lab)
 MacGregor, Fulton (Coatbridge and Chryston) (SNP)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 Macpherson, Ben (Edinburgh Northern and Leith) (SNP)
 Maguire, Ruth (Cunninghame South) (SNP)
 Marra, Jenny (North East Scotland) (Lab)
 Martin, Gillian (Aberdeenshire East) (SNP)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McArthur, Liam (Orkney Islands) (LD)
 McDonald, Mark (Aberdeen Donside) (SNP)
 McKee, Ivan (Glasgow Provan) (SNP)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McMillan, Stuart (Greenock and Inverclyde) (SNP)
 McNeill, Pauline (Glasgow) (Lab)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Rennie, Willie (North East Fife) (LD)
 Robison, Shona (Dundee City East) (SNP)
 Ross, Gail (Caithness, Sutherland and Ross) (SNP)
 Rowley, Alex (Mid Scotland and Fife) (Lab)
 Rumbles, Mike (North East Scotland) (LD)
 Ruskell, Mark (Mid Scotland and Fife) (Green)
 Russell, Michael (Argyll and Bute) (SNP)
 Scott, Tavish (Shetland Islands) (LD)
 Smith, Elaine (Central Scotland) (Lab)
 Smyth, Colin (South Scotland) (Lab)
 Somerville, Shirley-Anne (Dunfermline) (SNP)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, David (Highlands and Islands) (Lab)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Todd, Maree (Highlands and Islands) (SNP)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)

Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wightman, Andy (Lothian) (Green)
 Yousaf, Humza (Glasgow Pollok) (SNP)

The Presiding Officer: The result of the division is: For 30, Against 93, Abstentions 0.

Amendment disagreed to.

The Presiding Officer: The next question is, that amendment S5M-01793.3, in the name of Pauline McNeill, which seeks to amend motion S5M-01793, in the name of Jamie Hepburn, on devolution of employment services, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Adam, George (Paisley) (SNP)
 Adamson, Clare (Motherwell and Wishaw) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Arthur, Tom (Renfrewshire South) (SNP)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Bibby, Neil (West Scotland) (Lab)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Cole-Hamilton, Alex (Edinburgh Western) (LD)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Denham, Ash (Edinburgh Eastern) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Doris, Bob (Glasgow Maryhill and Springburn) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Dugdale, Kezia (Lothian) (Lab)
 Evans, Mairi (Angus North and Mearns) (SNP)
 Ewing, Annabelle (Cowdenbeath) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Fee, Mary (West Scotland) (Lab)
 Findlay, Neil (Lothian) (Lab)
 Finnie, John (Highlands and Islands) (Green)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Forbes, Kate (Skye, Lochaber and Badenoch) (SNP)
 Freeman, Jeane (Carrick, Cumnock and Doon Valley) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gilruth, Jenny (Mid Fife and Glenrothes) (SNP)
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Greer, Ross (West Scotland) (Green)
 Griffin, Mark (Central Scotland) (Lab)
 Harper, Emma (South Scotland) (SNP)
 Harvie, Patrick (Glasgow) (Green)
 Haughey, Clare (Rutherglen) (SNP)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hyslop, Fiona (Linlithgow) (SNP)
 Johnson, Daniel (Edinburgh Southern) (Lab)
 Johnstone, Alison (Lothian) (Green)
 Kelly, James (Glasgow) (Lab)
 Kidd, Bill (Glasgow Anniesland) (SNP)

Lamont, Johann (Glasgow) (Lab)
 Lennon, Monica (Central Scotland) (Lab)
 Leonard, Richard (Central Scotland) (Lab)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Uddingston and Bellshill) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Macdonald, Lewis (North East Scotland) (Lab)
 MacGregor, Fulton (Coatbridge and Chryston) (SNP)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 Macpherson, Ben (Edinburgh Northern and Leith) (SNP)
 Maguire, Ruth (Cunninghame South) (SNP)
 Marra, Jenny (North East Scotland) (Lab)
 Martin, Gillian (Aberdeenshire East) (SNP)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McArthur, Liam (Orkney Islands) (LD)
 McDonald, Mark (Aberdeen Donside) (SNP)
 McKee, Ivan (Glasgow Provan) (SNP)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McMillan, Stuart (Greenock and Inverclyde) (SNP)
 McNeill, Pauline (Glasgow) (Lab)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Rennie, Willie (North East Fife) (LD)
 Robison, Shona (Dundee City East) (SNP)
 Ross, Gail (Caithness, Sutherland and Ross) (SNP)
 Rowley, Alex (Mid Scotland and Fife) (Lab)
 Rumbles, Mike (North East Scotland) (LD)
 Ruskell, Mark (Mid Scotland and Fife) (Green)
 Russell, Michael (Argyll and Bute) (SNP)
 Scott, Tavish (Shetland Islands) (LD)
 Smith, Elaine (Central Scotland) (Lab)
 Smyth, Colin (South Scotland) (Lab)
 Somerville, Shirley-Anne (Dunfermline) (SNP)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, David (Highlands and Islands) (Lab)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Todd, Maree (Highlands and Islands) (SNP)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wightman, Andy (Lothian) (Green)
 Yousaf, Humza (Glasgow Pollok) (SNP)

Against

Balfour, Jeremy (Lothian) (Con)
 Briggs, Miles (Lothian) (Con)
 Burnett, Alexander (Aberdeenshire West) (Con)
 Cameron, Donald (Highlands and Islands) (Con)
 Carlaw, Jackson (Eastwood) (Con)
 Carson, Finlay (Galloway and West Dumfries) (Con)
 Chapman, Peter (North East Scotland) (Con)
 Corry, Maurice (West Scotland) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Golden, Maurice (West Scotland) (Con)
 Greene, Jamie (West Scotland) (Con)
 Hamilton, Rachael (South Scotland) (Con)
 Harris, Alison (Central Scotland) (Con)
 Johnstone, Alex (North East Scotland) (Con)
 Kerr, Liam (North East Scotland) (Con)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 Lindhurst, Gordon (Lothian) (Con)
 Lockhart, Dean (Mid Scotland and Fife) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Mountain, Edward (Highlands and Islands) (Con)
 Mundell, Oliver (Dumfriesshire) (Con)
 Ross, Douglas (Highlands and Islands) (Con)

Scott, John (Ayr) (Con)
 Simpson, Graham (Central Scotland) (Con)
 Smith, Liz (Mid Scotland and Fife) (Con)
 Stewart, Alexander (Mid Scotland and Fife) (Con)
 Thomson, Ross (North East Scotland) (Con)
 Tomkins, Adam (Glasgow) (Con)
 Wells, Annie (Glasgow) (Con)
 Whittle, Brian (South Scotland) (Con)

The Presiding Officer: The result of the division is: For 93, Against 30, Abstentions 0.

Amendment agreed to.

The Presiding Officer: The next question is, that motion S5M-01793, in the name of Jamie Hepburn, on devolution of employment services, as amended, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Adam, George (Paisley) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Arthur, Tom (Renfrewshire South) (SNP)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Bibby, Neil (West Scotland) (Lab)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Cole-Hamilton, Alex (Edinburgh Western) (LD)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Denham, Ash (Edinburgh Eastern) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Doris, Bob (Glasgow Maryhill and Springburn) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Dugdale, Kezia (Lothian) (Lab)
 Evans, Mairi (Angus North and Mearns) (SNP)
 Ewing, Annabelle (Cowdenbeath) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Fee, Mary (West Scotland) (Lab)
 Findlay, Neil (Lothian) (Lab)
 Finnie, John (Highlands and Islands) (Green)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Forbes, Kate (Skye, Lochaber and Badenoch) (SNP)
 Freeman, Jeane (Carrick, Cumnock and Doon Valley) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gilruth, Jenny (Mid Fife and Glenrothes) (SNP)
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Greer, Ross (West Scotland) (Green)
 Griffin, Mark (Central Scotland) (Lab)
 Harper, Emma (South Scotland) (SNP)
 Harvie, Patrick (Glasgow) (Green)
 Haughey, Clare (Rutherglen) (SNP)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hyslop, Fiona (Linlithgow) (SNP)
 Johnson, Daniel (Edinburgh Southern) (Lab)
 Johnstone, Alison (Lothian) (Green)
 Kelly, James (Glasgow) (Lab)
 Kidd, Bill (Glasgow Anniesland) (SNP)

Lamont, Johann (Glasgow) (Lab)
 Lennon, Monica (Central Scotland) (Lab)
 Leonard, Richard (Central Scotland) (Lab)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Uddingston and Bellshill) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Macdonald, Lewis (North East Scotland) (Lab)
 MacGregor, Fulton (Coatbridge and Chryston) (SNP)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 Macpherson, Ben (Edinburgh Northern and Leith) (SNP)
 Maguire, Ruth (Cunninghame South) (SNP)
 Marra, Jenny (North East Scotland) (Lab)
 Martin, Gillian (Aberdeenshire East) (SNP)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McArthur, Liam (Orkney Islands) (LD)
 McDonald, Mark (Aberdeen Donside) (SNP)
 McKee, Ivan (Glasgow Provan) (SNP)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McMillan, Stuart (Greenock and Inverclyde) (SNP)
 McNeill, Pauline (Glasgow) (Lab)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Rennie, Willie (North East Fife) (LD)
 Robison, Shona (Dundee City East) (SNP)
 Ross, Gail (Caithness, Sutherland and Ross) (SNP)
 Rowley, Alex (Mid Scotland and Fife) (Lab)
 Rumbles, Mike (North East Scotland) (LD)
 Ruskell, Mark (Mid Scotland and Fife) (Green)
 Russell, Michael (Argyll and Bute) (SNP)
 Scott, Tavish (Shetland Islands) (LD)
 Smith, Elaine (Central Scotland) (Lab)
 Smyth, Colin (South Scotland) (Lab)
 Somerville, Shirley-Anne (Dunfermline) (SNP)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, David (Highlands and Islands) (Lab)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Todd, Maree (Highlands and Islands) (SNP)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wightman, Andy (Lothian) (Green)
 Yousaf, Humza (Glasgow Pollok) (SNP)

Against

Balfour, Jeremy (Lothian) (Con)
 Briggs, Miles (Lothian) (Con)
 Burnett, Alexander (Aberdeenshire West) (Con)
 Cameron, Donald (Highlands and Islands) (Con)
 Carlaw, Jackson (Eastwood) (Con)
 Carson, Finlay (Galloway and West Dumfries) (Con)
 Chapman, Peter (North East Scotland) (Con)
 Corry, Maurice (West Scotland) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Golden, Maurice (West Scotland) (Con)
 Greene, Jamie (West Scotland) (Con)
 Hamilton, Rachael (South Scotland) (Con)
 Harris, Alison (Central Scotland) (Con)
 Johnstone, Alex (North East Scotland) (Con)
 Kerr, Liam (North East Scotland) (Con)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 Lindhurst, Gordon (Lothian) (Con)
 Lockhart, Dean (Mid Scotland and Fife) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Mountain, Edward (Highlands and Islands) (Con)
 Mundell, Oliver (Dumfriesshire) (Con)
 Ross, Douglas (Highlands and Islands) (Con)

Scott, John (Ayr) (Con)
 Simpson, Graham (Central Scotland) (Con)
 Smith, Liz (Mid Scotland and Fife) (Con)
 Stewart, Alexander (Mid Scotland and Fife) (Con)
 Thomson, Ross (North East Scotland) (Con)
 Tomkins, Adam (Glasgow) (Con)
 Wells, Annie (Glasgow) (Con)
 Whittle, Brian (South Scotland) (Con)

The Presiding Officer: The result of the division is: For 92, Against 30, Abstentions 0.

Motion, as amended, agreed to,

That the Parliament welcomes the devolution of employment support programmes under the Scotland Act 2016, with a transitional year of operation from April 2017 and a longer-term programme from 2018 that will reflect fair work and social and economic inclusion, ensure that people are at the heart of a service that treats people with fairness and respect and which will help deliver an inclusive, socially-just, equal and prosperous Scotland; regrets the funding reductions by the UK Government for these employability support services of almost 90% in the first year of devolved services in 2017-18, but notes that the Scottish Government is providing additional resources to ensure continuity of employment support for the most vulnerable in Scottish society, including disabled people; welcomes voluntary access to Scottish devolved services that will support people into work, as opposed to mandatory participation and the threat of benefit sanctions by the Department for Work and Pensions; believes that those who want to work but need extra support are given it and that support should be based on the principles of dignity and respect, not cuts and punitive sanctions; recognises that further action is needed in order to significantly reduce involuntary unemployment and move towards full employment, and calls on the Scottish Government to be bold and innovative in designing Scotland's future employment services, including a review of the punitive and discredited content and delivery of assessments, as well as identifying the needs of local economies and the ability to tailor employment programmes to suit them.

The Presiding Officer: I propose to put a single question on the nine Parliamentary Bureau motions. The final question is, that motions S5M-01819 to S5M-01827, in the name of Joe FitzPatrick, be agreed to.

Motions agreed to,

That the Parliament agrees that, in relation to First Minister's Questions on 27 October—

(i) in the first sentence of Rule 13.7.A1 "30 minutes" be replaced with "45 minutes";

and

(ii) in Rule 13.6.2 "6" be replaced with "8".

That the Parliament agrees that the First-tier Tribunal for Scotland (Transfer of Functions of the Homeowner Housing Committees) Regulations 2016 [draft] be approved.

That the Parliament agrees that the First-tier Tribunal for Scotland (Transfer of Functions of Private Rented Housing Committees) Regulations 2016 [draft] be approved.

That the Parliament agrees that the Scottish Tribunals (Offences in Relation to Proceedings) Regulations 2016 [draft] be approved.

That the Parliament agrees that the First-tier Tribunal for Scotland Housing and Property Chamber and Upper

Tribunal for Scotland (Composition) Regulations 2016 [draft] be approved.

That the Parliament agrees that the First-tier Tribunal for Scotland (Transfer of Functions of the Homeowner Housing Panel) Regulations 2016 [draft] be approved.

That the Parliament agrees that the First-tier Tribunal for Scotland (Transfer of Functions of the Private Rented Housing Panel) Regulations 2016 [draft] be approved.

That the Parliament agrees that the First-tier Tribunal for Scotland (Chambers) Regulations 2016 [draft] be approved.

That the Parliament agrees that for the purpose of allowing the Delegated Powers and Law Reform Committee to consider the package of Scottish Statutory Instruments laid under the Bankruptcy (Scotland) Act 2016 on 21 September 2016, the second sentence of Rule 10.3.2 of Standing Orders be suspended.

The Presiding Officer: That concludes decision time.

HM Revenue and Customs (Bathgate)

The Deputy Presiding Officer (Christine Grahame): The final item of business today is a members' business debate on motion S5M-01279, in the name of Neil Findlay, on retaining tax jobs in Bathgate. The debate will be concluded without any question being put.

Motion debated,

That the Parliament notes calls for the HM Revenue and Customs (HMRC) to pause its programme of office closures and end the plan to relocate tax credit services from the Pyramids Business Park in Bathgate in West Lothian to a new site in Edinburgh; understands that an assessment of the socio-economic impact would mean that relocated workers, most of whom earn under £21,000 per annum, would be £1,300 worse off per year from additional travel costs and will have to undertake a minimum of four hours extra travelling time per week; considers that this would also have a detrimental impact on the 40% of workers with caring responsibilities and the 20% who are disabled, and have a knock-on negative environmental impact; believes that this will also impact on the wider West Lothian economy with a potential £8.5 million lost, threatening local businesses that are dependent on HMRC staff and their spending power; is aware of calls for HMRC to consider alternative proposals, and further notes calls by West Lothian Council, the PCS trade union and local businesses to ensure the retention of these jobs in West Lothian.

17:35

Neil Findlay (Lothian) (Lab): I thank the members who have supported my motion. I wish to declare an interest as I am the current chair of the Public and Commercial Services Union parliamentary group, and PCS is the trade union that represents HM Revenue and Customs staff.

The motion—as is the nature of motions for members' business debates—reflects local issues in my region, but I want today's short debate to be about issues that are much wider than that. The United Kingdom Government's policy of tax office closures will impact and already is impacting on communities and workers across the UK. Jobs will go in Aberdeen, Cumbernauld, Dundee, East Kilbride, Glasgow, Inverness, Irvine and Glenrothes, but also in Bradford, Middlesbrough, Colchester, Brighton, Derby, Newry, Taunton, Wrexham, Wolverhampton and a host of places in between. Some redundancies have already occurred. I express my solidarity with those communities and the workers affected, as their struggle is our struggle.

On 12 November 2015, HMRC published its plans in the document "Building our future: transforming the way HMRC serves the UK". The title of the publication was a complete misnomer. The plan seeks to close over 160 tax offices across the UK leaving just 13 regional hubs

specialising in four areas of work. We cannot “build the future” by taking a wrecking ball to one of our most important and key public services: the administration and collection of taxes. Those are the very taxes that pay for our national health service, for our education system, for our emergency services and all the rest of the services that civilise our society.

In my region, there are planned closures at Barbara Ritchie house in Livingston, at the Pyramids in Bathgate, and in Edinburgh at Elgin house, Grayfield house and Meldrum house. Around 2,000 jobs are to be centralised to an unidentified location in Edinburgh, which will have a devastating impact on the areas affected and, in particular, on West Lothian.

As far back as 1985, unemployment in West Lothian was sky high—sitting at up to 26 per cent in some areas—after the closure of British Leyland and the Polkemmet pit. The development of silicon glen and production facilities such as NEC Semiconductor, Burr-Brown, Seagate and others provided jobs and hope for many. Just a stone’s throw from the giant British Leyland site, Motorola came in with 3,000 people producing mobile phones—my brother was one of them—but it closed in 2001. The tax credit centre took over the building, but now those jobs are under threat, too, and some people might be facing their third redundancy from jobs in the same location.

The issues that I raise in relation to West Lothian can no doubt be applied to many of the other places that will be affected by the HMRC plan. It will be at huge cost to the local economy as around 1,000 jobs will be taken out of West Lothian and centralised. It has been estimated that each worker spends £1,000 a year in the local economy in shops, petrol stations and snack bars, and over £5 million will be taken out of the economy cumulatively.

The staff affected will be expected to travel much further—up to an hour and a half each way—yet that is deemed reasonable by HMRC. Forty per cent of those staff members have caring responsibilities for children, elderly relatives or family members with a disability. For many of them, moving to a big city location is not an option. Any closure would cost them their job and we must be clear about that.

A number of staff members have disabilities themselves or have raised issues relating to a disability, which would make travelling to Edinburgh extremely difficult for them. It is no wonder that they are worried about the future when ScotRail is such a shambles.

The cost of travel is another concern. Travelling by train between Bathgate and Edinburgh costs £9.10 per day; it is a bit less for travelling from

Livingston. For workers who currently work in the Bathgate location and live in North Lanarkshire, Fife, Falkirk and Glasgow, the costs of travelling by public transport to Edinburgh will be much higher, although it might cost slightly less by car. Those costs will fall on workers whose average earnings are £21,000 a year, with some earning significantly less than that. The additional travel costs would be a very significant hit on their pay, and that would be imposed on a group of staff who have been subjected to pay cuts, pension cuts and a general all-out attack on their terms and conditions.

PCS branches up and down the country have been working with local authorities, local businesses and trades councils to campaign against the HMRC closures. They are demanding that local equality impact assessments are carried out, but I think that we should go further because we also need social, economic and environmental impact assessments of the closure plans. I believe that such assessments would expose the closures policy as unworkable, damaging and a costly mess.

Government jobs should not be centralised: they should be decentralised to provide jobs and opportunities and spread the economic gain across the country. Scotland is gaining many more tax and benefit powers, so we need skilled staff with knowledge of systems and processes, who hold local information and can administer those taxes and benefits. At a time of events such as the Panama papers, tax avoidance on an industrial scale and changes to benefits, this cull by HMRC could not be more badly timed.

If we roll all those issues into one, we have one almighty dog’s breakfast and it is the UK Tory Government that is taking us into that. I hope that all parliamentarians, no matter their party allegiance, see this closures policy for what it is: a policy that is bad for workers, bad for communities and bad for the economy. The UK Government should scrap these ridiculous plans now.

17:41

Maree Todd (Highlands and Islands) (SNP): I am grateful to Neil Findlay for raising this issue in Parliament. He, along with many other local elected representatives, is clearly concerned about the effect that the job cuts will have on the HMRC workers employed in Bathgate, and on Bathgate as a community. I share his concern, but unfortunately the motion barely scratches the surface of the issue.

The Bathgate office is, as Neil Findlay said, just one of the 17 HMRC offices across Scotland that are set to close, thanks to the so-called consolidation of that network of offices. HMRC is

set to cut over 2,000 of its staff here in Scotland, who are from those 17 offices that are situated in communities all over Scotland and which currently provide vital skilled jobs to areas that depend on them.

It is a move that will be deeply damaging to communities from Dundee to Cumbernauld and from Bathgate to Inverness, in my constituency. It is local communities up and down Scotland that are set to lose out on jobs that their local economies rely on. It is a decision that Scotland had no say over, a decision made hundreds of miles away in London and one that will have a serious impact on the lives of those families and communities who will be affected here in Scotland.

To make matters worse, the decision is just the latest in a string of broken vows from the independence referendum; vows made hand-in-hand by the Conservatives, the Liberal Democrats and Labour. Those same communities that were told just two years ago that the only way to protect HMRC jobs in Scotland was to vote against independence are now facing up to the reality of losing over 2,000 of those jobs. A tweet from Scottish Labour's anti-independence campaign read:

"1400 jobs at HMRC in Cumbernauld are dependent on us staying in the UK."

Well, we stayed in the UK, so why is it that HMRC offices in Cumbernauld are set to close by 2020?

Of course, it is not just the community in Cumbernauld who have been deceived by Labour campaigners: the Inverness office is set to be one of the first offices to close under the cuts.

Neil Findlay: Surely workers out there deserve more than a rerunning of the independence campaign. We need positive action from people across the Parliament to try to retain people's jobs. It might soothe the member's conscience to say that, but let us get on with trying to protect jobs. Let us not start rerunning old debates.

Maree Todd: I ask Mr Findlay to have a think about his conscience and his role in the false promises that were made to the people of Scotland during the independence referendum debate.

The Inverness office, with 50 jobs at stake, is set to close by 2018 to the detriment of the local economy and the families who now face uncertain futures due to the job losses. This is not the first promise made to Scotland that has been broken and I fear that it will not be the last.

We in this Parliament are led to understand that the 2,000 job losses are absolutely necessary, as providing jobs in Scotland is simply too expensive. That is why HMRC has decided to open a tax supercentre that will provide 2,800 new jobs to

people in Croydon. HMRC can provide extra jobs in the south-east of England, but Scotland has to accept job losses. That reflects a wider attitude towards Scotland from powers in London. Boris Johnson, who is now a UK Government minister, said:

"my argument to the Treasury is that a pound spent in Croydon is far more of value to the country from a straight utilitarian calculus than a pound spent in Strathclyde."

I ask the Conservative members in the chamber to reflect on that.

I hope that members of all parties will join me in calling on HMRC and the UK Government to protect Scottish jobs and stop the consolidation of tax offices, which will damage communities all over Scotland.

17:46

Miles Briggs (Lothian) (Con): I commend Neil Findlay for bringing this debate to the Parliament.

I, too, would like to put on the record the legitimate concerns that exist over the proposed changes. I have met representatives of the Pyramids business park along with West Lothian Council and MPs and MSPs from across the parties, and I agreed to support the joint appeal to HMRC that has called on it to look at all the concerns and reconsider its proposals. In addition to that joint letter, I have twice written directly to Jon Thompson, the chief executive of HMRC, and I will follow that up with a further letter to the Financial Secretary to the Treasury, Jane Ellison MP, who is the minister responsible.

HMRC says that its plans are part of a wider Government strategy to develop hubs in key locations that maximise flexibility and customer services. Like all public sector organisations, it is under pressure to reduce the cost to the taxpayer of providing services.

I say to Maree Todd that I was disappointed by the tone of her contribution to the debate. MSPs from across the parties, including both cabinet secretaries who are here this evening, have been working together on the issue. Scotland is home to 12 per cent of the HMRC workforce and the UK Government has given a commitment that those jobs will remain in Scotland.

However, as HMRC proposes the changes, it is crucial that it fully addresses the concerns of the workers who are currently based in West Lothian, who will be affected, and that it ensures that any changes offer the best possible deal for the taxpayer once all factors have been taken into account. As Neil Findlay said, research that has been undertaken by the business park owners and West Lothian Council shows that 85 per cent of the staff earn less than £21,000 per annum, so the

key issue of employees' additional travel costs from West Lothian or Edinburgh or Glasgow must be considered.

In addition, 40 per cent of the employees have caring responsibilities, which could be compromised by the extra commuting time, and 20 per cent of the workforce have a disability. The latter statistic should be welcomed and is testament to the positive working conditions that HMRC has provided to date.

Neil Findlay: I saw today that the Scottish leader of the member's party was the warm-up act for the Prime Minister. Now that the leader of the Scottish Tory party seems to have the Prime Minister's ear, will the member urge her to tell Mrs May to scrap the plans?

Miles Briggs: As I said at the beginning of my speech, I have already written to the Financial Secretary to the Treasury, Jane Ellison, who will be taking the decision, and I specifically raised those issues. I have been assured that one-to-one meetings between staff and managers will take place at least a year in advance of any move and that caring responsibilities, travel times and costs and other personal circumstances will be discussed, as well as a special daily travel allowance being made available if the decision goes forward.

Those additional costs, whether through train fares or additional mileage, will clearly be significant, so I would hope that HMRC could begin assessing them now so that we can have the facts in front of us. MSPs from across the chamber will be very much aware that proposed reforms to services in the past have been taken forward in the name of delivering better value for money for the taxpayer when, in fact, the taxpayer has had to spend more on such services. I hope that HMRC understands and outlines the costs ahead of any relocation.

As I have mentioned, I will ask the Financial Secretary to the Treasury to urge HMRC to undertake the work so that we have the additional costs and they can be tested and factored into the overall decision, not least as the Pyramids site will continue to offer very competitive rental and business rates charges, especially when compared with any of Edinburgh's city centre locations.

I again welcome today's debate. It has allowed MSPs from across the chamber to voice genuine concerns. I urge HMRC to engage fully with West Lothian Council, and the local workforce and its representatives to demonstrate how its proposals will provide value for money to the taxpayer and will not disadvantage local employees to the extent that they cannot work for HMRC in the future.

17:51

Jackie Baillie (Dumbarton) (Lab): Let me also start by congratulating Neil Findlay on securing the debate and bringing the concerns of workers who are employed at the HMRC office in Bathgate and in many other locations to the chamber. I am sure that other members will comprehensively cover the challenges that are being faced by staff in Bathgate and I do not want to add to that. I will focus on the context in which we find ourselves.

It is right to look back at what HMRC did when it announced its so-called consolidation plans in November 2015. As we have heard, that means the closure of 17 offices across Scotland to be replaced by two supercentres in Edinburgh and Glasgow. The decision does not solely affect Bathgate; centres in Aberdeen, Dundee, Cumbernauld, East Kilbride, Glasgow, and Inverness will also close, and I understand that Irvine and Glenrothes are already in the process of closing. It is equally right to acknowledge the closures across the UK.

The current level of employment across the sites in Scotland is about 8,300, but it is expected to be 6,300 when the programme of consolidation is completed by 2021. Consolidation is clearly the new name for cuts. I fail to understand how a cut of 2,000 staff can be justified and I will explore that in a minute.

The impact on individuals because of increased travel time or, worse, the loss of their jobs has been outlined by other members, as has the impact on the local economy. However, I want to return to the question of the job losses. The Scottish Parliament has significant new devolved powers and nowhere more so than in taxation. Responsibility for some of those new taxes was passed over two years ago, with stamp duty, and more were passed on last year with the Scottish rate of income tax. The Scottish Government has found it challenging and I do not blame it for that; that is taxation.

We have been good at spending the money that we have been given, but it is a whole other ball game when we are responsible for the other side of the equation—raising taxes. To lose capacity and expertise at such a delicate time seems ridiculous and not thought through.

Last year, the Scottish Government decided not to vary the Scottish rate of income tax, but the volume of work in making sure that the systems worked effectively was not in any way diminished. Indeed, considerable effort was made to ensure that the process was as smooth as possible as we transitioned. The Parliament might decide in future to vary the Scottish rate of income tax. If it does so, delivery of that might well be challenging and will require expertise and capacity. Equally,

ensuring compliance with tax collection is an issue for HMRC as a whole. Closing offices on the proposed scale might pose a threat to the operation of HMRC and, indeed, last year, the UK Parliament's Public Accounts Committee said that HMRC's customer service was so bad that it could be affecting tax collection. We should not add to that pressure by reducing staff numbers.

When the issue was first raised, the First Minister said that she would seek urgent talks with the UK Government. I would be grateful if the minister could tell us whether such talks took place and, if so, what the result was.

Finally, I say as gently as I can to Maree Todd that there are many occasions on which to debate the constitutional future of the UK in Scotland—some might argue that having a £15 billion black hole in our public finances each year would lead to many more job losses—but staff in HMRC will be utterly bemused by our choosing in this evening's debate to scrap with one another instead of focusing on their interests. The Parliament should unite in their interests.

17:55

Linda Fabiani (East Kilbride) (SNP): I would like to make a small contribution to the debate, because when I read Neil Findlay's motion and listened to him speak about the situation in Bathgate, it struck me that the situation there is very similar to the one that is faced in East Kilbride.

Centre 1—or Queensway house, to give it its technical name—is the main centre for HMRC in East Kilbride, and it has always been known as a centre of expertise in the town. If the plans go ahead, 2,500 jobs will be moved out of East Kilbride. As well as being a huge imposition on the workers—Neil Findlay mentioned all the problems with travel costs, travel time and caring responsibilities—that will have a big impact on the local economy.

Given that we are talking about the removal from a town of 2,500 jobs, which will have a huge impact, it really bothers me that the UK Government has not carried out an economic impact assessment. Neil Findlay is quite right—a socioeconomic impact study should be carried out. Moreover, I have learned from my colleagues in the Westminster Parliament that there has been no real parliamentary scrutiny of the proposals, and that gives me great concern. When I looked back at the answers to the written questions that I asked the Scottish Government on the issue, I discovered that there was not even any proper formal discussion with the Scottish Government when the proposals were announced.

Centre 1 is the main HMRC office in East Kilbride, but there is also the Plaza tower and the site at Hawbank Road, which is being run down as we speak. There is great expertise in Centre 1, which has been built up over the years. As PCS says, tax experts will tell us that a local tax office is essential in ensuring that taxpayers comply with their obligations. That expertise should be kept. For the life of me, I cannot understand why it is necessary to uproot highly experienced workers from places such as East Kilbride and Bathgate and move them elsewhere.

One of the issues with Queensway house is that, although it is being said that it will be 2026 before all the jobs will be moved, the lease comes up for renewal some time before then, because Gordon Brown sold off the premises to an offshore company. Could the minister please find out for us when the lease for Queensway house is up, because we are finding it extremely difficult to get that information?

I would like to finish by mentioning PCS's stay in East Kilbride campaign. Despite being the recognised trade union for most of the staff, PCS was not consulted on the plans to remove staff from East Kilbride, and I suspect that that was also the case in Bathgate and other locations. The stay in East Kilbride campaign has called for the proposed closure at least to be paused—it would of course like it to be stopped—and for the proposals to be the subject of full parliamentary scrutiny and public consultation.

I thank Neil Findlay for allowing us to talk about the issue. Of course tax jobs should be retained in Bathgate, and of course tax jobs should stay in East Kilbride.

17:59

Gordon Lindhurst (Lothian) (Con): I thank Neil Findlay for bringing the debate to Parliament, and my colleague, Miles Briggs, for all his efforts in the matter.

Clearly, this is an important issue in Lothian, which has arisen following the announcement by HMRC last November that it intends to streamline its services. The intention, of course, is to meet modern trends, such as customers' expectation to be able to engage at the touch of a button, and it is in the climate of an increasing need to do more with less, to enable Scotland and the UK to live within our means.

As has been pointed out, the plans are not just for Scotland, but for the wider UK, and will lead to consolidation of 170 offices into 13 offices. The new offices are to be sited primarily in cities, on the premise that they offer the infrastructure that is required of regional centres and the technical

expertise from working alongside colleges and universities in bigger cities.

The requirement to streamline and update is often an unenviable one, with difficult decisions having to be made, whether by public governmental bodies, private businesses or institutions. In particular, the impact on the people in locations that are set to close, as well as on the local economies of the areas that host the facilities, should be fully considered and any negative effects mitigated as much as possible.

On the planned resiting in Edinburgh, some people might think that workers in Bathgate and Livingston would not face unreasonable changes to their daily travel plans compared with some relocations across larger regions of the UK, but let us be careful about such assumptions because there are many other implications that are of concern.

Research that was undertaken by PCS and West Lothian Council has been mentioned. In economic terms, the changes would result in workers having to spend an extra £1,300 getting to and from work. That is a substantial amount of money for the 85 per cent of the staff who earn less than £21,000 a year.

The changes to work-life balance should also be taken on board. Others have mentioned the estimated 40 per cent of employees who have caring responsibilities. In addition, Neil Findlay's estimate that the changes would mean an additional one to one and a half hours of travel time in each direction is fairly conservative, because depending on where one is coming from and where one is going to in Edinburgh, it could easily be two hours travel time in each direction.

I am pleased that HMRC has committed to one-to-one management engagement with employees on issues, including the physical and financial consequences of moving to Edinburgh. I hope that that represents a firm commitment to providing sufficient help to those who need it.

Beyond all that, another consideration that should be looked at is the impact on the local economy. The research that I mentioned estimates an annual spend loss in the local area of about £1 million, and a £7.5 million loss of local income. In those circumstances, a lack of replacement employment could hamper businesses that have relied on being closely located to hundreds of potential customers.

I urge HMRC to rethink the proposal carefully, and to consider how the proposed move would affect employees and the local economy, whether there would be real savings to be gained and whether it would be the right decision to take, in this case.

18:03

Elaine Smith (Central Scotland) (Lab): I congratulate Neil Findlay for raising the issue. One of the most disturbing things about HMRC's plans to move jobs from Bathgate to Edinburgh, as well as the other job moves, is the lack of engagement with staff and, in particular, with PCS over the proposals. Linda Fabiani also made that point in relation to East Kilbride.

Even if there are, as has been called for by the union, no compulsory redundancies, the proposals would lead to loss to the local economy. The move would have a major effect on workers; travel-to-work times and costs would be greatly increased and it would have a detrimental effect on family life, including in respect of childcare and other caring responsibilities. As members have pointed out, many of the staff are low-paid workers who could ill afford the extra costs, which basically translate into a pay cut, and other workers with disabilities could lose their jobs, because it might not be feasible for them to commute.

Constituents in my area—Central Scotland—who work in West Lothian will be affected by the move if it goes ahead. Others have been directly affected by changes in Central Scotland—for example, the constituency example that was given by Linda Fabiani of workers at Centre 1 in East Kilbride who were made aware that their jobs were, over the next 10 years, going to be lost to Glasgow and Edinburgh. However, there is considerable concern that the timeline for closing down East Kilbride's biggest employer is likely to come sooner than expected.

As Neil Findlay said, the potential knock-on economic effects of such centres being lost is considerable. It also entails significant psychological stress for people. The knowledge that one's own job is going is bad enough, but knowing that good jobs are disappearing in one's area breeds a sense of insecurity—not to mention the knock-on effects on things such as school places and losses of small businesses.

We must do more to save jobs in those towns and promote such areas as sites of industry and innovation. We all know that the central belt has an ever-growing number of people who are having to commute to work from one side to the other. However, it seems that maybe that fact is being used somehow to justify draining jobs away from places such as Bathgate, Cumbernauld and East Kilbride to Edinburgh and Glasgow.

Many people across Scotland are concerned that their towns are being gradually run down, so fighting to keep important jobs such as those in Bathgate that we are discussing tonight is a key step towards trying to prevent that happening.

Year on year, the average commute for Scottish workers is increasing, as are the costs of that commute. That is time spent away from families; it reduces leisure time and it increases stress, particularly when public transport including our privatised railways—as mentioned by Neil Findlay—does not seem to be working for commuters as it should.

The option of driving is unattractive even for people who have cars because of the congestion on our main motorway connecting Glasgow and Edinburgh and it is bad, anyway, for the environment.

I very much support the efforts of PCS to raise the issue, and I hope that we can further raise awareness of the movement of jobs around Scotland. It is not just about the jobs that leave Scotland altogether. In many cases, as I have said, the effects on small towns can be disastrous.

The Bathgate and Edinburgh sites should both continue, just as the East Kilbride and Glasgow sites should both continue, as should all the other smaller sites. That would be part of a sustainable strategy for urban regeneration rather than concentrating prosperity in distinct city pockets.

We are told that there is no alternative to the austerity agenda, but there is a failure to close a tax gap that loses the UK economy about £120 billion a year. At the same time, jobs and pay are being cut, benefits are being slashed and public services are being closed. We know that small businesses are struggling to survive on our high streets and that they will be affected by the closures of local tax offices, while the multinationals seem to get away with paying little or no tax.

Paying tax is a good thing for society; those who collect it should be valued because it pays for our public services. Delivering a fair tax system not only means closing the tax gap and making those who are most able to pay their fair share of taxes pay them; it means more staff in HMRC, not less. Closing local offices will do nothing for tax justice, so once again I congratulate Neil Findlay for bringing the issue to the chamber.

18:08

Alison Johnstone (Lothian) (Green): I, too, thank Neil Findlay for giving us the opportunity to debate an important issue. I realise that the proposals potentially impact on people across Scotland, but in the minutes that I have I will focus on the impact on my constituents in Lothian. I thank PCS, West Lothian Council, the employees who have contacted me, and all those who are working hard to ensure that the jobs remain in Bathgate.

If staff have to move to Edinburgh, there will be many negative impacts, including increased travel costs. An average of £1,300 a year in travel costs out of a salary of £21,000 a year is, in effect, a cut of 8 per cent. That is not the kind of cut that we can possibly support to a salary that is not exactly huge in the first instance.

Tax collection is incredibly important work, as colleagues have stated. If we are not collecting tax efficiently, public services will be hit even more than they are currently being hit. I was looking earlier at the travel implications. Members may be interested to know that earlier this year, the road between the west of Edinburgh at Maybury Road to Princes Street was considered to be the most congested road in the UK outside London. Apparently, people who make that journey regularly spend 43 hours a year in gridlock. It is not a journey that anyone would choose to undertake lightly.

It is important to understand that there is a community of people in Bathgate who live and work together, and whose children are at school together. They use the local shops and businesses, many of which will be impacted on massively if colleagues are not in regular, meaningful, properly paid and well-recognised employment.

It is essential that we get away from the idea that we have to centralise business in Edinburgh and Glasgow. In my opinion, far too many people have to travel from where they live to come into this city to work. One has only to try to get about on the roads in Edinburgh in the morning to see the effect of that.

I have had the privilege of living here for 50 years, but gridlock is increasingly becoming an issue. We already have several air-pollution hot spots that are breaking European Union limits, so it is time that we addressed that issue. Asking people to travel from West Lothian into the city centre simply makes no sense whatsoever. The word “consolidation” is really a euphemism for unnecessary centralisation, and it disguises cuts.

I was pleased to sign, along with colleagues, the statement urging HMRC and the UK Government to look again at the proposals. I have a feeling that the proposals have been designed by someone who just does not understand the impact and the losses that they will create.

The stress that the issue is putting on people at present is immense. I am pleased to support calls to pause the procurement process now, and I also support calls for proper public and parliamentary scrutiny. The fact that there is cross-party support for that agenda means that we should carry on working together to do all that we can. I will be interested to hear what the minister has to say

regarding on-going discussions with HMRC and the UK Government.

We have to look at the business case for the move, which seems to be flawed—that is one way to look at it. It is costing the taxpayer a fortune, and I am very concerned that if we lose those skilled expert employees, we will face even greater cuts than we are experiencing at present.

18:12

The Minister for Business, Innovation and Energy (Paul Wheelhouse): I thank Neil Findlay for lodging the motion. We have had a high-quality debate, and the issue is a strong example of cross-party consensus in the chamber, which is very welcome.

I appreciate and acknowledge that members have raised genuine and heartfelt concerns about HMRC's decision and the impact of the building our future transformation programme, as it is dubbed. Yesterday I met Angela Constance and PCS representatives from the Bathgate site, and I know that my colleague Fiona Hyslop has been very active on the case. I take on board the points that Linda Fabiani, Elaine Smith and other members have made about previous campaigns, and I welcome Miles Briggs's bipartisan action in writing to the relevant UK minister and to HMRC on the issue. It is clear that there is consensus in the chamber.

The 10-year HMRC programme as it currently stands will result in the creation of two regional centres in Glasgow and Edinburgh, as members have described, and the gradual closure of many smaller HMRC offices throughout Scotland and—as Neil Findlay said—across the rest of the UK.

Neil Findlay: The minister said that he met PCS members yesterday. Has he met senior officials from PCS Scotland recently to discuss the issue? If so, what was the outcome?

Paul Wheelhouse: I have not as yet. I have merely met, at Angela Constance's request, local representatives from Bathgate, which is an area in which Neil Findlay also has an interest. I will see whether I can engage with UK ministers, but I will refer in my speech to how other ministers in the Government have tried to engage on the issue, which may help Mr Findlay.

With the impending closure of HMRC offices in West Lothian, concerns have been raised again about the impact of office closures on our communities; on jobs; on the local economy; on the businesses of West Lothian and further afield in Scotland; and—most important—on the lives of those workers who are having to relocate.

The impact on individuals came across strongly in my meeting with PCS yesterday. We have

heard from a number of members today that 40 per cent of employees at Bathgate alone have caring responsibilities, and it is clearly not tenable to suggest that changes of such a magnitude will have no impact on people's work-life patterns and their ability to care for those for whom they have responsibility. That is a very important point.

This debate demonstrates that the Parliament cares about people. It is appropriate that, as a Parliament, we take notice of and respond to such issues when they arise. As I said, I am grateful to Neil Findlay for bringing the issue to the attention of the Scottish Parliament, and I am grateful to all those who have taken part in the debate and those who have written to me as they were not able to take part.

I will come back to members' specific points more thoroughly, but I will pick up a few at the moment. Neil Findlay made a powerful contribution on the issues. He made the point that some individuals are potentially facing redundancy for the third time, which is not insignificant for people's mental health. The stress of that on those individuals would be enormous. We are concerned about the direct impact on the local economy of £1 million, in terms of spending power in local shops, but that clearly has a multiplier effect through the wider economy. As Alison Johnstone, Linda Fabiani and others said, the proposals affect the communities in places such as Bathgate where people are working together. There is potentially a contagious effect throughout the community as a result of several large groups of people being affected simultaneously.

A number of members raised the point about the cost of travel to Edinburgh. Other sites that are being closed are even further afield than Bathgate. That is an enormous issue. Even if compensation was given, that might be taxed, so it would not necessarily have the full effect. We heard yesterday from PCS that, even if an allowance is given to staff to cover the cost of transport from Bathgate to Edinburgh, that might be subject to income tax, so staff might not get full compensation for the costs that they face. Miles Briggs referred to the fact that 85 per cent of staff have an annual salary of under £21,000, so that is a not inconsiderable factor.

I will come back to other members later, but I want to make some progress. As we have acknowledged together in the debate, the decision by the UK Government will affect many in local communities, not least staff who are employed in the offices, many of whom have for many years provided a valuable and valued accessible service. That tacit knowledge will potentially be lost if people are forced to give up their jobs, perhaps not through compulsory redundancies but because it is simply not feasible for them to

transfer to Edinburgh or Glasgow, as Elaine Smith said. That is clearly a concern.

We have set out the clear vision of the Scottish Government to drive sustainable economic growth and support investment, and that is one of the priorities of our programme for government. We want to support jobs and grow Scotland's future. We of course understand that HMRC is a Whitehall department and that decision making on these matters is reserved to the UK Government. However, it is clear that the programme will close most HMRC offices and make substantial staffing reductions across the UK as a whole. I fully understand that this must be a worrying time for the 8,000 HMRC employees who are based in Scotland and for the communities where those services are based. It is crucial that we continue to have an open and robust dialogue with Whitehall on the issue and we will continue to challenge and propose workable alternatives to help safeguard jobs and local services and to alleviate the likely economic impact of the programme in Scotland.

Indeed, the First Minister has publicly stated her concerns that the office closures appear to put significant numbers of jobs in Scotland at risk. To address the point that Jackie Baillie made—

Neil Findlay: Will the minister give way on that point?

Paul Wheelhouse: If I may, I will expand on that, because I want to address the point that Jackie Baillie made. When HMRC announced the next stage of its building our future transformation programme, the First Minister personally spoke to the second permanent secretary at HMRC to relay her grave concerns over job losses. Chris Stephens, the Scottish National Party member of Parliament for Glasgow South West led a House of Commons debate on 28 April on the HMRC programme. The debate concluded that plans should have been subject to parliamentary scrutiny, as a number of members from across the parties said. They called on the UK Government to ensure that the building our future programme is suspended until a comprehensive consultation and review is undertaken.

I will bring in Mr Findlay in a minute.

Keith Brown, the Cabinet Secretary for Economy, Jobs and Fair Work, wrote to David Gauke MP, the Chief Secretary to the Treasury, on 5 July this year to relay the Scottish Government's concerns over the HMRC office closures and to request a meeting to discuss the plan in detail. I regret to say that, as far as I am aware at this point, we have not had a reply to that letter from Mr Brown.

Since the initial announcement, we have remained in constant contact with HMRC to remain on top of the situation and to help to

ensure that our concerns regarding the impact of the programme in Scotland continue to be heard. The wider economic implications of the withdrawal of HMRC from Bathgate have been raised by a number of members, not least Mr Findlay. Our policy in Scotland is to enhance sustainable economic growth, as I said, and to support investment in our future.

I will underline some of the targeted support that the Government currently provides to West Lothian. Scottish Enterprise supports an investment in West Lothian's growth companies and helps companies in West Lothian to maximise global opportunities. I take on board the point about the Pyramids business park. If there is work that we can look at specifically to help support alternative employment there, I will look sympathetically on how we do that. Our work complements the work of the business gateway in West Lothian and the wider work of the local authority in supporting local economic development. We support the delivery of the West Lothian economic growth plan, with £12 million in additional resources, alongside existing budgets, which represents an overall package of financial support of £26 million.

As I stated, in response to a request from Angela Constance, who is the local member, I met PCS yesterday. I heard its concerns first-hand and I have agreed to continue the dialogue with it, which will be important. I am happy to involve other members in that dialogue, if that would be helpful.

Neil Findlay *rose*—

The Deputy Presiding Officer: You cannot really take an intervention at this stage, minister; you are over time. However, I think that you dealt with the issue.

Paul Wheelhouse: I apologise to Neil Findlay and I will happily discuss the issue with him after the meeting.

My colleagues meet trade unions regularly and Scottish Government officials hold regular meetings on national employment relations issues through the strategic forum. We will keep in close contact with the unions and those affected, and we will continue to work with the UK Government and lobby it to take an alternative path. I very much welcome the cross-party support for that.

I acknowledge and share members' concerns about the decision's potential negative impacts on communities across Scotland. In my ministerial role, I have the opportunity to meet regularly with representatives from our communities and our trade unions, which I will continue to do. I want there to remain no room for doubt: we remain fully committed to working with all interested parties, including trade unions, at local, national and UK

levels, to mitigate the impact of the office closures and job losses in Scotland.

HMRC is a valued member of the partnership action for continuing employment team that we deploy in reaction to job losses around Scotland, and I hope that it will work with us and demonstrate good practice on how it tackles job losses at the local level. I am sure that we can have good dialogue with it on that.

I thank all members who have taken part in this important debate. They should be assured that we will continue to work on the issue and I look forward to hearing from members in due course.

The Deputy Presiding Officer: Thank you. It was a very important subject, so I let members run slightly over time. That concludes the debate.

Meeting closed at 18:21.

Correction

Annie Wells has identified an error in her contribution and provided the following correction.

Annie Wells (Glasgow) (Con):

At col 45, paragraph 4—

Original text—

However, I was concerned to read that there are approximately 402,000 young Scots aged between 16 and 24 who are not in education, employment or training.

Corrected text—

However, I was concerned to read that, in 2015, there were 23,000 young Scots aged between 16 and 19 who were not in education, employment or training.

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

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