

The rest of this Official Report will be published progressively as soon as the text is available.

Scottish Parliament

Thursday 4 June 2026

[The Presiding Officer opened the meeting at 13:30]

Parliamentary Bureau Motions

The Presiding Officer (Kenneth Gibson): Good afternoon, colleagues. The first item of business is consideration of four Parliamentary Bureau motions: S7M-00268, on a standing orders temporary rule change; S7M-00269, on the establishment of committees; S7M-00270, on names and remits of mandatory committees; and S7M-00273, on the election of committee conveners. I ask any member who wishes to speak to the motions to press their request-to-speak button.

13:30

Craig Hoy (Dumfriesshire) (Con): I rise not to oppose the formation of committees but to challenge the Government over its latest attempt to undermine fair scrutiny of the decisions that it takes.

The Scottish National Party has chosen to nominate one of its own as convener of the finance committee and to take on the position of deputy convener. That contrasts with the previous session of the Parliament, in which an MSP from an Opposition party took on the role of deputy. With a huge focus during this parliamentary session set to be on the Government's finances, it is sadly predictable that the secretive SNP Government has grabbed those two vital positions. MSPs are rightly concerned about a £5 billion budget black hole, so would it not have been better for the SNP to allow Opposition politicians to lead the scrutiny of the Government's finances? Has John Swinney learned no lessons from the SNP's financial scandal about the importance of transparency and independent audit and about the separation of powers? He clearly has not. The SNP has learned no lessons.

Who might emerge in those two key roles? In the previous session, the Presiding Officer was the convener of the predecessor committee. He showed grit, determination and independence of mind from the SNP, but is the SNP about to propose a pair of party patsies to rubber-stamp its budget in the Parliament? Will it be the eagle-eyed Colin Beattie or will Kirsten Oswald be swapped from her ministerial brief? Those two MSPs apparently failed to spot £400,000 being stolen from under their noses.

People will not be surprised that SNP ministers are trying to hijack the finance committee, but it flies in the face of one of the fundamental principles of the Parliament—that the committee system should be independent of Government and doggedly hold it to account.

The Scottish Conservatives are in line to secure the convenership of the Social Justice, Housing and Local Government Committee, which will oversee 41 per cent of the Government's expenditure. We will use our presence on that committee to properly scrutinise the Scottish Government and its bloated SNP benefits bill.

MSPs from all parties in the chamber were elected to the Parliament to question the Government and safeguard their constituents' interests and the taxes that they pay. However, the SNP's power grab on the finance committee is akin to putting Dracula in charge of a blood bank. Therefore, I urge all MSPs, regardless of their party, to use the committee system that the Parliament will agree today to hold the Government to account properly. Ministers might be frightened of transparency and routinely seek to avoid scrutiny, so they might not like that, but it is what we are paid to do on behalf of our constituents.

Although we will not stand in the way of the formation of committees, the Scottish Conservatives are putting down a very strong marker before ministers. People have had enough of their secrecy. It is time to open the books.

The Presiding Officer: I call the Minister for Parliamentary Business and Veterans to respond and to move the four motions.

13:33

The Minister for Parliamentary Business and Veterans (Jamie Hepburn): It was "Cry Me a River" from Craig Hoy. How desperate and sad it was. It is no wonder that the Scottish Conservatives are a reduced rump in the Parliament.

The rest of this Official Report will be published progressively as soon as the text is available.

The Parliamentary Bureau has spent the past few weeks discussing and agreeing the committee remits and convenerships. We have done so collaboratively and collegiately. We have done it together without rancour and division. Yes, there has been debate and it has resulted in the proposals that are before the Parliament.

The number of members from each party on the committees is largely based on d'Hondt calculations, to try to ensure fairness across committees. That has been the method used since devolution. The reason that I say it is largely based on d'Hondt is that one party would have been entitled to more committee places under that formula: the Scottish National Party.

Stephen Kerr (Mid Scotland and Fife) (Con): I hear what the Minister for Parliamentary Business and Veterans is saying about process, which is something that the SNP loves to obsess about, but this is about what it looks like. It is unseemly that both of the convenership roles in that vitally important committee are with the Government party. Can he not see that that just stinks?

Jamie Hepburn: There is another river that could be cried; I will come to that point in a minute.

The point that I was going to make is that three committee places that the Scottish National Party were entitled to have been given up, such that Reform UK, Scottish Labour and the Scottish Conservatives are each getting an additional place in the committee structure that we are proposing. If anything, I could have been the person who was speaking against the motion and saying that it was terribly unfair, but I am a very reasonable person, which is why I am standing here proposing this structure.

I remind members that the SNP will be a minority on all committees, no matter whether it has a convenership or not. Any suggestion that the SNP group will somehow dominate a committee is clearly not true.

Craig Hoy might not like this, but choices on committee convenerships and deputy convenerships were made based on the d'Hondt method. That procedure has been in place since the Parliament was established. Indeed, only one party has been restricted from taking up one of those posts—standing orders prescribe that, and I am not suggesting otherwise. Only one party is restricted from taking up a convenership on the Public Audit Committee. Everything else is to be legitimately allocated in line with the d'Hondt method. Former business managers each made their choices, and the motion is based on those choices. Every single decision has been taken in line with the standing orders of Parliament—*[Interruption.]* I hear members saying, "Process, process, process!" That is right—this is about the process. That is what the motion is about, Mr Kerr. It is about the process of establishing committees. I think that Mr Kerr should be paying attention.

Mr Hoy is talking about what the situation was in the previous session. He has been here for only one session, so he is still quite new and is still learning. Mr Hoy still has a lot to learn. The finance committee having a governing party convener is not new. Labour held the convenerships in sessions 1 and 2 and also had the deputy convenership in session 1. In session 4, the Government party had both the convenership—a very good convener I thought at the time—and the deputy convenership. I am afraid to say that members can cry about it all they want, but there is nothing new here.

Mr Hoy is talking about the committees that the Conservative Party is about to get convenerships of. If Mr Hoy is speaking against the motion and is about to vote against it, I have to say that, if he is successful, he will not get those convenerships.

I urge Parliament to vote for the motions today.

I move,

That the Parliament agrees, with effect from 4 June 2026, that Temporary Rule 4, under rule 17.1A, be amended as follows—

(a) in paragraph 1, for "2 October 2026" substitute "31 January 2027";

(b) for "Constitution, Europe, External Affairs and Culture Committee" substitute "Europe, External Affairs and Culture Committee";

(c) in paragraph 3, for subparagraph (b) substitute:

"(b) policy in relation to the UK's relationship with the EU;"

(d) in paragraph 3, for subparagraph (d) substitute:

"(d) any other matter falling within the responsibility of the Scottish Administration relating to devolution, intra-UK and intergovernmental relations; and"

(e) in paragraph 3, at end insert:

"(e) matters relating to culture within the responsibility of the Cabinet Secretary for Education, Culture and Gaelic."

That the Parliament shall establish committees of the Parliament as follows—

The rest of this Official Report will be published progressively as soon as the text is available.

Name of Committee: Standards, Procedures and Public Appointments Committee

Remit: Set out in Rule 6.4

Number of members: 5

Convenership: The Convener will be a member of the Scottish National Party and the Deputy Convener will be a member of the Scottish Conservative and Unionist Party.

Duration: For the whole session of the Parliament

Name of Committee: Finance Committee

Remit: Set out in Rule 6.6

Number of members: 7

Convenership: The Convener will be a member of the Scottish National Party and the Deputy Convener will be a member of the Scottish National Party.

Duration: For the whole session of the Parliament

Name of Committee: Public Audit Committee

Remit: Set out in Rule 6.7

Number of members: 5

Convenership: The Convener will be a member of the Scottish Labour Party and the Deputy Convener will be a member of the Scottish National Party.

Duration: For the whole session of the Parliament

Name of Committee: Europe, External Affairs and Culture Committee

Remit: Set out in Temporary Rule 4

Number of members: 7

Convenership: The Convener will be a member of the Scottish Green Party and the Deputy Convener will be a member of the Reform UK Party.

Duration: For the whole session of the Parliament

Name of Committee: Equalities and Human Rights Committee

Remit: Set out in Rule 6.9

Number of members: 7

Convenership: The Convener will be a member of the Scottish National Party and the Deputy Convener will be a member of the Scottish Conservative and Unionist Party.

Duration: For the whole session of the Parliament

Name of Committee: Public Petitions Committee

Remit: Set out in Rule 6.10

Number of members: 5

Convenership: The Convener will be a member of the Scottish Labour Party and the Deputy Convener will be a member of the Scottish National Party.

Duration: For the whole session of the Parliament

Name of Committee: Delegated Powers and Law Reform Committee

Remit: Set out in Rule 6.11

Number of members: 5

Convenership: The Convener will be a member of the Scottish National Party and the Deputy Convener will be a member of the Scottish Green Party.

Duration: For the whole session of the Parliament

Name of Committee: Climate Action Committee

Remit: To consider and report on matters within the responsibility of the Cabinet Secretary for Climate Action and Rural Affairs, with the exception of rural affairs.

Number of members: 7

Convenership: The Convener will be a member of the Scottish National Party and the Deputy Convener will be a member of the Scottish Green Party.

The rest of this Official Report will be published progressively as soon as the text is available.

Duration: For the whole session of the Parliament

Name of Committee: Criminal Justice Committee

Remit: To consider and report on matters relating to criminal justice falling within the responsibility of the Cabinet Secretary for Justice, and functions of the Lord Advocate other than as head of the systems of criminal prosecution and investigation of deaths in Scotland.

Number of members: 7

Convenership: The Convener will be a member of the Scottish National Party and the Deputy Convener will be a member of the Scottish National Party.

Duration: For the whole session of the Parliament

Name of Committee: Economy, Tourism and Energy Committee

Remit: To consider and report on matters within the responsibility of the Cabinet Secretary for Economy, Tourism and Transport, with the exception of transport, on matters relating to public infrastructure, civil contingencies and resilience, and on matters relating to energy and energy consents.

Number of members: 7

Convenership: The Convener will be a member of the Reform UK Party and the Deputy Convener will be a member of the Scottish Labour Party.

Duration: For the whole session of the Parliament

Name of Committee: Education and Gaelic Committee

Remit: To consider and report on matters falling within the responsibility of the Cabinet Secretary for Education, Culture and Gaelic, with the exception of culture, and on matters relating to the Historical Abuse Inquiry, redress and languages.

Number of members: 7

Convenership: The Convener will be a member of the Scottish National Party and the Deputy Convener will be a member of the Scottish Labour Party.

Duration: For the whole session of the Parliament

Name of Committee: Health, Care and Sport Committee

Remit: To consider and report on matters falling within the responsibility of the Cabinet Secretary for Health and Care, and on matters relating to sport.

Number of members: 7

Convenership: The Convener will be a member of the Reform UK Party and the Deputy Convener will be a member of the Scottish National Party.

Duration: For the whole session of the Parliament

Name of Committee: Public Service Reform Committee

Remit: To consider and report on matters within the responsibility of the Cabinet Secretary for Public Service Reform.

Number of members: 7

Convenership: The Convener will be a member of the Scottish National Party and the Deputy Convener will be a member of the Scottish National Party.

Duration: For the whole session of the Parliament

Name of Committee: Rural Affairs Committee

Remit: To consider and report on matters within the responsibility of the Cabinet Secretary for Climate Action and Rural Affairs, with the exception of climate action.

Number of members: 7

Convenership: The Convener will be a member of the Scottish Green Party and the Deputy Convener will be a member of the Scottish Liberal Democrats Party.

Duration: For the whole session of the Parliament

Name of Committee: Social Justice, Housing and Local Government Committee

Remit: To consider and report on matters falling within the responsibility of the Cabinet Secretary for Social Justice and Housing, and on matters relating to local government within the responsibility of the Cabinet Secretary for Finance and Local Government.

Number of members: 7

Convenership: The Convener will be a member of the Scottish Conservative and Unionist Party and the Deputy Convener will be a member of the Reform UK Party.

Duration: For the whole session of the Parliament

The rest of this Official Report will be published progressively as soon as the text is available.

Name of Committee: Transport Committee

Remit: To consider and report on matters relating to transport within the responsibility of the Cabinet Secretary for Economy, Tourism and Transport.

Number of members: 7

Convenership: The Convener will be a member of the Scottish Liberal Democrats Party and the Deputy Convener will be a member of the Scottish National Party.

Duration: For the whole session of the Parliament

That the Parliament agrees, under Rule 6.1.5A, that the names and remits of the following mandatory committees be amended—

Name of Committee: Standards, Procedures and Public Appointments Committee

Remit: To the remit set out in Rule 6.4 shall be added—

Matters falling within the responsibility of the Minister for Parliamentary Business and Veterans.

Name of Committee: Finance Committee

New name: Finance and Public Administration Committee

Remit: To the remit set out in Rule 6.6 shall be added—

Any other matter falling within the responsibility of the Scottish Administration relating to the National Performance Framework, public inquiries, and public administration; and proposals for the formation and budgets of officeholders established by the Parliament.

Name of Committee: Public Audit Committee

Remit: To the remit set out in Rule 6.7 shall be added—

Matters relating to the performance of officeholders established by the Parliament.

Name of Committee: Equalities and Human Rights Committee

New name: Equalities, Human Rights and Civil Justice Committee

Remit: To the remit set out in Rule 6.9 shall be added—

Matters relating to civil justice within the responsibility of the Cabinet Secretary for Justice.

That the Parliament agrees, under Rule 12.1.2C, that:

- (a) elections of conveners of subject and mandatory committees will take place on Tuesday 9 June 2026;
- (b) that the location of elections will be Committee Room 5 (the Smith Room); and
- (c) that the voting period of elections will commence immediately after Time for Reflection and conclude at 7pm.

The Presiding Officer: I think that we are all agreed that the finance convener in sessions 4 and 6 was excellent.

Motions agreed to.

The Presiding Officer: Before we move to general questions, I want to talk about the election of conveners for a brief moment or two. The nomination period for conveners of committees is now open. Only members of the party designated with the convenership of a particular committee are eligible to be nominated as convener of that committee. To be valid, nominations must be proposed by the member of that party and seconded by a member of another party. The nomination period is open until 1 pm on Tuesday and the election process will begin after time for reflection on Tuesday. Anyone who is interested in participating in the nomination process can obtain forms from the clerks in room P1.02. The clerks can also advise on the procedure to be followed.

General Question Time

13:38

The Presiding Officer (Kenneth Gibson): The next item of business is general question time. In order to get in as many members as possible—we are already nine minutes into the time for this item, which I will allow to run on for some minutes—I would like short and succinct questions, and answers to match.

Vaping (Young People)

1. **Marie McNair (Clydebank and Milngavie) (SNP):** To ask the Scottish Government what action it is taking to curb vaping among young people. (S7O-00010)

The rest of this Official Report will be published progressively as soon as the text is available.

The Minister for Mental Wellbeing, Public Health, Sport, Alcohol and Drugs (Maree Todd): The Scottish Government is taking action to tackle vaping among young people. In our first 100 days in government, we will consult on the retail display of vapes in order to remove the appeal and visibility of vapes to young people.

Under the Tobacco and Vapes Act 2026, offences on the free distribution and nominal pricing of vapes will come into force on 29 October this year. From 1 June 2027, a comprehensive ban on advertising vapes will come into force, which will reduce young people's exposure to vape adverts.

We are taking forward substance use education work in our schools through curriculum for excellence. Young people learn about a variety of substances, including vapes, and information is available through the Young Scot, Parent Club and NHS Inform websites.

Marie McNair: I recently met one of my constituents to discuss her concerns about underage vaping. We both agree that vapes should be stored like cigarettes, with no colourful marking or flavours available, to make them much less appealing. I am aware of the cross-governmental work on the issue. Will the minister give a progress update on that and touch on what more can be done to ensure that vapes are not available to those who are underage?

Maree Todd: I share the concerns of Marie McNair's constituent, and I am taking decisive action to tackle underage vaping and to prevent a new generation from becoming addicted to nicotine. The cross-Government Tobacco and Vapes Act 2026 was granted royal assent on 29 April. The act contains powers to regulate product features, packaging, ingredients and flavouring for vapes. We will continue to work closely across the United Kingdom and devolved Governments on those matters.

As I said in my original answer, we will consult on the retail display of vapes within our first 100 days in government. We are working closely with the Society of Chief Officers of Trading Standards in Scotland to strengthen the enforcement of existing legislation that bans the sale of vapes to those who are under 18, including through checks on the age of sale, alongside providing guidance and support to businesses.

David Linden (Glasgow Baillieston and Shettleston) (SNP): With flavours such as candy and sugar, it is indisputable that vapes are marketed towards children. In April, the Riddrie action group expressed concern that far too many vapes are being targeted towards children. Will the Scottish Government consider a nationwide moratorium on new vape shops being established within a certain radius of educational establishments?

Maree Todd: Planning authorities within local authorities are able to regulate the development of shops, including the creation of new shops, but changes to the specific range of goods that are sold in an existing shop do not constitute development, so they are not within the scope of planning control.

However, Scotland has a tobacco and vapes retail register, and all businesses must be registered to be able to sell those products in Scotland. It is the responsibility of local authorities to enforce compliance with the register in their local areas, and it is already illegal to sell all such products to under-18s. The registration process means that that illegality can be stamped out.

Lochgelly Health Centre

2. David Barratt (Cowdenbeath) (SNP): To ask the Scottish Government what action it is taking to bring forward the delivery of a new Lochgelly health centre before 2031. (S7O-00011)

The Cabinet Secretary for Health and Care (Angela Constance): As announced in the Scottish Government's infrastructure delivery pipeline on 13 January, an initial tranche of 12 primary care projects is being developed, including projects in Lochgelly and Cowdenbeath. Work has already commenced on the development of a standardised approach to service planning, design, procurement and construction for all 12 projects in the programme. That will, of course, take time. Our current planning assumption is that construction will start in around 2031.

David Barratt: I welcome the Scottish Government's commitment to delivering a new health centre in Lochgelly. The cabinet secretary will appreciate that my predecessor was a fierce advocate for Lochgelly, and I am keen to ensure that a health centre is delivered as soon as possible. However, it is important that I make it clear that there are concerns about the suggested expansion of the centre to include Cowdenbeath.

Will the cabinet secretary advise how the Scottish Government is engaging with NHS Fife on the areas that the new medical centre will cover? She will appreciate that my constituents are keen to ensure that Lochgelly receives the health centre that is so critically needed. Would she be willing to meet me at the existing centre to hear my constituents' concerns?

The rest of this Official Report will be published progressively as soon as the text is available.

Angela Constance: I am more than happy to meet Mr Barratt. I assure him that the Scottish Government is engaging with NHS Fife, and it is my expectation that NHS Fife will engage with the communities and MSPs in the area.

Despite the financial challenge, we are developing a whole-system national health service infrastructure plan, which includes the primary care investment programme. Within that, we have already confirmed Cowdenbeath and Lochgelly as a priority area.

I say “Cowdenbeath” in the context of the member’s constituency geography rather than to indicate a specific facility. That reflects the place-based approach. No decision has been taken at this stage on whether elements in priority areas will be progressed as single or separate projects—that will be determined following service planning.

Claire Baker (Mid Scotland and Fife) (Lab): Mr Barratt raised the issue of the coupling of Lochgelly health centre with Cowdenbeath and the concern that that will delay the Lochgelly centre. The Lochgelly centre is a shovel-ready project, and people have waited a long time for it to be delivered. The existing centre no longer meets the needs of local people and the Government has known that for a while—it has been more than a decade since it was identified that they need a new centre. When will that be delivered? The cabinet secretary has talked about perhaps starting to build in 2031, but people have been waiting more than a decade.

Angela Constance: If the member is not already aware, it is important that I inform her that, in 2022, an outline business case was submitted for the replacement of Lochgelly health centre, and detailed feedback was provided.

At this stage, it is crucial that we unlock these much-needed projects. The infrastructure investment plan is key to that. Such developments are crucial to expanding primary and community care, in order to shift the balance of care from hospitals into the community so that it is nearer to people and can meet their needs.

Disinformation and Conspiracy Theories

3. **Patrick Harvie (Glasgow) (Green):** To ask the Scottish Government how it plans to address harm caused by disinformation and conspiracy theories, including climate denial propaganda. (S7O-00012)

The Cabinet Secretary for Climate Action and Rural Affairs (Gillian Martin): Climate change and its effects are real. Those who would undermine climate action do so in the face of all evidence. We are committed to making Scotland a carbon-neutral and climate-resilient nation, with all the economic benefits that that brings.

The Scottish Government is tackling climate disinformation through proactive public engagement and trusted, evidence-based communication on climate change. That includes our national network of community climate action hubs and our climate engagement fund. To support public understanding and collective climate action, we are enabling access to reliable sources of information. We must and will challenge climate deniers with the evidence.

Patrick Harvie: The issue goes beyond one portfolio. Yesterday, we saw how online disinformation can quickly lead to violence and far-right opportunism. We have also seen disinformation and conspiracy theories in relation to issues such as vaccines, contraception, the treatment of minorities in our society and—as I have said—the reboot and rebirth of climate denial, not only in online forms but in the mainstream media. Will the cabinet secretary sit down with other ministers across portfolios and ensure that the Scottish Government develops a robust and comprehensive strategy to deal with disinformation and conspiracy theories across all topics?

Gillian Martin: I do not think that there are any climate change deniers in the Cabinet or in the ministerial team. I do not think that there are any climate change deniers in my party—or in the Green Party, obviously. Across the chamber, in the main, we do not have climate change deniers. In the previous parliamentary session, I made the point of saying that I did not believe that we had any climate change deniers—however, in this parliamentary session, unfortunately, we do. They cannot take hold.

The way to combat climate change denial is to have at our fingertips facts about climate action—not only about the health and societal benefits but about the number of jobs that it involves and the opportunities that Scotland has for growth. We have the facts at our fingertips and we must all take that responsibility.

People need to speak out against those who would come away with ridiculous phrases such as those that we have heard in the past couple of days from Malcolm Offord, who called net zero “net stupid zero”. In my book, that is not parliamentary language; it is very childish and it flies in the face of the evidence and the facts.

Single-sex Spaces (Equalities and Human Rights Commission Guidance)

The rest of this Official Report will be published progressively as soon as the text is available.

4. Maggie Chapman (North East Scotland) (Green): To ask the Scottish Government what action it will take to address reported concerns that implementing recent Equalities and Human Rights Commission guidance on single-sex spaces will put at increased risk both transgender people and cisgender people who present in gender non-conforming ways. (S7O-00013)

The Cabinet Secretary for Social Justice and Housing (Shirley-Anne Somerville): The United Kingdom Government has now approved the EHRC's code of practice and laid it before the UK Parliament for 40 days of scrutiny before it comes into force. That is in line with the UK Government's reserved powers in the Equality Act 2010.

Scottish Government officials are now undertaking a detailed analysis of the code and its implications, including how it will affect service providers and the rights, safety and dignity of all individuals. The code does not change the provisions of the Equality Act 2010, which continues to provide protections against discrimination, including for individuals on the basis of gender reassignment. As those protections remain in place, transgender people are protected in law, and any application of the code must be consistent with those protections.

Maggie Chapman: Organisations such as the Equality Network and LGBT Youth Scotland have warned that implementing the guidance will inevitably require people to make assumptions about who is and who is not a woman based on appearance, which will set back equalities and human rights for everyone. Front-line staff may be expected to make judgments in everyday settings in our public services. Stakeholders argue that the guidance is not only harmful but fundamentally unworkable. National health service boards, universities, councils and leisure providers have all expressed uncertainty.

The Presiding Officer: Question, please.

Maggie Chapman: So, what support is the Scottish Government providing to ensure that public services are not drawn into costly disputes and inconsistent and discriminatory practices?

Shirley-Anne Somerville: The EHRC is the enforcer of the Equality Act 2010, and it is for it to provide guidance. In this case, guidance has been provided to the UK Government and, as I said, that guidance is now before Parliament.

I recognise Maggie Chapman's point about the very strong views that are held on the guidance and the fact that there is concern about the implications for services and individuals. The points that the Scottish Government raised with the UK Government when it wrote to it on the draft code in November 2025 included the issue of social policing.

As I said in my original answer, the Government is undertaking a detailed analysis. It is for other individuals and organisations to take their own legal advice. It is not for the Scottish Government to produce another code or guidance on the issue, but, within our remit and to ensure that we comply with the law, we are undertaking the required due diligence, as members would expect.

Meghan Gallacher (Central Scotland and Lothians West) (Con): The Court of Session has just ruled against West Lothian Council in my region in finding that providing multi-user unisex toilets in a primary school amounted to indirect sex discrimination against female pupils. Therefore, will the Scottish Government implement the EHRC guidance in full without further delay and work directly with councils to ensure that they are not falling foul of sex discrimination law?

Shirley-Anne Somerville: If Meghan Gallacher will forgive me for saying so, I think that she is confusing two different pieces of legislation. Maggie Chapman's original question was about the Equality Act 2010 and the guidance that followed from that. There is an issue around the regulations on the provision of facilities in schools, on which the Scottish Government will undertake consultation and will look to update in due course. We will, of course, analyse very carefully the findings of the court decision that Meghan Gallacher has referred to, which is a separate issue from that of the EHRC guidance.

Youth Disorder (Summer Months)

5. Clare Haughey (Rutherglen and Cambuslang) (SNP): To ask the Scottish Government how it will support Police Scotland and local authorities to tackle youth disorder over the summer months. (S7O-00014)

The Cabinet Secretary for Justice (Neil Gray): The Scottish Government is committed to tackling all forms of antisocial behaviour and violence in our communities. Any disorder is not acceptable. Although operational decisions are for the chief constable, the Scottish Government supports Police Scotland and local authorities to take necessary action that is suitable for their own communities. I have noticed that, in Ms Haughey's constituency, community officers are being deployed to tackle youth disorder and target problem offenders.

The rest of this Official Report will be published progressively as soon as the text is available.

We complement that work by investing in preventative approaches, including by funding diversionary activities in every local authority area through the cashback for communities programme and by providing targeted support for youth violence initiatives such as Medics Against Violence and No Knives, Better Lives.

Clare Haughey: I, too, commend the local police authorities in my Rutherglen and Cambuslang constituency for the work that they are doing. However, as the summer school holidays roll around, many people in my constituency will be concerned about the potential for youth disorder to occur, in particular in association with alcohol use and underage drinking. How will the cabinet secretary ensure that local police teams and local authorities have the resources that they need to tackle the issue, especially over the summer months?

Neil Gray: I recognise Ms Haughey's concerns, which are shared by residents in my constituency. I am confident that Police Scotland will tackle any such disorder whenever and wherever it occurs. How officers are deployed in any local area, including over the summer, is a matter for the chief constable, who has been clear that she intends to bring front-line policing into the strongest possible position. I know that, like me, she regularly meets with local policing teams to seek confidence.

The Scottish Government is also investing in youth work and in diversion, so that young people have positive alternatives during school holidays, including initiatives such as the extra time programme. In addition, we are providing Police Scotland with record funding of more than £1.7 billion, which the chief constable has said will mean that she can maintain officer numbers at 16,500 in the coming year, and we continue to have more officers per head of population than in England and Wales.

Holly Bruce (Glasgow Southside) (Green): I am sure the cabinet secretary will agree that giving equity of access to long-term relational youth work in bespoke places will better enable young people from all backgrounds to thrive and will negate the need to view young people as the problem. YouthLink Scotland's review of the Scottish National Party manifesto found key areas lacking. Can the cabinet secretary confirm that the SNP Government will commit to fairly funding youth work with equality of access, regardless of postcode, and to embedding youth work in justice, education, health and anti-poverty strategies throughout the programme for government?

Neil Gray: A lot of work is ongoing in the community and voluntary sectors to support young people. We continue to invest in charities and social enterprises and have established our two-year pilot of the fairer funding programme, giving grants totalling more than £130 million to community and voluntary organisations between 2025-26 and 2026-27. I am confident that the ask that Holly Bruce makes is already being met.

The Presiding Officer: Before we move to question 6, I remind members that the sub judice rule is engaged in live criminal cases and I therefore ask members not to comment on sentencing that is still to take place.

Sentencing

6. Stephen Kerr (Mid Scotland and Fife) (Con): To ask the Scottish Government what actions it will take to help ensure clear and transparent sentencing. (S7O-00015)

The Cabinet Secretary for Justice (Neil Gray): Sentencing decisions in individual cases are a matter for the sentencing judge. The sentencing of offenders is usually announced orally in court. The judge will often give reasons for imposing a particular sentence at the time of sentencing and may also publish a sentencing statement regarding certain cases of particular public interest or those that raise wider issues.

The Scottish Sentencing Council, which is a statutory independent advisory body, aims to promote greater public understanding of sentencing and has published a range of online information to help the public to understand different aspects of sentencing.

Stephen Kerr: Fundamentally, it is us, in this Parliament, who decide and determine the law, and the reality is that Scotland's sentencing system is deliberately dishonest. Offenders can be released after serving only 50, 40 or 30 per cent of the sentence imposed. Put simply, sentencing often does not mean what it says, and the public get that. Does the cabinet secretary agree that prisoners should, by default, serve the full sentence handed down by the court?

Neil Gray: I am sure that Mr Kerr will know and understand that the custodial sentence imposed by the court is generally not the same as the length of time that a person will spend in custody. That does not mean that the sentence has changed. Rather, it reflects that a sentence will last for the length of time that a court has imposed but may be subject to enforcement both in custody and in the community. That long-standing part of Scots law has operated under many different Administrations, with a lot of the existing infrastructure originally set up in the mid-1990s by the then United Kingdom Government.

The rest of this Official Report will be published progressively as soon as the text is available.

Paul McLennan (East Lothian Coast and Lammermuirs) (SNP): As the efficient and fair function of Scotland's justice system is a priority for all in this chamber, does the cabinet secretary agree with me on the importance of the Scottish Sentencing Council and the courts working independently to ensure that objective?

Neil Gray: That is a fundamental principle of the rule of law within our country. The independence of our criminal courts is a vital feature of how justice is delivered. One way in which an independent sentencing council can assist the operation of the courts is through the production of sentencing guidelines covering particular types of offence, such as rape, or particular categories of offender, to make clear the factors that a sentencing judge is required to consider in determining the appropriate sentence. Those guidelines must be agreed by the High Court before they come into effect and, once they are in effect, the court must have regard to any relevant guidance when sentencing.

High Speed 2 Future Journey Times (Scotland-London)

7. Alan Brown (Kilmarnock and Irvine Valley) (SNP): To ask the Scottish Government what recent assessment it has made of future journey times on cross-border services between Scotland and London once HS2 is operational, including how passenger service and demand will be affected. (S7O-00016)

The Cabinet Secretary for Economy, Tourism and Transport (Stephen Flynn): HS2 is one of the most delayed and over-budget projects ever. Unfortunately, that means that I cannot provide Mr Brown with the journey time forecast that he would like. I can say to him that I hope to return to the chamber on completion of the project, in 2043, to advise him further. [*Laughter.*]

Alan Brown: As the cabinet secretary has said, it will be nearly 20 years before HS2 is operational. Incredibly, however, the project has already placed orders for trains. The problem is that the trains will mean that there are fewer seats on cross-border services and that journeys on the west coast main line section will take longer. People will therefore have to pay more for the privilege of a worse service.

Even worse, if the trains come in before HS2 is live—

The Presiding Officer: Question.

Alan Brown: —journey times will be even longer than at present, harming Scotland's economy. What can be done to ensure that we are not an afterthought?

Stephen Flynn: Unfortunately, I think that Scotland is always an afterthought to Westminster politicians, but I share Mr Brown's concerns and I will raise them as quickly as I can with the relevant UK Government minister.

Bus Service Reliability (X74 Dumfries-Glasgow)

8. Laura Moodie (South Scotland) (Green): To ask the Scottish Government what discussions it has had with Stagecoach regarding the reported ongoing punctuality and cancellation issues affecting the X74 service between Dumfries and Glasgow, including what steps are being taken to ensure value for money when services fall below acceptable reliability standards. (S7O-00017)

The Cabinet Secretary for Economy, Tourism and Transport (Stephen Flynn): I advise Laura Moodie that my officials are in regular contact with Stagecoach on a wide range of issues impacting the bus sector, but I must remind the Parliament that punctuality and the reliability of individual services are matters for the operator. The majority of bus services in Scotland operate in a deregulated market and they must be registered with the traffic commissioner for Scotland. The commissioner can determine whether an operator is failing to run services in line with their registration and has the power to take action against them.

Laura Moodie: The passengers who were left stranded in the middle of the night by Stagecoach during a recent incident included vulnerable young people, and they were given no information or support by the operator. Given the significant public subsidy that Stagecoach receives, will the Scottish Government accelerate its work to support greater public control of bus services, including franchising, so that reliability and passenger safety come before private profit?

Stephen Flynn: I am very disappointed to hear about the experience of those young people. If Ms Moodie would like to speak to me further in relation to that, I would be more than happy for her to do so.

On franchising, the Government has sought to empower local authorities through the Transport (Scotland) Act 2019, and we will invest £4 million in 2026-27 to support local authorities to build business cases in that regard.

Craig Hoy (Dumfriesshire) (Con): The transport secretary will be aware that people in Moffat and Dumfries are very concerned about the parlous state of bus services, particularly the X74. Last summer, the entire bus network across Dumfriesshire nearly fell apart when Stagecoach headed for the exit. That is a

The rest of this Official Report will be published progressively as soon as the text is available.

legacy problem. Will the minister agree to meet me to discuss my constituents' real concerns about how we can get fair funding for rural bus services?

Stephen Flynn: I am, of course, happy to meet the member, and I certainly sympathise with regard to the impact on his constituents. I hope that, at the meeting that we have, he will outline whether or not he supports franchising.

Access to Justice (Patients of Sam Eljamel)

9. Michael Marra (North East Scotland) (Lab): To ask the Scottish Government what its position is on whether there should be parity of access to justice for all former patients affected by the actions of Sam Eljamel, regardless of whether treatment was received through NHS Tayside or privately. (S7O-00018)

The Cabinet Secretary for Health and Care (Angela Constance): The Scottish Government expects any legal cases raised by former patients of Eljamel to be considered fairly and on a case-by-case basis. All claims brought by former patients will ultimately be determined by the courts. The judicial process in Scotland is independent and ministers do not have the power to instruct private companies or entities in relation to their approach to litigation. However, Scottish courts have discretion to disapply the time bar when it is equitable to do so.

Michael Marra: I thank the cabinet secretary for her understanding of the issue. The time bar was set aside by NHS Tayside, which is allowing victims to have the chance of justice. Will the cabinet secretary meet me, victims and Willie Rennie MSP to discuss how we can get to the bottom of the legal culpability relating to the private patients and to ensure that we can make the case that the same should be done, with the time bar being set aside, to allow those patients who have suffered over a period of decades to access justice?

Angela Constance: I appreciate the member's advocacy for the former patients of Sam Eljamel. He raised a point of principle that I am sure the chamber will understand.

The Scottish Government was very encouraged by NHS Tayside's decision in February this year to reset the time bar for former patients. It is for independent care providers to determine whether to plead the time bar, but it is important that Mr Marra has had the opportunity to put his concerns and his appeal on behalf of his constituents on the parliamentary record. The courts retain discretion to set aside time limits when it is equitable to do so, which ensures that cases can be considered fairly on their individual merits.

Although my powers are limited in that regard, I do not think that it will cause any harm to have a discussion with Michael Marra and Willie Rennie, as long as we are clear about the ministerial boundaries to which I must adhere.

Bathing Water Quality Legislation

10. Ariane Burgess (Highlands and Islands) (Green): To ask the Scottish Government, in light of the growing number of people swimming in Scotland's waters and the United Kingdom Government bringing forward a Clean Water Bill, what consideration is being given to introducing equivalent legislation in Scotland. (S7O-00019)

The Cabinet Secretary for Climate Action and Rural Affairs (Gillian Martin): Scotland's legislative framework already supports improvements in the water environment.

Ninety sites are designated as bathing waters. Last year, 97 per cent of those sites achieved the required bathing water standards.

The Scottish Government is considering our water-related policies to ensure that they continue to meet the public's expectations and deliver adaptation to the growing impacts of drought and flooding that are arising from climate change. Our publicly owned water and wastewater services are funded by customers, with all profits going back into improvements in infrastructure.

Ariane Burgess: My constituents in Tighnabruaich want to swim in and restore the sea on their doorstep, but a broken sewage system is making the water too toxic to enter. Will the minister agree to visit Tighnabruaich with me to see the situation for herself and to commit to closing Scotland's sewage monitoring gap as a first step towards clean water legislation?

Gillian Martin: I thank Ariane Burgess for that invitation. Like me, she probably takes to the open water. Before we go into the water, we must ensure that we check all the conditions using the Scottish Environment Protection Agency's website, because the water can become unsafe in lots of ways that are not related to anything to do with the wastewater system.

The rest of this Official Report will be published progressively as soon as the text is available.

When sites are designated as bathing waters, where a large number of people are expected to bathe, regard is given to past trends and the infrastructure facilities that are provided. There is no statutory process for the designation of new bathing waters, and proposals are often made by local authorities.

On her invitation to come to Tighnabruaich, I will consult my private office to see whether we can fit that in over the summer. It would be my pleasure to do so.

Patricia Gibson (Cunninghame South) (SNP): The 2026 bathing season is, indeed, upon us.

The cabinet secretary will be aware of SEPA's proposals to close its network of live electronic signage, and instead of posting daily water quality predictions or pollution event warnings directly at beaches, it will rely on the use of a QR code and posters linking to the SEPA website. Does the cabinet secretary share my concerns that that might compromise accessible and clearly visible live public information at beach locations, which is a key statutory duty under the Bathing Waters (Scotland) Regulations 2008?

Gillian Martin: Patricia Gibson and I talked about that informally and, as a result, I reached out to SEPA about its plans for the signage. Throughout the bathing water season, SEPA provides information on bathing water quality, short-term pollution incidents and dedicated bathing water quality on its website. In addition, it has installed and maintains electronic signs at 30 out of Scotland's 90 bathing waters, as Patricia Gibson has mentioned, and those signs display information in real time on water quality. SEPA told me that one of the signs, at Saltcoats, was removed due to concerns about proximity to a cycle path.

I would be willing to meet Patricia Gibson to give her more detail on that particular incident, as I know that it affects her constituents.

The Presiding Officer: That concludes general questions. Apologies to those members I was unable to call.

First Minister's Question Time

Party Leaders

14:09

Income Tax

1. **Malcolm Offord (West Scotland) (Reform):** The internationally respected Institute of Chartered Accountants of Scotland has just stated that Scotland's income tax is overly complex and is making our economy less competitive. That mirrors Reform Scotland's policy position as set out in our recent manifesto. Will the First Minister now graciously accept that we have won the argument on tax?

The Cabinet Secretary for Economy, Tourism and Transport (Stephen Flynn): Has Nigel Farage paid the tax on his £5 million?

Malcolm Offord: Mr Flynn, I was asking the First Minister to be gracious. I do not expect that from you.

Will the First Minister now implement Reform Scotland's plan to cut six income tax bands to three and, further, to reduce each band by 1p below the rate in England?

The First Minister (John Swinney): That is a daring and bold attempt by Lord Offord to get me to accept his point of view, but I am afraid that I will resist the temptation. If I were to accept his point of view, I would have to accept swingeing cuts in public expenditure, and I have no intention of doing that.

Malcolm Offord: It is early days in the seventh session of the Holyrood Parliament, but in all the preliminary debates so far there has been one dominant theme—just referred to by the First Minister—which is the demand to spend more money. If the First Minister wants more money for public services, does he accept that he will raise more tax revenue if he cuts tax rates to allow the economy to grow?

The First Minister: I do not accept that model, because the reality is that doing what Malcolm Offord wants me to do would have to involve significant, immediate reductions in public expenditure, which would be enormously damaging to people who rely on our public services.

Mr Offord is correct that these are early days in this session of Parliament. As he knows, my party's manifesto set out a willingness to do a number of things on tax. We set out that we would not increase the rates or the number of bands, and we gave an absolute commitment that the majority of taxpayers in Scotland would pay less in taxation than taxpayers in the rest of the United Kingdom. That is our sustained position, and it is important that we deliver that.

The rest of this Official Report will be published progressively as soon as the text is available.

We also said that, over the course of this session of Parliament, we would look for opportunities to simplify the tax system. As Mr Offord may have picked up from the comments that I made publicly at a Confederation of British Industry event a couple of weeks ago and at the Prosper conference this morning, I lay the heaviest emphasis on the importance of the Government taking measures—which we will take—to encourage and motivate growth in the economy. If we have a strong economy, we can have strong public services. That is the social democratic contract that I deliver to the people of Scotland.

Malcolm Offord: It is well proven around the world that too-high taxes drive away the highest taxpayers. We have a live example of that today: Nicola Sturgeon is a very wealthy Scot who has cut her tax burden by paying herself through dividends, thus avoiding pay as you earn and national insurance, and is now moving to London to enjoy lower English taxes.

Does the First Minister agree that that point proves that Scotland's record high taxes are driving away our most talented Scots? Why on earth did she leave before at least hearing the First Minister's cunning plan for a second independence referendum? Is it simply that she does not want to inhabit the same country as Stephen Flynn?

The First Minister: I think that she would be much happier to live in the same country as Stephen Flynn than she would be to live in the same country as Malcolm Offord and Reform.

I refer Malcolm Offord to an assessment of his tax plans. The Institute for Fiscal Studies describes Reform's taxation and spending plans as "not fiscally credible". That is essentially a summary of what I have just said to Malcolm Offord. His tax plans will have the effect of dramatically reducing the investment available for public expenditure. I am all for a vigorous debate in this Parliament about the priorities that we have to take forward, but I have listened to some of Mr Offord's colleagues over the past few days and weeks and I have heard a number of calls for more expenditure to be undertaken. I heard the other day that there should be more money for local government and the health service. We cannot have a realistic debate about priorities if Reform is saying, on the one hand, that we should cut taxes by £2 billion and, on the other hand, that we should spend more on health and local government. Those two statements are completely and utterly incompatible, which is why the IFS says that Reform's plans are simply fiscally incredible.

Scottish National Party Finances

2. Anas Sarwar (Glasgow) (Lab): Yesterday, John Swinney and the Scottish National Party Government were held in contempt of court for failing to be open and transparent with the public. As that was happening, John Swinney finally admitted that the £600,000 that his party raised from members of the public explicitly to spend on a referendum campaign had been used for other expenses. A new police complaint is believed to have been lodged last night.

A specific website was created and it was made explicit that people were donating to a ring-fenced independence campaign fund. The same promise was made in letters, social media posts and media interviews. To quote one example:

"SNP: All the money raised on #ScotRef website is ringfenced to fight a future independence referendum".

That was clearly a lie. Will the First Minister now apologise to all the members of the public whose hard-earned cash his party took on false pretences, and will he, unlike Nicola Sturgeon, fully co-operate with any new police investigation?

The First Minister (John Swinney): What I said yesterday was nothing different from what the Scottish National Party said in 2021, so I think that Mr Sarwar needs to do a wee bit of a check of his press cuts before he tries to put that into his comments. I do not think that it will be a surprise to members of the public that the Scottish National Party and John Swinney believe in Scottish independence, that we raise money to deliver Scottish independence and that we have every intention of delivering Scottish independence.

Anas Sarwar: There are really serious questions here. Peter Murrell has pled guilty to embezzling £400,000. It has now become clear that he did much of that by falsifying receipts, on many occasions pretending that they were for legitimate business costs.

Political parties, like businesses, are able to claim back VAT on purchases relating to operating costs. That means that fraudulent purchases recorded by the SNP using phoney receipts may have been included in any reclaimed VAT. For example, the £124,000 camper van that was recorded in the system as a van would be subject to 20 per cent VAT; the £3,000 robotic lawnmower that was recorded as legal fees would be subject to VAT; and the ridiculous luxury egg poacher that was recorded as an ethernet cable would be subject to VAT—all potentially illegally reclaimed from HMRC.

The rest of this Official Report will be published progressively as soon as the text is available.

Today, we have written to His Majesty's Revenue and Customs, asking it to launch a full investigation into the potential defrauding of the public purse. Would the First Minister welcome that investigation, and will he launch his own audit so that we can make sure that any misused public money can be recouped?

The First Minister: Let me help Mr Sarwar out with an update on information. The issues in relation to Peter Murrell's admission of guilt about the embezzlement of Scottish National Party funds have potential implications in relation to the payment of taxation. That is why the Scottish National Party has already opened up discussions with His Majesty's Revenue and Customs on exactly that point. In making sure that we deliver the highest standards of financial governance, which are exactly what I preside over, we are proactively taking those forward, at our own request, with His Majesty's Revenue and Customs.

Anas Sarwar: I thank John Swinney for accepting that there could potentially have been illegal reclaiming of VAT from HMRC, which means potential misuse of public money that should not have been claimed, because of the fraudulent receipts issued by Peter Murrell. However, that also demonstrates that this is the biggest political and financial scandal in the history of the Scottish Parliament, and it goes far beyond the crimes of Peter Murrell. John Swinney will not get away with taking the same approach—a culture of secrecy, cover-up and deflection—that led to the situation in the first place.

Operation Branchform dragged on for almost four years. It consumed huge amounts of police time, cost the taxpayer at least £2.7 million and raised profound questions about transparency and accountability at the heart of Government. It has brought further scrutiny on the dual role of the Lord Advocate, it has raised issues for the governing party of the country about the misuse of £600,000 of supporters' money, and now there is an acceptance that there has been a possible defrauding of public money and HMRC.

The Presiding Officer: We must have a question.

Anas Sarwar: My question is this. It is beyond doubt that there should be a parliamentary inquiry. Will John Swinney finally back that inquiry, or will it require further arrests for the public to get the truth?

The First Minister: In the course of that rambling explanation from Mr Sarwar, he said that there has been an extraordinary amount of time and resource spent on a police investigation. There has been, and there had to be, because my party was the victim of criminal embezzlement by somebody who was trusted in my party. That investigation had to take place. Mr Sarwar now wants to have another investigation; I presume that he did not like the outcome of the last one because it did not suit the priorities that he is setting out.

Last night, I convened a meeting of my party's national executive committee to ensure that we could take the action necessary to address the implications of Peter Murrell's conviction. We agreed unanimously to act to secure the party's interests by instructing our solicitors to begin action in court to recover the money that has been stolen from us. We have significantly improved our financial procedures and controls over the past few years. I have taken strong action to ensure that we have effective financial management in the Scottish National Party and we have put in place measures to ensure that we have the highest standards. We have had a police investigation. There can be no higher and more forensic investigation than a police investigation. Therefore, I do not support the establishment of a parliamentary inquiry, because we have had an investigation and it convicted somebody for embezzling from my party's funds.

Conversion Therapy Ban

3. Ross Greer (West Scotland) (Green): This week marks the start of pride month. Pride is not just a celebration of our LGBTQ community; it is a protest. It is clear why protest is still needed. A decade ago, the United Kingdom consistently came top of the list for LGBTQ rights in Europe, yet we have fallen to 22nd place today. That is primarily the result of the vicious wave of transphobia that has been unleashed in recent years, but the attacks on our whole community are escalating.

One of the many shameful stains on the UK's record is its failure to ban the form of torture known as conversion therapy. The First Minister promised a ban on so-called conversion therapy in Scotland within a year of the election if the UK Government failed to introduce a bill. As things stand, Labour has repeatedly promised to introduce a bill but has failed to do so. During this pride month, will the First Minister take the opportunity to confirm that he will fulfil his promise to LGBTQ Scots? Will his programme for government include a ban on so-called conversion therapy?

The First Minister (John Swinney): First, let me associate myself with the substance of Mr Greer's comments on his concern about the erosion of the position of members of the LGBTQ community. I express my solidarity with them to ensure that their rights are protected at all times and that they are asserted.

On the question of a ban on conversion therapy, my party's manifesto said that, first, we would embark on dialogue with the United Kingdom Government to establish its intentions and to seek a common purpose. Simita Kumar, the Minister for Equalities, has sought that dialogue with the United Kingdom Government. We

The rest of this Official Report will be published progressively as soon as the text is available.

will update the Parliament on the implications of it as they relate to the specific question that Mr Greer has put to me.

Ross Greer: I thank the First Minister for his solidarity. I and the Scottish Greens want to see a UK-wide ban on that form of torture, but the UK Government has made the same promise over and over and it has still not introduced such a bill. Should it fail to do so again, I will expect to see it in the Scottish Government's programme for government in September.

Turning to a different matter entirely, during the election campaign, I was pleased to meet people from across the Highlands and Islands who are now saving a fortune thanks to the £2 bus fare cap that the Scottish Greens secured through negotiations with the Scottish Government. For example, someone commuting from Elgin to Inverness is now saving £17 a day on that journey.

Expanding the £2 cap nationwide was in the Green and SNP election manifestos—in our case, it was set out as a transitional step towards the provision of universal free bus travel. Given that school holidays are coming up, families are looking for affordable days out and the cost of petrol is skyrocketing, expanding that cap should be a top priority for the Government. Does the First Minister agree with the Scottish Greens that more families should be able to enjoy £2 bus fares this summer?

The First Minister: I agree with that proposition, which is why it was in the SNP manifesto. It is being progressed as part of the Government's early actions. We are very pleased with the progress that has been made on the bus fare cap in the Highlands and Islands. It is providing real benefits for individuals in our communities there, and I want to see families in other parts of the country benefit.

During the election campaign, my party made it clear that our priority was to roll out the proposal, although I have to be candid with the Parliament that it will take us time to do so. Our priority was to roll it out across the Strathclyde transport area in the west of Scotland, and then to take the practical steps that will be necessary to implement our manifesto commitment.

Ross Greer: As a West Scotland MSP, I welcome the First Minister's prioritisation of Strathclyde Partnership for Transport, but families across Scotland should be able to benefit from the cap as soon as possible.

Making bus travel cheaper is only half the picture, though. Forty years after Thatcher privatised the bus network, many communities just do not have the bus services that they need. Fares have gone up, but routes have also disappeared, which leaves people isolated and holds our whole economy back. At the same time, a handful of private bus company owners have become obscenely rich. Some have made so much money from being bus company operators that they can afford to set fire to a pile of their cash by writing £100,000 cheques to the Scottish Labour Party.

The Scottish Greens proposed bringing our bus services back into public ownership through a bond scheme, but the SNP's manifesto was silent on the ownership question. Does the First Minister not agree that it is time to end the failed experiment of privatisation? Will he work with the Scottish Greens to bring our bus services back under public control?

The First Minister: I have always prided myself on giving avuncular advice to Mr Greer. All I can say is that I think he touched a raw nerve with his comment about bus operator donations to the Labour Party. When he made his point about free travel in the west of Scotland, I kept thinking that he looked as though he was eligible for the under-22s bus pass into the bargain.

To be serious, I am very sympathetic to Mr Greer's points. There are a number of good examples of bus transport being in public ownership—the city of Edinburgh is a shining example, given its outstanding, high-quality bus service. I am full of admiration for the work that is being undertaken by Highland Council, in whose area many more services have been brought under public ownership and control. The legislative framework is in place to enable that to happen. We want to work with local authorities to advance such propositions, because they would be in the public interest.

We can make public transport more affordable and sustainable through the steps that we propose to take with the £2 bus fare cap. Along with the Deputy First Minister, I look forward to engaging with the Greens on the Government's financial priorities.

Scottish National Party (Public Money)

4. Russell Findlay (West Scotland) (Con): Peter Murrell stole at least £400,000 from the Scottish National Party. He simply could not have done so without the protection of his wife, Nicola Sturgeon, and his childhood friend John Swinney. During the crime spree, the SNP was in receipt of more than £10 million of taxpayers'

The rest of this Official Report will be published progressively as soon as the text is available.

money. *[Interruption.]* I do not know whether Stephen Flynn is cheering me on or heckling me—he is probably cheering me on, because he is keeping his eye on the prize.

Last week, in the chamber, John Swinney told me that no public money had been stolen, but Mr Swinney also spent years denying the disappearance of ring-fenced independence funds—until yesterday, when he suddenly changed his story. Is John Swinney still 100 per cent sure that Peter Murrell did not get his sticky fingers on any public money?

The First Minister (John Swinney): I stand by the comments that I made to Russell Findlay. He may have noticed a quote from the Electoral Commission last week, which said:

“The SNP receives policy development grants as set out in law. Parties have to report on their use of the grant, and have that grant expenditure independently audited. The Commission checks carefully that the grant is spent correctly. The SNP have provided those audits, we have checked them, and we have seen no evidence of misuse of policy development grant funds. If there is evidence of any misuse, the Commission will take appropriate action to safeguard public money.”

Those are the words of the independent Electoral Commission. The police have carried out an extensive investigation and have found nothing to substantiate the abuse that has come from Russell Findlay today. *[Interruption.]* Russell Findlay is complaining about Stephen Flynn barracking him, but he is just barracking me, so I suggest that Mr Findlay should learn some lessons from what he has gone on about in his contributions. Russell Findlay has spent years coming here, abusing me and—*[Interruption.]*

The Presiding Officer: Let us hear the First Minister respond.

Mr Findlay, you should not heckle someone when they are trying to answer a question that you have asked.

The First Minister: Russell Findlay was denigrating my personal integrity and reputation. I point Mr Findlay to the outcome of the election, when the people of my constituency had the opportunity to reject me, having listened to everything that Russell Findlay and his sidekick piled out about me and my constituency. The Conservatives took another hammering in Perthshire North—not for the first time, but for the seventh time in this Parliament—so people do not listen to Russell Findlay and the Tories.

Russell Findlay: Dearie me—what a performance of crocodile tears. That was so sad. The SNP treats taxpayers with the same contempt as it treats its own members.

Former accountant Alastair Cameron joined the SNP in the 1960s, before half of that lot were even born, and he donated money to the party for years. He passed away a few months ago at the age of 89. His daughter Susan told me this morning that he would have felt betrayed not only by Peter Murrell’s theft but by those who did not stop Peter Murrell but facilitated and enabled his crime spree.

John Swinney has spent years defending every single indefensible SNP scandal, but all he has in response to this seedy crime spree is angry, fake deflection. John Swinney’s and Nicola Sturgeon’s complex web of stories is unravelling.

The Presiding Officer: Please ask a question.

Russell Findlay: Does John Swinney not realise that his leadership is also unravelling because of his central role in this scandal?

The First Minister: What an absolutely pathetic spectacle to bring to the Parliament. My leadership was on the line in the general election on 7 May. It was paraded by every one of my political rivals—week after week, Mr Sarwar and Mr Findlay questioned my integrity, so it was on the line. The people of Scotland sent me here to lead this country and Government. I will lead with privilege and pride, and I will always serve the people of Scotland. Mr Sarwar and Mr Findlay will always remain on the back benches, and the people of Scotland have sent them out there with a ringing message that they are not listening to either of them.

Recall Legislation

5. Alex Cole-Hamilton (Edinburgh North Western) (LD): The most regrettable aspect of this whole sorry saga around the Scottish National Party’s finances is the erosion of public trust and faith in politics that it creates. There are still big unanswered questions around all of this. That is why we need a parliamentary inquiry, but the Government is blocking one, just as it has blocked other measures to challenge bad behaviour.

For 10 years, Westminster has given people the right to sack criminal or corrupt MPs. It removed the likes of Margaret Ferrier when she endangered lives during Covid. We could have had such legislation at Holyrood, but the SNP blocked it just three months ago. Why does John Swinney think that people should not have the right to sack their MSPs when misconduct has been proven?

The First Minister (John Swinney): That is not my position. In the course of the past week, I answered a question from Graham Simpson about whether the Government would co-operate on the formulation of

The rest of this Official Report will be published progressively as soon as the text is available.

proposals on recall legislation. I gave Mr Simpson a positive answer. The Government is prepared to contribute to this process, but I have a debate in my mind about whether it would be appropriate for the Government to bring forward proposals that would affect the status of elected members of Parliament. I would much rather that such proposals came from within the Parliament. If it would be helpful, I would certainly bring forward proposals to enact a workable recall mechanism, because it is important that the people have the opportunity to recall members of Parliament who behave inappropriately.

I hope that that answer contributes to Mr Cole-Hamilton's evaluation of how we make progress on these questions, because I want to make sure that the highest standards are applied at all times, which is what I do.

Alex Cole-Hamilton: I heard the same warm noises from John Swinney in the previous parliamentary session, when there was a live bill in front of members that would have given effect to such proposals. He had the votes to push the bill across the line, but he instructed his party to vote against it.

Recall provides a solution for when things go wrong, but we can do more to ensure that the right people are in politics to begin with. I am a former youth worker and I have twice tried to change the law so that elected representatives are subject to the basic safeguarding checks for working with children and vulnerable adults. However, again, the SNP Government has blocked progress.

It is time to remove bad actors from public life. I cannot believe that the First Minister wants to go through any of this ever again, so will he stop standing in the way of efforts to clean up our politics?

The First Minister: I respectfully say to Mr Cole-Hamilton that it would help if, once I have given an answer to his question, he could perhaps change the script of what he was going to say. He just ignored everything that I said about recall, but he could have engaged in a substantive discussion about how we might take forward recall legislation.

The issue with the recall legislation in the previous session of the Parliament was that it was unworkable, and the Government cannot allow unworkable legislation to be passed. I am very happy to engage on this question, but I respectfully encourage Mr Cole-Hamilton to do likewise.

On the issue of protection of vulnerable groups checks, I am very happy to consider that. I do not want bad actors to be operating anywhere in our public services, and I extend that to members of the Parliament.

If Mr Cole-Hamilton wants to advance the issue, he should take a leaf out of the book of Mr Rennie, his next-door neighbour in the chamber, who suggested the other day that there are opportunities for us to make progress on shared objectives. I encourage Mr Rennie to counsel his colleague next door and give him some of the constructive advice that Mr Rennie is always sharing with me. I make it clear that I am not on a mission to destroy Mr Rennie's career; I am here only to support him and to encourage good outcomes for the people of Scotland.

The Presiding Officer: That concludes First Minister's question time for party leaders. We will have a one-minute break in order to prepare for the next debate.

Wealth Taxation for Public Services

The Deputy Presiding Officer (Katy Clark): The next item of business is a debate on motion S7M-00249, in the name of Jenny Gilruth, on wealth taxation for public services. I invite members who wish to speak in the debate to press their request-to-speak buttons.

14:40

The Deputy First Minister and Cabinet Secretary for Finance and Local Government (Jenny Gilruth): I am conscious that the Minister for Public Finance, Hannah Mary Goodlad, will give her first speech in closing the debate. Hannah Mary's victory in Shetland was one of the biggest highlights in the Scottish National Party's recent election victory. Colleagues will have observed, as I did, her energetic approach to winning round the folk of Shetland. Ms Goodlad has secured her seat at the table. I know that I speak on behalf of the whole SNP group when I say how delighted we all are to have her with us.

At the heart of the motion is a simple but important principle: taxation plays a vital role in funding our public services. The Scottish Government believes strongly that the way in which we use our tax powers must be fair, progressive and sustainable. Put simply, the cut that the Government takes from every pound that our citizens earn should be about making our society better for everyone.

Context matters, of course. The Scottish Government's finances do not exist in a silo, insulated from events elsewhere. Whether it be Brexit, the illegal war in Ukraine, inflationary shocks, Westminster austerity or the

The rest of this Official Report will be published progressively as soon as the text is available.

recent conflict in the middle east, we operate against a backdrop of prolonged economic turmoil. All those factors have placed enormous pressures on public and household finances in recent years. However, despite the financial challenges, the Scottish Government has been able to deliver for our people, as the election results in May confirmed.

A key theme in the election campaign, which cut across most parties manifestos, was how we all proposed to alleviate the cost of living crisis. Across Scotland, the people we all represent are finding it really tough. The food shop is up, gas and electricity bills are up and rent or mortgage payments are up again as inflation remains too high. Regardless of party, our collective priority as a Parliament should be about making a difference to improve the lives of the people we all represent. We are not much divided in this Parliament on that aspiration.

The Scottish Government believes that the people who earn the most have the broadest shoulders and should be expected to make a fair contribution to support the running of public services. That means that we have been able to raise an extra £1.8 billion to support our public services.

Craig Hoy (Dumfriesshire) (Con): I welcome the minister to her new role. How does she explain Scotland's economic performance gap?

Jenny Gilruth: As Mr McKee is whispering in my ear, the economy is growing faster in Scotland than in other parts of the United Kingdom. In part, that is a result of our approach to a progressive taxation system, which I will go on to talk about, because it benefits our society. I know that Mr Hoy is really engaged in that, because we need to work together on how we can help to support our constituents, regardless of party.

We have also been able to fund new policies, such as the Scottish child payment, which is helping to keep the level of child poverty in Scotland lower than it is in the rest of the United Kingdom. Indeed, University of Oxford professor Danny Dorling has described the Scottish child payment policy as a major contributor to the largest reduction in child poverty anywhere in Europe since the fall of the Berlin wall.

I reflect, and I am sure that we will hear, that there is a general feeling among some of the Opposition that our approach to social security is out of kilter. Some parties would rather take from the vulnerable by making cuts to social security benefits to fund lower taxes for those with more, but the financial challenges that this country faces were not created by the poor.

The SNP Scottish Government will never target those with least to give. Since the Social Security (Scotland) Act 2018 was passed, we have established a radically different social security system that is built on dignity, fairness and respect. Our investment in social security supports our national mission to end child poverty. It helps to support poorer families. It helps to support unpaid carers. It helps to support old folk to heat their homes. Social security allows disabled people to live independent lives.

Rather than taking from those who are already struggling, we believe that the wealthier should pay a little more. I refer to people who are on higher than average salaries, like you, Presiding Officer, me and MSPs across the parties. I doubt that we would hear critique about that from the public.

Liam Kerr (North East Scotland) (Con): One of the minister's predecessors was famously completely unaware of the principles of the Laffer curve. What is her view on that theory and whether it impacts on what she says?

Jenny Gilruth: Mr Flynn has provided me with an analogy with the Laffer curve: it went up and then it fell back down. I am not sure whether Mr Kerr would agree with that analogy. I am more than happy to have a discussion with him and, of course, with Mr McKee, the Cabinet Secretary for Public Service Reform, on the Laffer curve. I know that Mr Kerr takes the matter very seriously, as he has spoken about the Laffer curve on many occasions in Parliament.

It is the case that taxation helps us to improve people's lives. However, for taxation to be truly effective, it must do more than raise revenue; it must also create the right incentives to work, to invest and to grow the economy. On that point, I hope that there is greater opportunity for political consensus.

Fair and progressive taxation is not a barrier to growth. In fact, it is the foundation of a productive economy—funding the infrastructure, supporting the workforce and providing the stability that businesses depend on. That is why—

Michael Marra (North East Scotland) (Lab): Will the Deputy First Minister take an intervention?

Jenny Gilruth: I will take Mr Marra, but I am conscious of the time.

The rest of this Official Report will be published progressively as soon as the text is available.

Michael Marra: I appreciate that the Deputy First Minister has given way. In these matters, she and her predecessors have taken advice from a tax advisory group. Can she update us on the status of that group? Will it be maintained, and when will it next meet?

Jenny Gilruth: I think that Mr Marra is referring to the Scottish Fiscal Commission.

Michael Marra: No, the tax advisory group.

Jenny Gilruth: Okay. I would like to come back to Mr Marra in greater detail on that. I met the Scottish Fiscal Commission earlier today and we will continue that engagement. However, we are looking at a range of ways in which we can better engage with businesses. Mr Marra might be aware of some of the First Minister's comments about our engagement, particularly with business, in recent weeks; I will come on to that. To give Mr Marra some comfort now, I will say that the Government will be voting with the Labour Party on its amendment to the motion today.

More broadly, following the election, we need to look at engagement in the round and consider whether that is the best context. Without making a decision on my feet today, I give Mr Marra an undertaking that I will write to him. I was in a discussion with the First Minister earlier today on those matters, and I do not want to prejudge the outcome of that.

We have to grow the economy—we all understand that—but the Government is not focused on tackling child poverty to the detriment of economic growth. Rather, that economic growth creates the necessary conditions whereby child poverty can be eradicated. It is not growth for its own sake, but growth to help support our people. We are rightly focused as a Government on creating the conditions for that growth, by supporting good jobs, attracting investment and maintaining high-quality public services. That is exactly why, as I said to Mr Marra, the Government will support the Labour Party's amendment.

Ultimately, economic growth underpins all that we do in relation to fiscal sustainability. By boosting employment and investment, we expand our tax base, which in turn helps to fund the public services that our people rely on.

We know that, alongside growing the economy, reform is essential. That is exactly why the First Minister has appointed Ivan McKee to lead this work at Cabinet level. Yesterday, the First Minister and I met all senior civil servants in the Scottish Government to talk more to that mission. Next week, alongside Mr McKee, we will meet the leaders of our public bodies on exactly the same subject matter.

The public finances are challenging, and I do not shy away from that reality. However, there are opportunities here for more efficient ways of working. There is cross-party support to reduce the number of public bodies in Scotland, and I am sure that colleagues will engage with Mr McKee directly on that.

Colleagues who served in the previous session of Parliament will recall that we reinforced our commitment to ensuring that the public finances are on a sustainable footing through the medium-term financial strategy, which was published last June. Thanks to the decisions that were taken by the Government, more than half of Scottish taxpayers—as we heard during First Minister's questions—are now expected to pay less income tax in 2026-27 than they would if they lived in England. We will keep it that way over the course of this session of Parliament. Unlike in other parts of the UK, our people will continue to benefit from free tuition, free prescriptions and no peak rail fares. Having applied that progressive approach to residential land and buildings transaction rates also ensures that those who buy the most expensive properties pay proportionately more tax.

On council tax, we are continuing to work with local government to build cross-party agreement on the future of council tax in Scotland. This Government exists in a Parliament of minorities, so I recognise that we need cross-party support to allow reform to be delivered on council tax, but I also recognise that council tax is a regressive form of taxation. We will, therefore, publish analysis later this year that will help to form an evidence base to inform any wider reforms, subject to Parliament's support.

We have also given councils much greater flexibility to increase the charges for second and long-term empty homes, ensuring that, where housing is owned as a form of wealth rather than a lived-in home, more can be charged for it. On non-domestic rates, the basic property rate is the lowest it has been since 2018-19, and the small business bonus scheme remains the most generous of its kind in the United Kingdom.

However, we are now reaching the limit of what we can do with our devolved taxation levers. The UK Government has the powers to tax wealth far differently than it has done, but it has chosen instead to take short-sighted decisions, such as the decision to increase employer national insurance contributions, which has damaged the economy and created additional pressures on public services. If the UK Government is not willing to instil fair and progressive change in that area, it should give the Scottish Government the powers to

The rest of this Official Report will be published progressively as soon as the text is available.

do more. In the meantime, we are determined to do all that we can with the limited powers that we have. That includes aiming for a better balance between taxation of labour, income and wealth.

Scottish income tax provides about 80 per cent of devolved tax revenues, and our policy choices since devolution have resulted in the most progressive income tax system in the UK. However, we want a tax system that is even more resilient and gives us a broader set of tools to respond to economic shocks and future fiscal challenges. We are already taking action where we can. We are delivering on our commitment to introduce air departure tax in April 2027 and, through this framework, we will introduce a private jet tax from April 2028. We know that private jets produce significantly more—

Willie Rennie (Fife North East) (LD): Will the cabinet secretary give way?

Jenny Gilruth: I am happy to do so for Mr Rennie.

Willie Rennie: I have been listening carefully to the cabinet secretary's contribution. She has, in passing, referenced the challenging fiscal set-up, but most of what she says sounds as though she will increase taxes to close the gap. Is that what she is implying?

Jenny Gilruth: I regret that, like his colleague Mr Cole-Hamilton, Mr Rennie has perhaps not been listening to what I have said. To clarify on the record, I note that those are not the comments that I have made today.

We need to look at other, broader opportunities to raise revenue in Scotland. There is a significant fiscal challenge ahead of the Government; the Opposition is well aware of that. I have seen Mr Rennie's amendment to the motion, which is very critical of where we are currently. However, we exist in a Parliament of minorities, so we have to work together to address the budget gap. That is why Mr McKee's role is so pivotal in terms of the efficiencies and reform that he will have to drive.

More broadly, the Government believes that those who enjoy the privilege of travelling on private jets should make a fairer contribution to the public finances, but we want to go further, which is why we are seeking the devolution of further powers to address the issue of private jet ghost flights. When a private jet completes a one-way trip, it often flies on to its next location with no passengers. Air departure tax is a tax on the carriage of passengers, so such flights would be exempt from it. However, those flights still produce emissions and support the activity of the super-wealthy. With estimates suggesting that up to 41 per cent of private jet flights take off without passengers, it is only right that we explore every possible opportunity to bring that activity into the scope of our progressive taxation system, and we call on the UK Government to devolve the powers to allow us to do so.

We are improving fairness at the top end of the council tax system, which is allowing us to raise additional funding to support our public services. Currently, some high-value properties face council tax bills that are not materially different from those for far more modest homes. From April 2028, we will introduce new council tax bands for properties that are worth more than £1 million.

In our tax strategy, we have committed to exploring the reforms that are needed to continue to deliver more sustainable and growing tax revenues in the future. That includes considering the balance of taxes across labour, income and wealth that I alluded to previously.

To shape those next steps, we are opening up a broad, evidence-based conversation on how Scotland can tax wealth more effectively, bringing together experts and stakeholders from across the country. That work will look at new approaches to wealth taxation and at the opportunities and challenges for a fairer and more sustainable tax system. I extend an invitation to the Opposition to work with the Government on that and to be part of the broader discussion, so that we can find consensus as a Parliament on those matters.

We know that meaningful reform of wealth taxation in Scotland would need significant co-operation from the UK Government and a fundamental change in relation to where the powers sit. Indeed, as the Scottish Green Party acknowledged in its manifesto, the prospect of a Scottish wealth tax would be feasible only with independence—or at least with the agreement of the UK Government to further devolve those powers. Of course, the Scottish Government would far rather that those tax powers were devolved back to Scotland, because an independent Scotland would give us the power to redesign—with the people and businesses of Scotland—our wealth taxation and other far-outdated taxes to work more effectively.

The pressures on our public finances are real, and the constraints on what we can currently achieve are significant. I ask parties to engage constructively and openly with the Government about what further steps we can take to consider the right balance of taxation for Scotland. The Government is committed to ambitious reform to reduce costs while increasing the effectiveness of our public services and achieving better outcomes for our citizens.

The rest of this Official Report will be published progressively as soon as the text is available.

What I am asking the Parliament to do today is to empower us to continue to implement a progressive taxation system—a system that asks the wealthiest to pay their fair share while helping the poorest to make ends meet, which supports our businesses to drive the economic growth that is needed and which allows us to deliver better public services for our people while supporting those who are most in need.

I move,

That the Parliament believes in fair, progressive and sustainable taxation to support the delivery of public services; welcomes the progress made towards the creation of a private jet tax and a mansion tax; supports actions to go further and seek the powers necessary to take action on so-called ghost flights of private planes; recognises that Scotland's current powers limit the scope for additional wealth taxation, and endorses the Scottish Government's plans to explore what further steps could be taken either within the current system or with full fiscal powers.

The Deputy Presiding Officer (Katy Clark): I remind colleagues that there should be no interventions or interruptions during a first speech. I call Kim Schmulian to speak to and move amendment S7M-00249.2 in her first speech.

14:54

Kim Schmulian (Glasgow) (Reform): Thank you, Deputy Presiding Officer. I join other members in welcoming you and your colleagues to your new roles.

I congratulate those members who have been re-elected and those, like me, who are joining the chamber for the first time. I extend particular good wishes to my fellow Glasgow MSPs. Despite our obvious differences, I am sure that we can all work together when required, and I look forward to that happening. I thank the many thousands of people across Glasgow who voted Reform, searching for something that other parties were not providing—a new way for a new time.

I also extend my thanks to the cabinet secretary for her speech. However, she will not be surprised to know that I do not agree with most of it.

As this is my first address to the chamber, I would like to share a little of my background. A small glimpse into a person's soul, I find, gives a sense of perspective on their approach to life and to politics. I grew up in a council flat in Haddington, East Lothian, the youngest of four daughters. My father was a labourer and my mother was a secretary. Times were often tough. I remember my father's face when work was scarce and he had to sign on at the buroo, as we called it then. I understood then, and I believe now, that a person's dignity is bound up in their ability to bring home a wage. When my father could not do that, it was written all over him. That stayed with me and it shapes everything that I believe about taxation, work, education and the role of Government.

I know what it means to work hard, to build something and to understand what ordinary families are really facing. That background is not incidental to why I am here; it is the reason why I am here. Those views mirror what I heard from Reform voters on the doorstep—they said it, and I certainly got it.

So, to the business of the chamber. The most obvious task that I have is to play a part in holding the Government to account. That begins today. In the weeks since I entered the Parliament, I have watched the long arm of the state extend further still. The SNP Government has set about its manifesto commitments with enthusiasm, and that arm has been lengthening since its first majority Government, with no sign yet of restraint.

My first impression has been clear: "profit" is a dirty word here, and the answer to everything is to tax the rich, even when there is no evidence that that has ever worked. I do not believe that "profit" is a dirty word. It is what drives us forward. It becomes a problem only when Governments fail to use the powers that are already at their disposal—competition law and regulation—to prevent abuse and excess. The answer is not to punish success; the answer is to govern well.

This week, the Institute of Chartered Accountants of Scotland confirmed what Reform has argued throughout: Scotland's six income tax bands act as a disincentive to work. As a small country with a small population, we have constructed one of the most complex devolved taxation systems anywhere. Reform believes in a simpler structure: lower taxes, a freer marketplace with less regulation, and our economic growth driven by the spirit and enterprise of our people. That is how we fund public services sustainably and without punishing aspiration. We do not believe that the answer is always to spend more money, particularly when there is no hard evidence that it is making anything better.

There is a reality that the Parliament must face honestly: Scotland has a structural deficit. Everyone here knows it. The public deserves honesty about the need to bring spending under control—not more

The rest of this Official Report will be published progressively as soon as the text is available.

commitments that we cannot afford and not more taxation that drives away the very people and businesses that we desperately need here.

That brings me to today's motion—yet more tax that Scotland does not need. Let us be clear about the constitutional reality: the Scottish Government's powers on taxation are limited, and those powers have already been pushed to their limits. At almost every earnings level, Scots already pay significantly more income tax than those south of the border. Higher council tax bands for properties worth more than £1 million are in the pipeline. The devolved tax levers have all been pulled and still it seems that it is not enough.

Wealth taxes do not work. The evidence across every jurisdiction that has tried them is consistent. They distort behaviour, reduce investment and raise considerably less than projected. Why is that? It is because capital is mobile. People with the means make choices. They move, they restructure and they invest elsewhere. A thriving economy is not built by making the country the most expensive place to succeed.

I want to go further than the economic, because there is something deeply personal at stake here. We are talking about the homes for which families across Scotland have worked and saved for decades—the nest eggs set aside for children so that they might not have to struggle as hard as their parents did; the asset that might one day help to meet the cost of care in retirement, which is already a source of enormous anxiety for so many families.

In England, where a similar property threshold was set at £2 million by another well-intentioned left-wing Administration, we can see that the policy is backfiring. The housing market is feeling the effects, and the cruellest consequence will come when elderly people are forced to release equity from their homes not only to fund help with care but to meet that unfair and poorly designed tax. People who did everything right—people who worked hard, saved hard and planned for the future—are being let down at the last hurdle. The Government's proposed tax is not a progressive tax; it is a betrayal.

The Government's motion is well intentioned but mistaken. Scotland does not need more taxation; it needs growth, enterprise, honesty about our finances and the courage to make different choices. I am proud to oppose the motion.

I move amendment S7M-00249.2, to leave out from “believes” to end and insert:

“notes the data published by HMRC and research by the Institute for Fiscal Studies, which show that each 1% increase in income tax results in a 0.77% reduction in tax revenue; believes that this acts as a disincentive to growth and contributes to economic stagnation and loss of opportunities for everyone; further believes that increasing taxation for some people has a wider impact on everyone; considers that evidence suggesting that, in retrospect, increases in wealth taxes can lead to a significant flight of tax revenues, contradicts previous assessments by the Scottish Fiscal Commission (SFC) that increasing taxation would result in only a minimal flight of tax revenue, and calls on the SFC to review its approach to modelling of using contradictory real data against its hypothetical forecasts.”

15:01

Michael Marra (North East Scotland) (Lab): Labour welcomes the early opportunity to debate the scale of the fiscal challenge that the SNP has created for Scotland. The £4.7 billion gap between the spending trajectory that has been set by the Government and the income that the Scottish Fiscal Commission has projected will be generated is vast. How that gap is tackled will be the defining issue of this session of the Parliament, and it will affect everything else that we do.

We might all wish that that process will involve arresting the decline in standards when it comes to the ability of our schools to best equip our nation's children for their futures. Perhaps we could start by understanding why pupils in Scotland are a year behind those in England in mathematics. Such outcomes have long-term economic consequences.

The Cabinet Secretary for Public Service Reform (Ivan McKee): Will the member take an intervention?

Michael Marra: No, thank you. I am just getting started.

We might all wish that the process would involve addressing the drug deaths crisis, which is the worst in the developed world and is more than three times worse than it is in other parts of the UK, where the same drug laws apply. We might wish to deal with social care, national health service reform, online crime and much more. Those are the many issues that hang off the back of the fiscal choices that we make as a Parliament.

Instead, we must deal with the overarching fiscal malaise that was forewarned, in response to which the Government has yet to present a coherent answer. The assessment that the Institute for Fiscal Studies provided of the SNP's spending plans during the election was absolutely brutal. The £1.4 billion increase in spending commitments, for which no credible funding has been identified, could increase the fiscal gap to some £6.1 billion.

The rest of this Official Report will be published progressively as soon as the text is available.

Unfortunately, the big answers will not be found in the scope of the measures that the Government has identified in its motion. It has failed to quantify how much those measures would raise. By my calculations, the proposed mansion and jet taxes would account for up to about 0.33 per cent of the gap. I have rounded that figure up and, frankly, I have been rather generous in my assessment. I do not believe that the Government believes that those measures are commensurate with the scale of the challenge.

Ivan McKee: Mr Marra said that the fiscal gap is a consequence of the Government's spending plans and that we have no plan for addressing it. I think that he is wrong on both counts. The fiscal gap is based on projections of past increases continuing into the future, and that is not necessarily Government policy. The Fraser of Allander Institute was clear in saying that the spending review that was published earlier this year laid out how the Government intends to close the fiscal gap over the five-year period.

Michael Marra: I would certainly have to differ with Mr McKee on some of the analysis. The demand on our public services is recognised. It is clear from many reports by the Scottish Fiscal Commission that demand on public services and the requirements on them in meeting, for example, the cost of climate change will continue to rise, not just over the course of the current parliamentary session but in the future. Given that we have an ageing population, we know that health spending is projected to continue to grow. The issue is a result partly of the demand that exists, as well as of the policy choices that Mr McKee and his Government colleagues have taken.

The Government needs to adopt a far more serious approach. If appointing the axe-master general to the Cabinet is how the Government intends to address the remaining 99.7 per cent of the gap, that will be ruinous for our public services. Mr Rennie identified the need to set out the balance in relation to spending, taxation and, crucially, growth when it comes to tackling the key issues.

Had Scottish Labour prevailed in the election, we would have undertaken an urgent process to set all of that right. Instead, the SNP won a handsome victory in May, but it is incumbent on it to honestly appraise the budget in a manner that it has failed to do for years. In three years out of the past four, we have had an emergency budget. We cannot find ourselves in that situation again.

I welcome the cabinet secretary's commitment to report back on the status of the tax advisory group that was advising her predecessor in the Government. We must get the right balance between the taxing of income and the taxing of wealth, because there is a trade-off and tax cannot always be viewed as additional, despite the broad challenges that we face. What consideration will the Scottish Government give to the behavioural effects of the taxation policies that we are talking about today? It is crucial that the Government and the Parliament get the right advice on that.

In the spirit of collective endeavour, because we all have to put our shoulders to the wheel and get on with it, the Labour amendment asks the Government to be true to its word today. I believe that it will do so, which is welcome. The First Minister has committed to looking at business rates and addressing what business leaders know to be a broken system. He met Sir Tom Hunter on 14 May and personally promised him reform. This week, the First Minister further pledged to act on the fresh start campaign that is being mounted by *The Courier*, *The Press and Journal* and *The Sunday Post* to introduce rates relief from day 1 for those who take over a vacant property. That measure is proposed to discourage properties being left empty and to encourage business growth on high streets in towns and cities, and I think that we all agree that we need action in those areas.

However, Labour believes that that must be seen in the round as part of a comprehensive review of business rates, so that we use them to encourage growth, not as a punitive measure. All of our inboxes are already beginning to groan with messages from people who are suffering as a result of rates revaluation. I sincerely hope that the Parliament as a whole can back Labour's call to get that under way.

Scottish Labour also wants to see immediate action on council tax reform. If that is ever to be done, it surely has to happen now, at the start of this parliamentary session, given that political constraints always seem to present themselves later. I was elected in 2021 and, in my five years in the Parliament, I have become tired of obfuscation and excuses, of reports being commissioned and then shelved and of the dancing on the heads of pins with the language of consensus when what is required is good leadership and a solid majority in the Parliament. The Government must step up. If it does, we will be partners in trying to find a solution.

The SNP's 20-year failure to reform council tax is a big part of why our local communities are shadows of their former selves, why our streets are so dirty, why young teachers are flying off to Australia to look for work for want of permanent contracts and why councils are wracked with conflict between workers who are being asked to deliver the impossible and managers who are being asked to pretend that the impossible has been achieved. Let us start this session with an openness to finding a solution.

The rest of this Official Report will be published progressively as soon as the text is available.

It is on that basis that we lodged our amendment, and I hope that the whole Parliament will vote for it. I move amendment S7M-00249.4, to insert at end:

“; notes that the Scottish Government’s Medium Term Financial Strategy, published in June 2025, projected a funding gap of over £4.7 billion by 2029-30; considers that developing a sustainable plan to close this gap is essential to Scotland’s public services and that it is incumbent on all parties in the Parliament to work towards this goal; believes that, to this end, the Scottish Government should take a strategic approach across all devolved taxation in Scotland to include an immediate and comprehensive review of business rates, including consideration of measures such as widening the scope of Fresh Start relief to include businesses that occupy an empty unit within six months of the unit becoming vacant, and further believes that the Scottish Government should convene cross-party talks on council tax reform immediately.”

15:07

Patrick Harvie (Glasgow) (Green): This is my first opportunity on the record to congratulate the new Deputy First Minister on her appointment. I am pleased that she has chosen to debate this topic so early in the session.

Greens have laid the case for wealth taxes. Both here and at UK level, it is Green voices that are most clearly advocating for change. We do that because we know that the richest 2 per cent have more wealth than half the population combined and because we believe that that is simply indefensible.

It is not only the Greens who believe that. Members will have seen briefings for today’s debate from a range of organisations. The Scottish Trades Union Congress tells us that the

“growth in wealth of Scotland’s ten richest people ... has outstripped workers’ wages more than sixfold since”

this Parliament first met in 1999. Tax Justice Scotland, which includes Oxfam Scotland, the Poverty Alliance, the Health and Social Care Alliance Scotland and others, describes wealth taxation as

“one of the most promising opportunities for building a more prosperous and sustainable Scotland.”

We also know that 85 per cent of people in Scotland want taxes on the wealthy to increase. That figure includes a large majority of people who are, themselves, very wealthy, as the organisation Patriotic Millionaires has shown in its briefing.

Craig Hoy: Would Patrick Harvie concede the point that the very wealthy are also likely to be the most mobile and that they can therefore take their wealth and their assets out of Scotland?

Patrick Harvie: If the member reads the briefing that I have just mentioned, he will see that the vast majority of millionaires who were canvassed by that organisation are more worried about doctors leaving the country than they are about millionaires leaving the country.

We need to face up to the fact that what poses as trickle-down economics is, in reality, Hoover-up economics. It always was, and it has led to the hoarding of wealth by those who are least in need. If the SNP now agrees and accepts the case for a bigger role for wealth taxation, that is great, but we will need to hear some specifics—more than we see in the motion—and if cross-party talks are being offered, they will need to come with real political will to act.

To be clear, I note that I really welcome the progress that has been made—and I should, as a lot of it has been the result of pressure from the Greens. The private jet tax and the mansion tax are both positive steps that show that tax can be successfully targeted at those with the most and those who consume more than their share. I am also pleased that support is growing for the so-called Amazon tax: a tax that is targeted at some of the biggest and wealthiest companies doing business—the online retailers. The Greens support that, the SNP supports it and I understand that Labour supports it, too. Today’s Green amendment gives Parliament the chance to endorse it.

However, let us be clear that, welcome as those steps are, they have, on their own, been modest measures in both the scale of the revenues that they generate and their power to address the current maldistribution of wealth. Is there more that we could do if we had greater fiscal power? Of course there is, and Greens support that call. I am particularly pleased that Labour has lodged a positive and constructive amendment that does not seek to remove that possibility from the Government’s motion.

It is equally critical that we do not use that possibility of new powers as cover—as an excuse to delay action that we can take within existing powers. The single most significant element of wealth tax in Scotland is a broken system, and it is the single biggest example of failure in the history of devolution. This Parliament has achieved a lot and, as its authority has grown as the seat of Scotland’s self-government, its confidence as an institution has grown. However, the most glaring omission—and the challenge that has been ducked time and time again—is reform of the council tax.

The rest of this Official Report will be published progressively as soon as the text is available.

The council tax was unfair even when it was introduced, but it has grown ever more regressive as property values have spiralled, and it is inadequate to meet local government's needs. It now represents a small fraction of the revenue that our councils need, and it locks them into growing dependency on the national Government. Given that it is still based on 1991 valuations, it will be an astonishing 40 years out of date by the end of the current session of Parliament if we, collectively, do not act. That must not be allowed to happen.

A modern, progressive property tax would help cut inequality, let our councils invest in their services and help prevent even worse inflation in the cost of housing. I know that it is a political challenge—let us be in no doubt about that—but if the Scottish Government is remotely serious about the need for further steps on wealth taxation, it simply cannot continue to ignore the most important element of wealth tax that is within its control, which is the broken, inefficient and unfair council tax.

That is why I move amendment S7M-00249.1, to insert at end:

“; recognises that significant scope exists for further action within devolved powers, such as surcharges within the non-domestic rates system; further recognises that political support has grown for a so-called Amazon tax, as proposed in both the 2026 Scottish Green Party and Scottish National Party manifestos, and believes that progressive reform of property tax could play a powerful role in wealth taxation, and that the Scottish Government must not allow council tax valuations to reach the milestone of being 40 years out of date by the end of the current parliamentary session.”

15:13

Craig Hoy (Dumfriesshire) (Con): I think that we all know why this debate is taking place: the SNP Government and John Swinney are in hock to the Scottish Green Party. A party that does not even believe in economic growth has influence, albeit now from outwith the Government, over the SNP Administration's tax policy. However, the fact that the Greens are no longer in government does not mean that they cannot do real and lasting damage to the Scottish economy, Scottish workers and Scottish businesses, just as they did when they were in government.

Let me start with a few home truths—the basics that may be lost on some of the more wackadoodle MSPs elected to this Parliament in May. First, there is no such thing as exclusively public money. There is only taxpayers' money, and the Government has a duty to spend it wisely. Secondly, the Government should have a very good reason to tax people's income and wealth; it has no moral case and no justification to do so otherwise. Thirdly, taxing anything beyond a certain point can, and does, generate less. This Government saw that clearly in the previous session of Parliament.

Patrick Harvie: I am grateful to the member for taking my intervention. Does he agree in principle that abolishing poverty is a legitimate reason to impose taxation on those who have more than their share?

Craig Hoy: Growing the economy is the legitimate way of eradicating poverty. If we grew the economy, we would not need the burgeoning benefits bill that the SNP has presided over for the past 14 years.

Mr Harvie might disagree, but I believe that there is a moral and social case for cutting tax. The Government does not see that and the Parliament has never tried it. I remind ministers of one simple fact: the Parliament has not just tax-raising but tax-varying powers. That is why the Scottish Conservatives proposed a fully costed set of tax cuts in the previous session of Parliament, and that is why we will continue to argue during this session of Parliament—as our amendment does—for a reduction in income tax to stimulate the much-needed growth that we all want to see, to fund Scotland's public services.

The inescapable fact is that people in Scotland now pay over £1.8 billion more a year in tax than they would if they lived in the rest of the UK. Many believe that there is nothing credible to show for it. Those struggling to access healthcare, having to raid their own savings or their pension to pay for a new knee or a hip, or those who are damaging their cars by driving on roads that are riddled with potholes are, quite rightly, questioning what it is that they are receiving.

In an election during the cost of living crisis, we committed to cutting the biggest—

Daniel Johnson (Edinburgh Southern) (Lab): Will the member take an intervention?

Craig Hoy: I do not have time, I am afraid—or I will take it, if I can get the time back.

Daniel Johnson: I agree on the need for fiscal competence, but all that we are hearing from those on that side of the chamber is about cuts. The member mentioned potholes. Does he recognise that some public expenditure—on transport infrastructure, for example—is vital for economic growth? Does he not recognise the need for fiscal responsibility and public expenditure to deliver growth in that sense?

Craig Hoy: Absolutely, but the best way to generate tax receipts is to keep people in employment. The member's party fatally underestimated that when it increased the national insurance tax attached to jobs,

The rest of this Official Report will be published progressively as soon as the text is available.

which forced people who were contributing to the economy out of work and out of the labour market. Those people are now in receipt of benefits. What I am suggesting will unlock the money to improve roads in constituencies such as Dumfriesshire, as we all want to do.

To those who say that cutting tax is inherently bad, I say: let us think about that for a moment. There is no contradiction between being fiscally conservative and pro-business, and wanting better public services and being modern and compassionate.

I now want to address head-on the size of the deficit that the Government faces and to address its causes. Ministers face a £5 billion deficit by the end of the decade, but let us be clear: that is down to overspending, not a lack of tax receipts. I welcome ministers' desire to cut the size of the state, but I question their ability to do that and their commitment to achieving it.

Notwithstanding the SNP's pledge to deliver free school bags for all primary children and a culture payment for all 18-year-olds, the Deputy First Minister has her head in the sand when it comes to the biggest problem of all—cutting the SNP's benefits bill. By the end of this decade, that bill will reach £10 billion, and I have heard nothing from the SNP, the Greens, Labour or Reform that signals a commitment to reducing it. We, on the other hand, have been crystal clear: we would reintroduce the two-child benefit cap, apply it to the Scottish child payment and significantly overhaul the adult disability payment to ensure that it fairly promotes work.

I will also address the issue of wealth taxes.

Shirley-Anne Somerville (Dunfermline) (SNP): Will the member take an intervention?

Craig Hoy: I do not have time, I am afraid—I have taken two already.

Shirley-Anne Somerville: You do have time, actually.

Craig Hoy: I will take the intervention if I get the time back, Deputy Presiding Officer.

Shirley-Anne Somerville: Does the member recognise that the adult disability payment has to do with the additional costs of having a disability or a long-term condition? It does not have anything to do with whether or not someone is in work. Indeed, decreasing the payment takes away support that encourages people into work.

Craig Hoy: I fully understand that that was the central policy proposition when the benefit was introduced, but there has been significant growth in the number of young people with mental health conditions, so can the cabinet secretary explain what additional costs are being experienced, particularly with regard to those who are not working? The Government has conceded the point that it needs to review the way in which the benefit is operating—it has to, because it is totally unaffordable. That is why we have argued very strongly for that to happen.

To go back to the wealth tax, I have to ask this question: is the SNP, under the influence of the Greens, now so infected with the politics of envy that it effectively wants to shut down wealth? Talk of a private jet tax—

The Minister for Business and Fair Work (Tom Arthur): Will the member give way?

Craig Hoy: I will not. I think that I have been quite indulgent.

The Deputy Presiding Officer (Katy Clark): I ask members who are trying to make an intervention to press their request-to-speak buttons. A number of members have not been doing that. If they do so, it helps with the broadcast.

Craig Hoy: I do not believe that I have time to take an intervention.

The Deputy Presiding Officer (Katy Clark): As the Presiding Officer has made clear, we will add on time when a member takes an intervention.

Craig Hoy: If I have unlimited time, I say to the member: bring it on.

Tom Arthur: I ask the member, in all sincerity, what the Conservative position is with regard to wealth, ownership and matters of equality and distribution. There is a tradition within the Conservative Party, going back to Noel Skelton and Harold Macmillan, of thinking about these things deeply and seriously. Does the member recognise that profound wealth inequality in society creates not only social ills but profound economic ills?

Craig Hoy: Members can go back beyond Macmillan, to Disraeli and others, to find the principle of one-nation conservatism alive and well. The issue is how proportionately and effectively we tax the wealthy. I believe that, if we simply send a message out to globally wealthy individuals that Scotland is a hostile

The rest of this Official Report will be published progressively as soon as the text is available.

environment, fewer of them will come and more of them will leave. That is the fundamental reality that is lost on Patrick Harvie. We must guard against that.

The point that I made to Mr Harvie earlier is that some of the wealthiest Scots are also the most socially mobile. Take Alan Cumming, who lives in his \$5 million Manhattan townhouse, or Brian Cox, who divides his time between the UK and the United States. When Brian Cox comes to Britain, he chooses Primrose Hill in London, where he avoids the Scottish National Party's high taxes. Although Mr Cox is happy to fly north to Scotland—I am not sure whether he does so on a private jet, Mr Harvie—he does not want to live here. He has explained:

"I find Dundee difficult ... the poverty is very hard to take. To see the heroin addiction, to see where it's got to".

It is strange that that did not make it into an SNP party election broadcast.

I want to turn now to the motion and amendments before us. On the Labour amendment, I agree on the need to examine business rates, but I remind members that, during the previous session of Parliament, budgets that the Labour Party did not oppose repeatedly short-changed Scottish businesses on rates relief.

As for Reform's amendment, I note the reference to the Institute for Fiscal Studies, and I must commend Reform for SNP levels of selective quotation. Was it not the IFS that described Reform's self-funding tax cuts as "a mirage" and "not credible"?

The Greens' amendment sums up, perhaps, the timbre of the debate. To it, I pose one question: when there is little or no wealth left in Scotland to tax, and when the wealthy have gone and the tax base shrinks, how on earth will we fund the public services that our country needs and deserves?

That is why the Conservatives will vote against the motion, and it is why we will steadfastly oppose any further tax increases or any attempt to further devolve tax powers to this Parliament. Fair tax, low tax and a growing tax base should be the watchwords of this Parliament in this session.

I move amendment S7M-00249.3, to leave out from " , progressive" to end and insert:

"and low taxation, which incentivises work and investment; rejects the left-wing 'Holyrood' consensus, which believes that Scotland can tax its way to economic growth; calls on the Scottish Government to use its existing devolved taxation powers to reduce income tax to stimulate growth, and rules out any further devolution of fiscal powers, which have already created a damaging tax differential, which undermines Scotland's ability to retain and attract high earners and wealth creators."

15:23

Willie Rennie (Fife North East) (LD): When I intervened on the cabinet secretary to ask her about the balance of her speech, the next sentence from her was about another tax. She may say that I should take the whole speech in its context—she did talk about other things—but the message that was clearly sent out was about a traditional tax-and-spend approach and policy. The trouble with that is that we need to have trust in taxation.

We saw what happened when Humza Yousaf was First Minister. He lost control of the narrative and the rhetoric, and it sounded as though he was going to increase taxes for ever. He got very excited about the prospect of which taxes he could increase. Pretty immediately after that, there were severe attempts by the Government to bring the budgets back into control in year. For two years in a row, in fact, emergency cuts had to be introduced to the Scottish Government's spending proposals.

I say all of that because it knocked public confidence, and, when we lose confidence and trust in taxation and the Government, we get behavioural change. Sometimes it is not the policy at the time that causes that change but the prospect of what the policy might be in two or three years' time. When people who are mobile make decisions about where they are going to take a job, they do so with a view to the future and where they think the Government is going. We are not talking about millionaires here; Patrick Harvie talked about doctors and consultants, and we have a significant problem in Scotland with the recruitment of consultants.

Murdo Fraser (Mid Scotland and Fife) (Con): I am enjoying Mr Rennie's analysis of where we are. He raises the issue of the looming £5 billion black hole. The Deputy First Minister seemed to suggest that taxes were not going to rise to fill that. Mr McKee is on record as saying that public sector reform does not mean reducing overall public spending. Is Mr Rennie any clearer than I am as to how that £5 million black hole is therefore to be filled?

Willie Rennie: I am a generous man and I have full confidence in the front bench to sort out that puzzle and conundrum. It will require resolution, because it is looming fast. The £5 billion—the Deputy First Minister could not quite bring herself to say that—is a huge amount and the issue will require resolution quickly,

The rest of this Official Report will be published progressively as soon as the text is available.

because such savings take a long time to implement. We cannot just pull a lever and have things happen—things take a long time to happen.

I am confident that Jenny Gilruth and Ivan McKee will introduce the changes that are required, and I think that the First Minister has set them that task, but I am not sure that I have heard that today.

Patrick Harvie: I wonder whether I could bring Mr Rennie back to the argument that he was making about trust in the tax system. He seems to place most of the problem around devolved approaches to progressive tax. Is it not at least as plausible that the reason why people lack trust in the tax system is the tax dodging and tax avoidance by the super-rich and by big business? Is that where we should start taking action to restore trust and revenue?

Willie Rennie: I believe that that is part of the problem, and we should not kid ourselves that it is all just one equation. I accept that and I encourage firmer and faster measures, but we are in this Parliament, where we need to make decisions about our finances. We need to be focused rather than deflecting on to other Parliaments and other issues.

Public service reform will require to be substantial, and we will need to engage in new methods of reform. I will work in partnership with Ivan McKee and Jenny Gilruth to make that happen and reach agreement, if we possibly can, because I accept that change is hard. Today, I met an organisation that promotes social impact bonds. I know that that area was in the Scottish National Party's manifesto—it was in ours, too—to incentivise investment from private sources in order to secure a return for substantial change. We know that, when a fire is going on in public services, it is difficult to implement change at the same time, because of the people and money that are available, so I am in favour of such measures.

I am in favour of tax reform and, on the face of it, I agree with everything that is in the Green amendment. Council tax reform is long overdue. I would favour moving from taxation of physical assets through business rates to online taxes for Amazon and other such companies. My problem with that is the rhetoric, which sounds too enthusiastic about increasing taxation.

We should have reform, and we should work on the basis that it is revenue neutral as a starting point, before we even consider whether it should result in increased revenue in the future. It sounds as if I am being boring, but a bit of boringness in politics does no harm, because it brings predictability and confidence. The Government and parties sometimes reach for easy solutions, but sometimes the easier and more glitzy something sounds, the more unbelievable it is.

Let us focus on actually making the change. Let us build confidence among taxpayers. Let us grow the economy. Let us make sure that we have more participation in society and the economy, so that more people contribute to taxation—that way, I will get excited. That is the change that we need, and I urge members to vote for our amendment.

I move, as an amendment to motion S7M-00249, to leave out from “welcomes” to end and insert:

“notes that fair taxation must recognise the current cost of living crisis and the impact that any tax increases can have on individuals and businesses; believes that the Scottish Government must prioritise getting Scotland's finances in order, in light of warnings by the Institute of Fiscal Studies that it faces a ‘fiscal reckoning’; considers that taxpayers in Scotland deserve value for money as well as confidence that their taxes are being spent wisely, and believes that the trust that taxpayers should have in a government to spend wisely has been lost over the last 19 years of an SNP administration.”

The Deputy Presiding Officer (Katy Clark): We move to the open debate. I remind members that there should be no interruptions during a first speech.

I call Katie Hagmann to make a first speech.

15:29

Katie Hagmann (Carrick, Cumnock and Doon Valley) (SNP): I am thrilled, humbled and, if I am honest, mildly terrified to be giving my first speech in our Scottish Parliament. First, I congratulate the Deputy Presiding Officer on her new role, as well as Jenny Gilruth on her role as Cabinet Secretary for Finance and Local Government and Deputy First Minister. I thank the people of Carrick, Cumnock and Doon Valley for placing their trust in me.

What an enormous privilege it is to be trusted to serve. The First Minister has spoken of the responsibility of public service, and that responsibility requires vision, bravery, compassion and integrity. That deep sense of duty sits with me each and every day. It is what drives me and it is what I will put into practice as the MSP for the constituency. What a constituency it is: from Culzean castle on the Ayrshire coast, gazing out to the iconic silhouette of Ailsa Craig and across to Turnberry, which is the birthplace of Robert the Bruce to, in the north, Mauchline and Scotland's national monument to Robert Burns, before moving through the proud

The rest of this Official Report will be published progressively as soon as the text is available.

industrial heritage of Cumnock and to the stunning beauty of Loch Doon in the heart of the Galloway forest park. I am continually inspired by the history, culture, natural beauty and, above all, the people and the communities that define Carrick, Cumnock and the Doon Valley.

I am stepping into the role and picking up the baton from two incredible women in Scottish politics. My predecessor, Elena Whitham, devoted herself to public service, having worked in Scottish Women's Aid, across local government and as an MSP and minister. Elena led with tenacity, intellect, kindness and compassion. I send her my best wishes for the next chapter in her life and thank her for her service.

Carrick, Cumnock and Doon Valley was also the constituency of the formidable late Jeane Freeman. Jeane led on the creation of Social Security Scotland, enshrining her own values of dignity, fairness and respect in Scotland's legislation. As Cabinet Secretary for Health and Sport, Jeane steered us through the worst of the Covid pandemic with those values. She co-founded Women for Independence, ensuring that women's voices were brought into the independence debate. She was a giant of a woman, and I will forever be guided and inspired by her lifelong commitment to public service, social justice and fairness.

That sense of fairness is, I believe, central to the debate. Nestled in the heart of my constituency lies the small village of Dailly, which is the birthplace of the Rev John Thomson, the 19th century minister whose name has forever been associated with the well-known Scottish phrase "We're aw Jock Tamson's bairns". That phrase speaks to something fundamental about Scotland and the progressive values that we hold dear. No matter our background or where we come from, we are all equal in worth and we are all deserving of dignity. Governments must match progressive values by making progressive choices. Wealth taxation for public services is one of those choices.

I come to the debate in a unique position. For the past nine years, I have served as a councillor in local government, including time as the Convention of Scottish Local Authorities resources spokesperson. I fought for front-line services and worked cross-party. I gave evidence to committees in the Parliament, and I often shared the stark financial reality that some local authorities are facing.

When I gave evidence to MSPs, one question that I was often asked was, "Where is the extra money to come from?" It was a fair and necessary question. I welcome the record-high funding for local government. However, after years of Westminster austerity, and due to the constraints of devolution, the Scottish Government and local government face immensely challenging fiscal realities. It is imperative that we are bold and brave and explore progressive wealth taxation. By asking those with the broadest shoulders to pay a little bit more, we can deliver stronger services and help the less well-off to not only survive but thrive.

For the first time in my life, I am in the higher tax bracket, and I am quite comfortable about that. My son benefits from free university tuition. Almost a year to the date, I was sitting with my terrified mum in surgery school, preparing for her life-saving cancer treatment in our incredible NHS. Thanks to the cancer treatment pathways that are available, she is able to watch me online giving this speech today.

I passionately believe in fair, progressive and sustainable taxation to support the delivery of our public services. I welcome the progress that has been made towards a private jet tax and a mansion tax, particularly given that the mansion tax funds will go directly towards local areas. However, as is set out in the Scottish Government's motion, we must recognise that Scotland's current powers are limited. I welcome further steps to explore how we can go further, whether in the current devolution settlement or with the full fiscal powers of Scottish independence.

The debate is not ultimately about tax; it is about dignity, fairness, respect and the country that we know that Scotland can become. If we truly believe that we are all Jock Tamson's bairns, we must also believe that prosperity should be shared, that opportunity should be available to all and that those who have benefited from our society should contribute fairly to sustaining it for us all.

The rest of this Official Report will be published progressively as soon as the text is available.