

MEETING OF THE PARLIAMENT

Wednesday 28 March 2001
(*Afternoon*)

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Scottish Parliament

Wednesday 28 March 2001

(Afternoon)

[THE PRESIDING OFFICER *opened the meeting at 14:30*]

Time for Reflection

The Presiding Officer (Sir David Steel): I welcome Katie Gallagher, a sixth-year student at Holy Rood high school, to lead our time for reflection.

Katie Gallagher (Holy Rood Roman Catholic School): I am a pupil at Holy Rood high school in Edinburgh. Holy Rood is a Catholic school with an ethos that is based on the values of the gospel, but we are also an ecumenical community with members of different Christian churches. We are an inter-faith community with members who are Sikhs, Muslims and Hindus. We are a community with members who do not believe in God or follow any religion. We are a community with members who come from many different faiths, cultures and backgrounds.

We try not to repeat the mistakes of the past or live out the abuses of the present. We have been reflecting together on what we believe the aims of a school should be, and I would like to share those aims with you.

We believe in a school that gives pupils a well-rounded education, that prepares them for life in the real world and that they will be able to remember fondly. We believe that pupils and teachers should show mutual respect and that they should be able to communicate freely and enjoy their work. We believe in a school with an atmosphere that encourages pupils to work to the best of their ability. We believe in a school that is of service to the local community, that is welcoming to visitors and that appreciates and respects the environment. We believe in a school that aims for equality for every person irrespective of race, religion, age, class or sex, that makes all pupils feel valued and special and where decisions that affect the school are put to everyone.

That is our vision for our school, but we have also looked out into the world in which we live. We have tried to express our hopes and dreams. We believe in one world, where riches and good things are shared by all. We believe in a world that can be changed when people help one another, where people work together to end poverty, injustice, ignorance and fear.

We believe in freedom:

freedom from oppression
freedom from hunger
freedom from want
freedom from hatred
freedom from fear
freedom from loneliness

freedom to speak
freedom to learn
freedom to play
freedom to hope
freedom to love.

We believe that with God all things are possible and that there is always room for hope. We believe that dreams can come true and that visions can be realised.

The Scottish Parliament has a vision for our whole nation. It, too, will be hard to achieve. We pray that, with God's help, your deliberations and decisions will continue to bear fruit. [*Applause.*]

Tourism and the Economy

The Presiding Officer (Sir David Steel): Today is an Opposition day, with two Scottish National Party debates.

Alex Fergusson (South of Scotland) (Con): On a point of order, Presiding Officer. Since the Minister for Environment and Rural Development gave his previous statement to the Parliament on foot-and-mouth disease, an enormous amount has changed, both on the ground in Dumfries and Galloway and in relation to national policy. Given that tomorrow's discussion on the Education (Graduate Endowment and Student Support) (Scotland) (No 2) Bill is liable to fall short of its time, is it in order to ask the minister to give a full statement to the Parliament on the foot-and-mouth crisis?

The Presiding Officer: It is always in order to ask for statements, but they are out of my hands. However, I can advise you that I have already selected an open question to the First Minister on foot-and-mouth disease for tomorrow, as is my prerogative. Therefore, members will have an opportunity to discuss the matter.

We come now to motion S1M-1797, in the name of Kenny MacAskill, on tourism and the economy. There are two amendments to the motion. Judging by the number of members who have already indicated that they want to take part in the debate, we will be tight for time.

14:35

Mr Kenny MacAskill (Lothians) (SNP): We are delighted that the apparently overworked and overwrought minister—if the papers are to be believed—is with us today. How could I possibly quibble with such an impeccable source? I wonder whether the Executive is now utilising the traditional Mutt and Jeff routine. When bad news is to be issued, or a committee stonewalled, Mutt is sent. However, when apparent largesse is to be dispensed, or credit sought, Jeff appears.

Normally, when goodies are being dispensed by Governments, it is done in well-trailed and well-trumpeted statements. Lo and behold, in this case, a written answer to a hurriedly written Labour patsy's question is followed by the minister responding in a debate initiated by the Opposition.

Dr Elaine Murray (Dumfries) (Lab): Excuse me.

Mr MacAskill: That simply confirms—

Dr Murray: Excuse me. Will the member give way?

Members: Give way.

The Presiding Officer: Are you giving way, Mr MacAskill?

Mr MacAskill: I am not giving way.

Dr Murray: On a point of order.

Mr MacAskill: That simply confirms—

The Presiding Officer: Order. Sorry, Mr MacAskill—there is a point of order. I hope that it is a point of order, Dr Murray.

Dr Murray: Yes, it is a point of order. Is it in order for that gentleman there to insult me across the chamber? Is that in order?

The Presiding Officer: I am sorry, but I did not hear anything. What was the remark that you are objecting to?

Dr Murray: I am objecting to being called a patsy. I asked a question of the Executive that was extremely relevant to my constituency.

The Presiding Officer: Yes, but—*[Interruption.]* Order. That is not in dispute, but what was the remark that you are objecting to?

Dr Murray: I object to being called a patsy.

The Presiding Officer: A party?

Dr Murray: A patsy.

The Presiding Officer: We treat each other with courtesy, Mr MacAskill, so that was not quite in order.

Mr MacAskill: That simply—*[Interruption.]* May I continue?

The Presiding Officer: On you go.

Mr MacAskill: That simply confirms what we on this side of the chamber and many outwith it have feared. Despite the fact that a national crisis in tourism has been brewing, the Executive has been sleepwalking through it.

We appreciate that the principal cause of the crisis is the foot-and-mouth epidemic. However, it would be remiss of us not to point out that problems in tourism have been endemic under this Administration, as a result of Labour's high pound and high fuel cost policy. There is, and has been, a need for urgency and action. However, what we have now is both belated and inadequate. No one is surprised by what has been proposed by the Executive—after all, most of it has already been intimated south of the border.

Rates relief was documented last week in England. We do not think that that is adequate—and we will go into detail on that. Why did we have to wait? The crisis is not simply about the loss of revenue, but about the loss of jobs. It is not simply a rural problem, but an all-Scotland problem. That is disclosed when we consider the scenario that is

faced by Edinburgh zoo. It is not in a high-risk area and it is the third most visited attraction in Scotland. Yet, if it remains closed next month as well as this, it will have lost £0.5 million, and 50 employees who would have started next month will remain idle. That is why we need urgency and action, not belated and inadequate gestures.

What is on offer? The offer is rates relief, not rates exemption. The buck has once again been passed to local authorities. The offer is restricted to rateable values up to £12,000. Moreover, it is restricted by local authority area. Stirling and Argyll are included, but Dunbartonshire is excluded. Has Loch Lomond moved? Are the bonnie banks now restricted to somewhere around Balloch? East Lothian is in, but Edinburgh is out. How does that deal with Edinburgh zoo? It is absurd. The proposals are belated and inadequate.

What must be done? First, we need immediate measures to address the crisis. We have the worst situation tourism in Scotland has ever known; yet it was only yesterday that the new chairman of visitScotland was appointed. Moreover, when a steady hand is needed on the tiller, the minister can tell us that a new chief executive will be appointed within a fortnight, but is apparently unable to tell us when he or she will actually be able to start work on a day-to-day basis. Some crisis management.

The Government tells us that an advertising campaign will ensue—but no wonder, because misinformation and disinformation are the cause of a significant element of the difficulties. Abroad, it took until last week, apparently, for the Foreign and Commonwealth Office to instruct British representatives in a clear, coherent and consistent line.

Meanwhile, at home, problems in the countryside were exacerbated by conflicting messages from a multiplicity of offices—even Government quangos were not consistent in their actions and advice. Why did not the Executive ensure that quangos in Scotland spoke with one clear, coherent and consistent voice? It is no wonder that into that void entered mistruth, rumour and gossip. It is for that reason that the Executive must ensure that it gets a clear, coherent and consistent message across.

In the 21st century the mass media are television and radio. The Executive can ensure that it produces public information broadcasts about lagging pipes in winter and arranging flu vaccinations for the elderly. Why cannot it address the matter of public information broadcasts about the crisis? For an Executive that is so obsessed with spin, it is sadly lacking in substance on that matter.

Measures must be taken to safeguard the industry through the immediate crisis. The current announcements are better than a poke in the eye with a sharp stick, but they fail to provide the answer for many businesses and individuals throughout the length and breadth of the country.

The measures that the SNP proposes come with a cost but—as has been admitted—we have a national crisis. That is why the resources for those measures must come from the UK national reserve. A sensible individual puts money aside for a rainy day and a prudent Chancellor of the Exchequer sets aside funds for national emergencies. We have a national emergency. If individuals become unemployed and businesses close, tax and national insurance contributions are not paid and VAT is not received. Moreover, claims for social security will follow. We must invest in our industry in order to harvest a return; that would merely be prudent.

Why not remove the burden of rates from businesses for the months of April, May and June? Those months are fast approaching and they follow a winter close-down. There is no money in businesses' banks and, in many instances, there is little prospect of visitors coming through their doors. Those businesses cannot pay out what they have not taken in. It is not the granting of relief that is needed, but the lifting of the burden.

Not everybody will benefit from rates relief—some businesses will be above the threshold and will be excluded from rates relief. However, bankruptcy beckons the big businesses as much as it does the small businesses—another Labour poverty trap. Many individuals and some businesses do not pay business rates, but they still face the possibility that they will go under. A hardship fund is needed as much for the mountain guides in Glencoe as it is for the zoo in Edinburgh. Both are in difficulties, both need our assistance and both are currently neglected. Interest-free loans must be made available, as must financial and practical support for a marketing drive that will allow businesses to contact known customers. Those are among a range of measures that are not simply a wish list from the Opposition; they are the demands of the tourism industry, which met the Executive recently.

Measures must be put in place to secure the coming summer season, including a proper marketing strategy with an adequate marketing budget. There is no point in sounding a fanfare for the new chief executive of visitScotland if the situation remains that the marketing budget of the Irish Tourist Board is greater than the entire budget of the Scottish Tourist Board. In addition, visitScotland must move from being a regulatory body to becoming a marketing organisation. There is a national obligation to sell Scotland.

Finally, for the coming and future seasons the matter is not only about the marketing of Scotland, but about access to Scotland. The shameful attitude displayed by the Executive towards air links and other modes of transport must end. We need visitors from overseas to come to Scotland directly, not as daytrippers from London. It is shameful that, under this Administration, less than 3 per cent of US visitors to the UK enter through a Scottish airport.

In summary, the SNP makes no apology for being hard on the minister and her parliamentary colleagues, because there is a crisis in our land and they have been dilatory. Although we are grateful to the minister for indulging us with her attendance, we think that it is shameful that it is only because the SNP recognises the crisis and has initiated the debate that she is here.

The package that has been announced is paltry. Scotland the Brand is wilting, and the minister has, so far, been tried and found wanting. The minister must return to the chamber in early course and in proper fashion, to make a ministerial statement to announce a package of measures that is adequate for the crisis in hand. If not, it is she who must go, not the tourism industry.

I move,

That the Parliament notes the grave impact which the foot-and-mouth crisis is having on the tourism industry; believes that conflicting information about the disease both at home and abroad further jeopardises Scottish tourism; believes that more must be done to secure the future of the tourism industry and therefore calls upon the Scottish Executive to implement the following recovery plan— (i) immediate action to enable and ensure efficient crisis management, including a public information campaign through the press and broadcast media to make people aware of what can and cannot be done in the crisis; (ii) interim support measures to prevent bankruptcy throughout the duration of the crisis including a rates relief package for the months of April, May and June; interest free loans for affected industries and an exemption to be sought by the Scottish Executive from Her Majesty's Treasury for VAT and National Insurance contributions over a similar period for crisis-affected industries; and (iii) a recovery strategy to ensure the success of the summer tourist season, beginning immediately and including an emergency Scottish advertising campaign in all key markets.

The Presiding Officer: Before I call the Minister for Enterprise and Lifelong Learning to respond, I will return to the point of order that was raised by Dr Elaine Murray. I must admit that during Mr MacAskill's opening, I was busy writing down the names of those who wanted to be called, and I did not hear what he said.

I do not want to go down the road of Westminster and rule certain words out of order in the chamber, because I do not think that that is right. There are debating circumstances in which the word "patsy" might well be in order, but I draw members' attention to rule 7.3.1:

"Members shall at all times conduct themselves in a courteous and respectful manner".

In a situation where the member with the constituency that is most affected by foot-and-mouth asked a written question, she had a legitimate point of order, and I find Mr MacAskill in breach of that courtesy requirement.

14:46

The Minister for Enterprise and Lifelong Learning (Ms Wendy Alexander): I will use my speech to respond to the crisis in the tourism industry. That is important because of the extreme difficulties that many Scottish businesses are facing as a result of foot-and-mouth. I note that Elaine Murray, as the local MSP for Dumfries, has been in almost daily contact with my office with an update about the severity of the crisis that that part of the country is facing. There is no doubt about the seriousness of the crisis. In the past 24 hours, I have met representatives of the industry and, this morning, I met the new leadership of visitscotland; no one was in any doubt that what was required of the Parliament and of the nation as a whole was unity in tackling what is a crisis without precedent.

Let me leave aside the partisanship for the moment and talk about the announcement of an emergency relief package that my colleague Angus MacKay and I were pleased to make this morning. Before I outline that package, I wish to say that the Parliament has the opportunity to respond in a more effective way than is possible in other parts of the United Kingdom.

We have one ministerial committee, which brings together Ross Finnie's expertise in agriculture and the environment, the work of my department on tourism and enterprise, and finance and local government interests. We have shorter lines of communication, which helps us to respond more effectively. We have seen the advantages of that in how it has allowed the crisis to be isolated in an agricultural context. Locally in Scotland, we also have the opportunity to respond more effectively and to be closer to the ground through the existence of the enterprise network and the area tourist boards. We do not have the difficulties that are faced in other parts of the UK, where responsibilities are split between the Department for Culture, Media and Sport, the Department of Trade and Industry and the Small Business Service.

Scotland is calling for a degree of unity in how we respond and it is calling for financial support. We have therefore announced today a Scotland-specific package of additional resources, which the Executive has found to respond to the crisis. I stress that the package is an emergency one, which deals with the entirety of the rural economy and not only with the impact of the crisis on the

tourism or agriculture industries. We are clear that a longer-term response will be needed, but this measure lets us rise to the emergency.

I will outline what that package involves. We are going to find it necessary to get the revenue line back up. The way to deal with the crisis is to get people to come back to Scotland, so we are making £5 million available to visitScotland to refocus the marketing campaign and to emphasise the message that we were asked to emphasise, which is that Scotland is open for business. We can and we are addressing the issue of public information. "The Comeback Code" is published widely in the newspapers and resources are now available if visitScotland wants to take it into the broadcasting arena.

Dennis Canavan (Falkirk West): Does the minister agree that the problem is not only financial? Financial support is important for the tourism industry in this critical situation, but part of the problem is a lack of accurate information about access to the countryside. Will she please get the message across to potential visitors from home and abroad that the Scottish countryside, or at least most of it, is open, despite the difficulties that certain areas are facing because of the foot-and-mouth crisis?

Ms Alexander: I agree whole-heartedly with the member. We have "The Comeback Code", and we have been in discussions with the tourism industry about how we promote that information. There is already a press campaign and we are making an additional £5 million available to visitScotland to promote the code. Indeed, the First Minister, the Deputy Minister for Enterprise and Lifelong Learning and I will next week be in the United States, which is our largest market, to get the message across internationally.

Mrs Margaret Ewing (Moray) (SNP): Will that information be included in television and radio broadcasts, particularly local ones?

Ms Alexander: We have asked visitScotland to consider that. We made £5 million of additional money available this morning. We have asked visitScotland to consider how "The Comeback Code" provisions can be widely disseminated to one and all, including those who work in the tourism industry and potential visitors.

I will deal with the other parts of the package. One problem is that the crisis now affects all rural Scotland. The local butcher or taxi firm is as likely to be as affected as the local tourist business or bed and breakfast. For that reason, we are asking the enterprise network to run a series of initiatives on our survival packages for businesses. Those survival measures introduce initiatives for cash-flow management and for dealing with creditors. They also introduce additional business advisers

and bespoke sector-by-sector schemes.

We are introducing a rates relief package that suits Scottish circumstances. We make no apology for meeting the Convention of Scottish Local Authorities and working out how we get right the details of a scheme that will provide a hardship package of 95 per cent for some businesses that have been affected by the crisis. I correct the point that was made earlier. In every affected part of Scotland, there will be 75 per cent relief for those businesses that have access to the scheme. Instead of going into the details of that, I will move on and talk about what else we have done.

Mr Duncan Hamilton (Highlands and Islands) (SNP): Will the minister confirm that the percentage of businesses in Scotland with a rateable value of more than £12,000 is 86 per cent, which proves that only 14 per cent of businesses—according to the Executive's figures and as confirmed by the Federation of Small Businesses this lunch time—will benefit from the measures that she is introducing at the top end of the relief? Will she reconsider that?

Ms Alexander: I do not recognise Mr Hamilton's figures on the number of businesses that will be included. What is critical—we make no apology for this—is that the relief is targeted at the smallest businesses, which we all know face the most acute cash-flow difficulties.

Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP): Will the minister give way?

The Presiding Officer: The minister is in the last minute of her speech. No more interventions can be taken.

Ms Alexander: The package of emergency relief is available. Yesterday, we put in place new leadership for visitScotland. Those people have industry expertise that stretches back many years and they want to take forward leadership of the industry. We were asked to introduce plans to deal with a rates relief scheme, which we have done. We were asked to support a Scottish Tourist Board recovery plan, which we have done. We were asked to ensure that visitScotland provided industry leadership, which we have done. We were asked to work with Whitehall colleagues to get the message out internationally, which we have done. Ministers are travelling abroad next week.

We were asked to seek the support of the enterprise network to ensure that the initiative covers all Scotland, which we have done. We were asked for a hardship fund for visitor attractions and we have instructed the enterprise network to consider that. We were asked to relax the Benefits Agency's procedures, which has been done around the UK. We were asked to encourage landowners to reopen access. We

have announced "The Comeback Code" and we are using visitScotland to get the message across. All that is happening.

I say to the Opposition that I have no desire—and I detect no desire out there in Scotland or in the industry—to turn the issue into a political football. It is rich for the SNP to call on Gordon Brown for a handout, given that last Friday—merely five days ago—the party published its tax plans, which devoted not a penny to extra support for tourism. The SNP's taxation document says that

"new measures to increase the overall burden of taxation or increase the rate of income tax"

will not happen

"without consulting the people first".

Before we scream for £100 million—as Kenny MacAskill did a few moments ago on television—and before we make such claims for uncoded promises, we should say where we would find that money. The Executive has found the money to bring the relief to the tourist industry in Scotland. There is a desire for unity out there. We are keen to make progress on the basis of unity and not to make false promises to those whom the crisis has affected. If the SNP wants £100 million, why did it publish a tax plan five days ago that did not suggest how that would be funded?

I move amendment S1M-1797.2, to leave out from "notes" to end and insert:

"recognises the impact of the Foot and Mouth outbreak on the tourism industry; welcomes the Executive's measures to minimise the effect on tourism through public information; endorses the support to businesses in the form of hardship relief, and supports the commitment to appropriate and effective marketing by visitScotland."

14:54

Miss Annabel Goldie (West of Scotland) (Con): Mr MacAskill's buccaneering language and swaggering demeanour come as no surprise to the chamber. However, when I read his motion, I felt that in some respects it did not go far enough, which surprised me. His analysis of the problem that confronts Scotland is inadequate and the remedy that he proposes is infocused. That is why I felt it appropriate to lodge an amendment in my name, which I hope encompasses the Conservative party's concerns.

Tourism employs about 180,000 people throughout Scotland and injects approximately £2.5 billion into the Scottish economy annually. Tourism is a giant in the Scottish economy. The sector provides about one in every 15 Scottish jobs, compared with one in 18 jobs in the UK as a whole. That demonstrates the significance of the industry to Scotland. However, in recent years, the giant has been, far from striding forward and going

from strength to strength, visibly limping. With the foot-and-mouth outbreak in Scotland, that giant has been brought to its knees with its head bloodied. Something has to be done.

The crisis in Dumfries and Galloway, with all the appalling consequences for those who are caught up in it, should not by cack-handed incompetence and crass confusion be translated into and represented as a national disaster for Scotland. The Scottish Executive and the relevant tourist agencies have been the instruments of that confusion, either by generating it themselves or by allowing to go unchecked and uncorrected the deeply damaging images and misinformation about Scotland that are presented by other countries worldwide.

Before we lecture other countries, we have to get our house in order. Two things have to be done immediately. We should acknowledge publicly where the heart of the problem is—Dumfries and Galloway—and designate that as a crisis area. Urgent and emergency help should be focused on business in that area by establishing a moratorium, by which I mean a deferral, not a cancellation, of liability. There should be a moratorium on liability for business rates and council tax where the business is run from the personal dwelling house of the business owner and a moratorium on liability for payment of national taxes.

Fergus Ewing: Annabel Goldie began by stating that the Conservative amendment goes further than the SNP motion, but she now states that a moratorium means deferment—it does not mean a rates amnesty or the waiving of any element of business rates; it merely means a putting-off or a deferment. Surely that shows that her amendment does not go as far as the SNP motion. Her amendment does not address the immediate hardship that businesses in Dumfriesshire and elsewhere will face.

Miss Goldie: I disagree with Mr Ewing. My amendment is different from the SNP motion in that it is a little more responsible. I am trying to further the debate on how we focus help where it is needed now. We need to be utterly blunt on where the problem area in Scotland is.

We should provide a moratorium on the liability for business rates and a moratorium on the liability for payment of national taxes such as value added tax, the employer's element of pay as you earn, national insurance contributions, income tax and, as appropriate, corporation tax. If we provide for the establishment of a hardship loans scheme to address the cash-flow problem that faces many essentially sound businesses in that designated crisis area, the provision of interest-free funding will, in my opinion, go a long way towards arresting the imminent closure of many

businesses that are now in their death-throes.

Having identified where the heart of the problem is in Scotland, we must take action to market robustly and vigorously the positive scene in the rest of Scotland, where tourism can safely be encouraged and visitors and holidaymakers be made welcome.

Mr Hamilton: Will the member give way?

Miss Goldie: I am short of time and there are still two or three points that I wish to make.

Only by being totally frank about a very difficult situation in part of Scotland can we convincingly become positive about the many opportunities that exist for the remainder of Scotland.

For tourism in general, and for the businesses in the crisis area, the time for words, initiatives, statements and declarations is over. If the giant that tourism is to our economy is not immediately revived with the recuperative measures that I have mentioned, it will not rise again. Indeed, it will not be present in any recognisable form.

I find myself uneasy with the Executive amendment, which seems unfocused and imprecise in what it seeks to do. I appreciate that some flesh was put on the Executive's plans in the minister's press statement this morning, which was made in response to the parliamentary question lodged by Dr Elaine Murray. However, although I am glad that we have £13.5 million to address the problems, my concern is that the help that is necessary in Dumfries and Galloway is unlikely to be provided quickly or in a focused manner by the enterprise network. To give visitScotland £5 million at this stage is not the best way of providing immediate help to the ailing businesses that are confronting such great problems. The aspect of the statement that I welcome is the increased provision for rates relief, which is why I phrased the amendment as I did.

I move amendment S1M-1797.1, to leave out from "on the tourism industry" to end and insert:

"in Scotland on the tourism industry and businesses within the affected areas; believes that conflicting information about the disease, both at home and abroad, further jeopardises Scottish tourism; further believes that more must be done to secure the future of the tourism industry, and therefore calls upon the Scottish Executive to implement the following recovery plan for tourism and businesses within the affected areas: (i) immediate action to enable and ensure efficient crisis management, including a public information campaign through the press and broadcast media to make people aware of what can and cannot be done during the crisis, (ii) a moratorium on liability for business rates and council tax, (iii) a moratorium to be sought by the Scottish Executive from HM Treasury on liability for payment of national taxes, (iv) the establishment of a designated crisis area within the local authority area of Dumfries and Galloway to which the foregoing moratoria would apply, (v) the establishment of a hardship loan scheme to address the problem of cash flow

facing many essentially sound businesses in the designated crisis area and (vi) a robust recovery strategy to be implemented by the Scottish Executive and relative agencies to market Scotland as a world class tourist destination."

15:01

George Lyon (Argyll and Bute) (LD): The crisis strikes at the heart of Scotland's rural economy, because agriculture and tourism are fundamentally interlinked. We can see from the knock-on effects of the foot-and-mouth epidemic in agriculture that rural tourism is bearing the brunt of the crisis.

I welcome the measures that have been announced today to help the tourist industry, but I seek clarification on some points. First, on the rates relief scheme, how do businesses demonstrate hardship? Is it through the size of their overdrafts or through the number of outstanding bills? What criteria should businesses use when they ask for rates relief?

Secondly, devastating damage has been done to our overseas markets by the publicity and comments in the media. What action will the minister take, especially in the American market? Will there be a Scottish marketing strategy, or a UK strategy, to rebut the damaging reports that have come out?

Thirdly, the package is a broad one that covers the whole of Scotland. Although I am sure that the members from Dumfries and Galloway will speak for that area, I say on behalf of the Liberal Democrats that, once the foot-and-mouth crisis has been resolved, Dumfries and Galloway needs much more than the package offers. I hope that the Executive will undertake to consider closely putting together another package that will deal specifically with that area, once we have controls in place.

Ms Alexander: To clarify that point, which has come up twice, the Executive is seized of the need to consider, on a UK basis, the special case of Dumfries and Galloway, along with the other areas that have been profoundly affected by the crisis. That is being considered at the moment. We will not carve money out of the settlement for Dumfries and Galloway, which we recognise is a special case.

George Lyon: That is good news for those in Dumfries and Galloway who are suffering severe hardship as a result of the disaster.

Although many businesses will welcome the support measures that have been announced, the reality is that the package will just hold the industry together—it will not solve the fundamental problem. As I said, tourism and agriculture are inextricably linked; the control and eradication of

foot-and-mouth is crucial to the recovery of both. The two issues cannot be separated—control and eradication is an essential prerequisite to the return to normal of the tourism industry.

People who seek to imply that agriculture should be sacrificed to save tourism or that tourism has been forced to pay the price for agriculture are ignorant or naive. They do not understand that agriculture and tourism in rural Scotland are fundamentally interlinked. We cannot separate them and blame the problems of one on the other—such propositions are ridiculous. It should be recognised that the bed-and-breakfast owners in places such as Islay and Mull are also the farmers and crofters. Indeed, that is the case throughout much of rural Scotland.

Those who try to turn agriculture and tourism against each other in this crisis are fundamentally wrong. It is an urban view of the world to say that tourism can flourish without farming and crofting. I do not believe that that view is right. The foot-and-mouth crisis has brought home to us all just how interlinked the industries are. The salvation of both will be the control and eradication of this most hellish disease as quickly as possible.

I welcome the aid package as a step forward in the attempt to hold the tourism industry together. However, the solution for tourist businesses is to get business back through the door. Everyone wants people to come and use those businesses. That can be achieved only by getting control of foot-and-mouth and by ensuring that it is eradicated as soon as possible. Even getting control of it will let the message go out that things are starting to get back to normal. I believe that that will be the salvation of both the tourist industry and the agriculture industry, which lie side by side.

Mr MacAskill's attitude in today's debate and at yesterday's Enterprise and Lifelong Learning Committee meeting has been an utter disgrace. He is desperate to make political capital out of a crisis. He puts politics first and the plight of the industry second and, as we have seen today, he uses personal abuse as a substitute for policy.

The Presiding Officer: We come now to the open debate. If everyone who wants to speak is to be called, we must be tight on time, at four minutes apiece. I call Alex Neil.

15:06

Alex Neil (Central Scotland) (SNP): I am speaking as the convener of the Enterprise and Lifelong Learning Committee, which is responsible for tourism.

The Presiding Officer: I am afraid that your time limit is still four minutes.

Alex Neil: Okay.

I will deal with the substantive points, but I begin by saying, in a non-partisan way, that I think that the measures that were announced should have been the subject of a ministerial statement, with members having the opportunity to ask detailed questions. I hope that we will have that opportunity in the not-too-distant future.

We are now facing a crisis in the tourism sector. In his evidence to the Enterprise and Lifelong Learning Committee yesterday, Alasdair Morrison suggested that, in Scotland alone, between £100 million and £300 million-worth of business could be lost this year. That is a substantial negative impact on the Scottish tourist industry. I ask that, in their negotiations with the Treasury, ministers give serious consideration to the suspension of air passenger duty as a clear message to the international community that we are open for business and can attract tourists into Scotland. I realise that that may involve a substantial cost, but that measure alone would give a clear indication to international tourists that we want to see them here in Scotland, and indeed in other parts of the UK.

I have a number of specific points about Wendy Alexander's measures. Leaving aside whether the figures that Duncan Hamilton mentioned are absolutely right, which I believe they are, the minister told him that the aid is targeted at small businesses. We need to know what is meant by small businesses, because many of the businesses affected might, under certain definitions, be considered medium-sized businesses. All those businesses are absolutely vital to the economic lifeline of rural Scotland. If we define small businesses as businesses that employ fewer than 50 people, well over 90 per cent of the businesses in Scotland are small businesses. However, it seems as though less than 20 per cent of them will qualify for relief. That issue must be addressed seriously.

We need to know about the knock-on effect on local authority expenditure of that hardship relief and whether local authorities will be reimbursed by the Executive on a pound-for-pound basis.

The Executive has allocated £5 million to Scottish Enterprise. I do not believe that Scottish Enterprise's priority should be to send in more business counsellors and more advisers. People do not need a diagnosis of their problem; they need hard cash, now, as part of the solution. I would like a good chunk of that £5 million to be allocated to provide interest-free loans to businesses in crisis, with flexible repayment terms, as that is the kind of hard cash that businesses need now.

Ministers should try to persuade the Treasury to offset tax losses this year and for at least another one or two years, so that people do not come

under pressure from the Inland Revenue in the months ahead.

The emphasis of the debate has been on tourism businesses, but we must not forget the people who are employed in tourism and related sectors. This is not only about the proprietors of businesses; it is about people who work in the businesses and are adversely affected. I ask the minister to consider taking additional measures, on top of the changes to the jobseekers allowance that were announced at UK level.

Mr Duncan McNeil (Greenock and Inverclyde) (Lab): Alex Neil said that he was speaking on behalf of the Enterprise and Lifelong Learning Committee.

Alex Neil: I said that I was speaking as convener of the committee.

Mr McNeil: Right. So Alex Neil is not speaking on behalf of the committee.

Alex Neil: I am trying to make constructive suggestions on the way out of the crisis.

I will finish with another constructive suggestion. The minister should consider using other measures to help, such as the partnership action for continuing employment programme, which is usually applied where there are large-scale redundancies. A small-scale version of that in rural areas is urgently required to ensure that we maximise job opportunities for those who are affected by the crisis.

15:11

Hugh Henry (Paisley South) (Lab): Alex Neil benefited from following Kenny MacAskill, because anything that he said was bound to sound reasonable after Kenny MacAskill's astonishing speech. Kenny MacAskill is becoming the Calimero of the SNP, saying, "Oh, woe is me. The world is falling upon my shoulders. I cannot say anything positive; I cannot be constructive about anything." Hard on the heels of trying to bankrupt the Scottish economy with wild and uncostered spending on roads, he now wants us to write the biggest blank cheque that Scotland has ever seen. I found it intriguing that the Tories and SNP were arguing, "Our blank cheque is bigger than your blank cheque."

Miss Goldie: I am not going to enter into a debate on comparative grossness; I think that I would come off poorly. If Mr Henry were to read my amendment, he would find that I am trying to achieve the opposite effect of Mr MacAskill's uncostered spend commitment. My amendment makes it clear that our spend commitments are contained and quantifiable.

Hugh Henry: I understand why Annabel Goldie

does not want to be associated with anything that Kenny MacAskill has said.

There is an obligation on us to consider the seriousness of the situation, which affects many parts of Scotland. Unless we are directly affected—my area is not—we cannot begin to understand the devastation that many people in Dumfries and Galloway must feel. Equally, I cannot begin to understand the fear and anxiety that must apply in other parts of rural Scotland at the prospect of the disease spreading.

I can well begin to understand the fear and anxiety of some of the small tourism-related businesses in my area. They want support and assistance from the Parliament, in two ways. One is—as Alex Neil said—hard cash. I welcome the commitment that the minister made, which was a direct response to the seriousness of the situation.

Mr Hamilton rose—

Hugh Henry: No thanks, Duncan.

Businesses also expect the Parliament to make some positive noises about what is happening. We have a duty to be careful about the language that we use. We must talk Scotland up. We must stop promoting fear, as that message goes abroad. The misrepresentation in the press, not only in this country but elsewhere, is alarming. The press feed on careless remarks made by members of the Parliament. We must be careful about what we are saying. We must get across the message that Scotland is open for business. We want to promote the country and welcome people to it. Clearly, we will want to stand up for Scotland, unlike those who want to talk it down.

It is incumbent on the Executive to introduce practical measures. I welcome the minister's statement that this is not the end of the story and that there will be further assistance for Dumfries and Galloway and others directly affected. This debate shows the difference not only between the destructive and the constructive elements in the Parliament, but between those who are willing to abandon the people who are most in need of help and those who are willing to support them.

15:15

David Mundell (South of Scotland) (Con): Members should reflect on the fact that this debate is being transmitted live. People are watching it in their homes in Dumfries and Galloway—some farmers have been holed up for five or six months—and we must think about how they perceive what their parliamentarians are doing about their problems.

In that vein, I want to dissociate myself wholly from Kenny MacAskill's opening remarks. No parliamentary constituency in Scotland has been

more affected by foot-and-mouth disease than Dumfries, and Dr Murray has worked alongside SNP members such as Mr Alasdair Morgan to resolve the real difficulties that people are facing in that area. However, I want to associate myself with Mr Fergusson's earlier point of order. It is not helpful for Mr Finnie to decline to make a statement about the current foot-and-mouth situation, which has changed markedly since he spoke in the chamber last Thursday.

Although this debate is focused on tourism, the issue is wider in Dumfries and Galloway and affects every business and individual. A general depression has descended on the area, and I am afraid to say that the culling operation is intrusive and again affects everyone. I am very pleased that the minister is coming to Dumfries and Galloway next week and hope that she will ensure that, where employment opportunities arise during the operation, local people will be preferred. There is some concern that contractors from outside the area have been brought in while local people who have been laid off because of the crisis are not securing employment.

Ms Alexander: I am happy to give that assurance to David Mundell and Alex Neil. The skills budget of the enterprise agency allows us to change and relax the conditions for the training to work scheme, which will in turn allow people affected by the crisis to participate in the scheme much earlier than normal and on different terms.

David Mundell: I thank the minister for that information. I hope that, by Monday, she will have some further detail about the special arrangements for Dumfries and Galloway. Yesterday, the deputy minister helpfully indicated that the local enterprise agency would receive more support, but this crisis is on such a scale that we need some out-of-the-box thinking to turn it around. I do not want to see the usual suspects implementing the same old schemes and packages. We must consider innovative solutions to this crisis. It would be wrong not to reflect on the fact that, even before the crisis happened, the tourist industry in Dumfries and Galloway and other parts of rural Scotland was in difficulty.

Wendy Alexander needs to resolve some issues such as the future of area tourist boards, their relationships with visitScotland and whether they can be membership organisations. Such fundamental issues for the future of tourism are helpfully identified in a survey that Alex Fergusson and I undertook earlier this year, a copy of which is available in the Scottish Parliament information centre if any member is interested.

There is a need for a specific hardship fund for businesses that face imminent closure. Such visitor attractions include the Kirkcudbright wildlife park, which, although it is not caught up in the

foot-and-mouth crisis, has had no visitors. It is a small operation; however, the animals cannot be moved and without funding they will simply have to be put down. Although I welcome some aspects of this package, I cannot make a final comment on it until I have seen the detail of it as it will affect people on the ground in Dumfries and Galloway.

15:20

Dr Richard Simpson (Ochil) (Lab): I apologise for missing Kenny MacAskill's opening speech. I was involved in a press conference on behalf of the Health and Community Care Committee. However, I understand that I did not miss much. My colleagues inform me that it was the same speech that he usually trots out, but with slightly different verbs, adjectives and nouns. That is a pity, as I hope that the one thing that will come out of this debate, in the summing-up speeches, is a clear and unanimous message that Scotland is open for business. If that message does not go out, but is confounded by anything that the Opposition parties say in their summing-up, that will be a great pity.

Let us make no mistake: the impact on the tourism industry, of which many members have spoken, is enormous. A trade survey for the Argyll, the Isles, Loch Lomond, Stirling and Trossachs Tourist Board recently reported that four out of five tourism businesses have reported losses in turnover. The average loss per business is already nearly £6,000, and some businesses have lost between £70,000 and £30,000. The overall loss to businesses in the tourist board area so far amounts to some £10 million.

Bruce Crawford (Mid Scotland and Fife) (SNP): Is Richard Simpson aware of the announcement from the Argyll, the Isles, Loch Lomond, Stirling and Trossachs Tourist Board that states:

"Within the last 48 hours one of our local coaching hotel operators who owns 5 hotels has confirmed the loss of £220,000 in forward bookings and one of our outdoor activity operators who specialises in providing walking holidays for the German and North American market has notified us that he has laid off 7 people due to massive cancellations"?

The tourist board is receiving reports of cancellations right through to October, which shows the scale of the difficulties that the Stirling area is facing.

Dr Simpson: Bruce Crawford is reading from the same letter that I have received, from James Fraser, which says exactly that.

No member in this chamber doubts that the situation is having a major impact throughout Scotland, especially in rural areas where the effects on tourism are enormous. Therefore, I

welcome the fact that we are considering the problem in a rational way and providing immediate short-term help. I presume that the SNP will welcome that in its closing speech. The hardship fund is there for small and medium enterprises and the rates relief will be applied.

Mr Hamilton: Will Dr Simpson give way?

Dr Simpson: No. I am sorry, but I do not have time. I have already allowed one member to intervene, and he pinched part of my speech.

We are talking to the banks. It is important that we involve the private sector in this, and that the banks are urged to do their bit to support small businesses. Some of the banks have already announced their support, and I hope that, through the discussions between the minister and the banks, that will continue. The banks can make a major contribution to alleviating the immediate cash-flow problems that these people face, as Alex Neil mentioned.

If the £5 million given to visitScotland allows us to advance its action plan and publicise the fact that we are open for business, I hope that that will have a significant effect in getting rid of some of the appalling publicity that we have received overseas. That has been beyond belief in some cases. Some of the website coverage in America has been ridiculous and inappropriate, and the factual errors in it are enormous. We must correct that situation as far as we can.

I welcome the minister's announcements and I call on the SNP to support the measures that we have taken. I welcome Alex Neil's speech, which was measured and tempered, and I am sure that the minister will respond to it appropriately. However, if the Parliament does not show unanimity in its support for "The Comeback Code" and the announcement that we are open for business, we will have done a disservice to the people of Scotland.

15:24

Mrs Margaret Ewing (Moray) (SNP): I do not believe that any member in this chamber, or anyone in the public galleries, does not feel the greatest sympathy for our rural communities at this time of crisis. Because I come from a rural background and represent a rural community, my heart goes out to those who represent the areas that have been worst affected—such as Dr Murray and my colleague Mr Morgan, who is in London today—and to the people in the Borders. I understand that, just before we came into the chamber, a further case of the disease was confirmed in the Borders community.

I speak with a great deal of feeling on this issue, especially as I think of the impact of what is

happening throughout our communities. As someone said earlier, tourism and agriculture are inextricably linked. Our small businesses—not only in our rural communities but in our cities—are dependent on those areas. I know that all of us could talk at length about the situation in our constituencies, but a few brief phone calls that I made today indicated that in the Moray, Badenoch and Strathspey enterprise area, the foot-and-mouth disease outbreak has resulted in a loss of 7,650 tourism visitors and 206 bookings. That will cost our local businesses £130,000. That is only a snapshot.

We have to consider this situation creatively. In supporting the motion, I want to point out to the minister—and this might be considered as being my political point—that while £750 million went to the London dome, we are talking about a package of only £13.5 million. Is there a facility for us to access additional lottery money that can be directed towards our tourism industry and our small businesses? Whatever opinions about the dome people might have, we must all agree that £13.5 million, while being better than nothing, is not very much when compared with the spending on the dome.

"The Comeback Code" is welcome, but it must be publicised on TV and radio—not everyone has web access or understands those dotcom addresses. I pay tribute to those who have worked hard to counteract the bad publicity that the tourist industry has had. I suggest that Sky television and other organisations should not give the world the impression that we are up to our ears in pyres.

It is important to talk about the long-term recovery as we should not be debating only the tourism industry in a time of crisis. This is not a new issue for me—I have pursued it in other places—but the Scottish Licensed Trade Association says:

"It is principally decisions taken by the Chancellor of the Exchequer for the U.K. which is making the cost of taking holidays in Scotland prohibitive, even to Scots. V.A.T. at 17½ % on accommodation and meals, the high cost of fuels, the exorbitant commercial rates and the strong pound have made Scotland too expensive for both British people and visitors from abroad."

That must be addressed in the long term if we are to continue to have our important tourist industry.

Beyond that, we have to examine issues such as the lack of direct flights into some of our airports. I could talk at length about the difficulties of getting from Dalcross airport to Heathrow and also about landing charges.

Water rates should be examined. Since the Chancellor of the Exchequer has a huge war chest, perhaps he could consider the level of water rates, particularly in the Highlands. We also need to examine making it easier to access

benefits as many of the people who are employed in the areas about which we are talking are either self-employed or on temporary contracts.

15:29

Mr Keith Raffan (Mid Scotland and Fife) (LD):

At this time of crisis, it is incumbent on all of us to speak responsibly and moderately. I do not want to waste any more time on the speech of the SNP's spokesman, Kenny MacAskill, because I want to be positive and I would have to be negative if I referred any further to his speech. He totally misjudged the mood of the chamber. He had a great opportunity to act in a statesmanlike way for once. Perhaps it is too much to expect Mr MacAskill to be statesmanlike, but how he managed to avoid doing so today beats me. Anyone else in the chamber could have grasped the opportunity.

I noticed that, as Mr MacAskill spoke, his leader was squirming in his seat. I am not surprised that he was, as his constituency largely depends on tourism. However, let me be positive. Some of us are trying to be just that, and that is the mood in other parts of the chamber.

Mr John Swinney (North Tayside) (SNP): Will the member give way?

Mr Raffan: No, I will not give way at the moment. What Mr Swinney should do is to have a reshuffle. That would be the most positive thing that he could do for Scotland and for tourism today.

I welcome the short-term package that has been announced by the minister. The STB figure of £335 million for the estimated loss of revenue this year is dramatic and we must do our utmost to reverse that. The minister says that we have to raise the revenue line. I am not sure that I would use that jargon, but I know what she means, and that is exactly what we must do.

I have been in touch with the four area tourist boards in Mid Scotland and Fife. My regional constituency is, in many ways, largely dependent on tourism. The boards all report cancellations in forward bookings of up to 25 per cent. We have to redress that. Bruce Crawford mentioned cancellations at one hotel that amounted to £220,000. I know of a self-catering facility in the region that has lost forward bookings of £131,000. That is a dramatic loss of revenue.

Mr Hamilton: Will the member give way?

Mr Raffan: No, but I will gladly give way in a second. I want to finish my point, which is that it is crucial that we address the problems that are faced by the smaller businesses, such as walking group firms. We heard about those problems earlier and some businesses are now faced with

closure.

Mr Hamilton: In the past, Mr Raffan has set himself up as a champion of local government. He is well aware of the fact that local government is fairly stretched at the moment. Does Mr Raffan support the fact that 25 per cent of the burden of the measures that were announced today by the Executive will come from local authorities? Does he think that that cash exists?

Mr Raffan: I am a champion of local government. What is important, as the minister has indicated, is that she will work with local government to tackle the situation.

The negativity of the Opposition is self-defeating. No wonder someone from the media was saying to me earlier today that the SNP is an ineffectual Opposition. That is why some of us have to provide opposition from within the Executive. I have on occasion to take on that mantle. I will not oppose the minister today, although I do sometimes.

Tricia Marwick (Mid Scotland and Fife) (SNP): Will the member give way?

Mr Raffan: No. I have wasted enough time. I am trying to be constructive and make positive proposals.

The minister mentioned the £5 million package for visitscotland for marketing. I ask the deputy minister to address in his closing speech whether some of that money will be used by visitscotland to promote Scotland overseas independently of the British Tourist Authority. Visitscotland has that power. When I was an MP in another part of the country, we greatly envied that power. I put through a private member's bill in Westminster to give the Wales Tourist Board the same power. Visitscotland can use that power, but it needs the resources to do it. That is crucial.

The BTA is monitoring the overseas coverage of the foot-and-mouth outbreak. The minister will be aware that the coverage varies from country to country. In some countries it is worse and more sensationalist than in others. For example, the latest BTA reports that I have seen show that it is much worse in Germany than in the United States of America and France, excluding the internet, which Dr Simpson mentioned.

It is important that we counter misinformation using our restricted resources and staff to best advantage. The foot-and-mouth outbreak in Scotland is, so far, less widespread than in England and Wales. We need to use our independent marketing power to get that message across.

15:33

Roseanna Cunningham (Perth) (SNP): Neither the SNP leader nor the deputy leader was squirming at all when Kenny MacAskill was speaking. We have been inundated by the concerns of our constituents who work in the tourist industry. They are very worried about what the future holds for them. We are both well aware that tourism makes the biggest contribution to the economy of Perthshire. We represent constituencies that are directly affected by the effect of foot-and-mouth on tourism, although there is luckily no foot-and-mouth disease in them so far.

I am surprised to hear members claim that such people are somehow not affected by foot-and-mouth disease. The tourism industry has already had a hard time in Scotland because of high fuel prices and the strong pound. The latest blow will make a lot of businesses go under completely. It is made even worse by the fact that many of the small operators in the tourism industry are farmers who have diversified in an attempt to supplement their incomes. They now face a double whammy.

Perth and Kinross Council's local economic development department estimates that the local authority area is losing around £1 million per week in the crisis. The crisis has already been going on for something like five weeks. Businesses are running 20 to 50 per cent below what they expect for this time of year and bookings for July and August are being cancelled.

The United Auctions mart in Perth has earned next to nothing for five weeks and 81 people have been laid off. From the start of the outbreak until 23 March, the visitor centre at that mart has received 3,500 fewer visitors compared to the same time last year. With no one coming to market, pubs and hotels are losing valuable non-tourist business. Will they be helped?

All ends of the market are suffering. The Baincroft Bunkhouse in Crieff has reservations for 25 bed nights for March this year compared to 349 in March last year. That is catastrophic for such businesses. The Crieff Hydro Hotel is suffering huge losses, with empty rooms, cancelled bookings and the familiar story of the phone not ringing. That represents an expected loss of £70,000 in March alone. Gleneagles Hotel has already had cancellations of more than 200 bookings from the United States. Gleneagles Hotel and Crieff Hydro will, as far as I can see, not be helped by the package that is to be put in place. The folk at Gleneagles and Crieff Hydro who lose their jobs will be as hard hit as anyone else who loses their job in this crisis, and will need help.

The problem all along has been a lack of consistent, accurate information. That cannot be

emphasised more. Without exception, people have told me—whether they are farmers or people working in the tourism industry—that what is desperately needed is a single source of information, so that people know what is happening.

I will give a small but graphic example. The *Perthshire Advertiser* website announces no restrictions, for example, on the Knock of Crieff, which is one of the most popular walks in the area. However, the printed version of the newspaper says that the decision about the Knock has been put on ice. If people check with Crieff tourist office, they discover that none of the walks is reopening. That is a difficulty, because there are parts of the country where, in truth, much of what attracts tourists is not open and is not going to be open in the foreseeable future. That is what tourists will have to be told if they phone the Crieff tourist office. There is no way round that. There will still be a knock-on effect.

One of the major criticisms of the handling of the situation so far is that of the lack of clarity about what should and should not be closed, and about what visitors can and cannot do. As far as I have heard, nothing in today's announcement will change that.

The SNP's plan of action was published last week. The Executive desperately needs to get a real grip of the tourism industry and provide a single, authoritative clearing house for information. Most of all, it needs to put in place the extensive financial help that is urgently needed immediately. That must be expedited, because the losses are occurring right now, and need to be offset right now.

15:37

Cathy Jamieson (Carrick, Cumnock and Doon Valley) (Lab): I associate myself with at least some of the comments that David Mundell made in praising the work of the constituency member for Dumfries, Elaine Murray, who has raised this issue at every opportunity that she has had at the Rural Development Committee and at the Enterprise and Lifelong Learning Committee—for example at its meeting yesterday. She has done so at times when few other people were interested in the plight of the tourist industry in the south-west of Scotland. Elaine Murray and others were shouting from the rooftops to ensure that the south-west of Scotland was put on the map, that we got involved in the tourism industry and that we tried to develop a strategy.

That is, unfortunately, unlike our colleagues over on the SNP benches, who used the opportunity of yesterday's Enterprise and Lifelong Learning Committee meeting—I attended it to listen to the

points that were being made—to make personal attacks on Alasdair Morrison and to question whether he had the authority to take on the issues and to speak to the committee, rather than concentrating on the issues. Indeed, the convener of the committee had to remind Kenny MacAskill and Duncan Hamilton to get to the point of the exercise, which was to talk about the future of tourism.

My constituency borders on Dumfries and Galloway.

Mr Hamilton: If the member wishes to go through her recollections of yesterday's Enterprise and Lifelong Learning Committee meeting, she will doubtless recollect the Deputy Minister for Enterprise and Lifelong Learning and Gaelic telling us that there would be a statement today, in which there would be a definition of consequential compensation and a commitment on the part of the Executive, one way or the other, on whether to support consequential compensation. The minister has not done any of that today. Why does Cathy Jamieson not have a go at it?

Cathy Jamieson: My recollection of yesterday's debate is probably quite different from that of Duncan Hamilton. Perhaps I was paying closer attention to what the minister said.

I want to return to the points about my constituency. People have approached me to discuss the effects of the foot-and-mouth crisis. As Roseanna Cunningham pointed out, there are people who have diversified from the agricultural sector into the tourism industry. They are now very concerned for the future. The real issue is that once again the SNP is promising a quick-fix solution, but there is no quick-fix solution. Of course we need resources to be made available. The Executive is making them available and has begun to put in place a package that will tackle the short-term problems, but longer-term solutions and a strategy that takes the tourism industry forward are required.

Frankly, we are in difficulty. On the one hand, we have to address some serious problems; on the other hand, we are trying to put out the message that Scotland is open for business. That is the message that I want to get across. I want people to come to Scotland. I want them to come to the south-west, Ayrshire and Carrick, Cumnock and Doon Valley. We have to get across the message that there are things that people can do. We have to support the industries that are there. We know that the rural economy in many areas is fragile. This debate is part of a wider discussion that has to take place on that subject.

It is not good enough for the SNP to promise everything, deliver nothing and talk about standing up for Scotland. I know who stands up for

Scotland. The members on this side of the chamber are standing up for Scotland rather than running it down, and we will continue to do so. We have the ministers and the package of measures to do that.

15:42

Mr Mike Rumbles (West Aberdeenshire and Kincardine) (LD): There is no doubt that the foot-and-mouth crisis is having a grave impact on our tourism industry. It is estimated that 8 per cent of jobs in Scotland—170,000 jobs—rely on the tourism industry. Above all, we must ensure that the tragedy that has affected our farmers does not unnecessarily devastate our tourism industry. That is why I think that the tone and the message that we get across today are so important. I have been disappointed by the tone of some members today.

I welcome the Government's announcement dividing Scotland into three areas: the affected area, the at-risk area and the area provisionally free from foot-and-mouth disease. The area north of the Forth-Clyde line is provisionally free from the disease and is open for outdoor pursuits and tourism. That is an extremely important message to communicate today.

The advertising campaign that was launched in our newspapers on Monday highlighted "The Comeback Code". Despite what we have heard, I think that the code gives sensible and clear advice, which should encourage tourists to come back to the Scottish countryside. My only criticism of the Scottish Natural Heritage advertisement is that it did not appear in *The Press and Journal*. That newspaper covers the whole of the north-east and north of Scotland, which is a large part of the area north of the Forth-Clyde line, so it seems ironic that the advertisement did not appear in it. I was pleased to see that the position had been rectified by Tuesday.

I welcome the measures that were announced on support for businesses in the form of hardship relief. Duncan Hamilton got this wrong. Twenty-five per cent of funding for rate relief will not come from local government.

Mr Hamilton: If he reads the entire press release, Mr Rumbles will realise that the decision on whether the proportion of relief that is funded by the Executive is 75 per cent or 95 per cent depends on whether the rateable value of a business is more or less than £12,000. As the rateable values of 86 per cent of businesses are on the wrong side of that figure, 25 per cent of the cost of relief will be picked up by local government.

Mr Rumbles: I disagree with Duncan Hamilton. He is trying to say that 25 per cent of the burden will fall on local authorities, but it is quite clear from

the Scottish Executive press release and the information that the minister provided that 95 per cent of the funding will come from the Scottish Executive.

I support the commitment to effective and appropriate marketing by visitscotland, but I have a further suggestion. As a minimum, all businesses should have their subscriptions to their local tourist boards refunded, at least for this year. That would be a direct link with businesses that pay their subscriptions and are suffering. It would be a good gesture by the Executive if funding could be found—I think that it would cost about £4 million. It would be a big help to those businesses and would send them a positive message.

I want to reinforce the important point made by George Lyon that tourism and farming are interlinked. We must not drive a wedge between the farming industry and the tourism industry. We cannot choose one or the other in this debate.

Hugh Henry made a succinct point when he drew a comparison between the two blank cheques that are being sought in the SNP motion and the Conservative amendment. Blank cheques seem to appear in such motions, which is inappropriate.

Richard Simpson made an extremely important point with which I heartily agree. He called for a message to come from all sides of the chamber that Scotland is open for business.

I will conclude by saying that the message that should be sent from the chamber is a simple one: Scotland is open for business.

15:45

Mr David Davidson (North-East Scotland) (Con): I start by mentioning briefly some of the speeches made in the debate. The opening speech was distinctly inappropriate, but I welcome the SNP's statement that it is looking to the union for a solution to this UK problem.

I welcome the fact that the Minister for Enterprise and Lifelong Learning agreed today to treat Dumfries and Galloway as a special case. We look forward to learning the exact details of the support that is to be sent there—I trust that they will be provided rapidly. She also talked about a hardship fund. Perhaps the Deputy Minister for Enterprise and Lifelong Learning and Gaelic will define exactly what she meant by that comment.

Mike Rumbles suggested that the area tourist boards should refund £4 million of subscriptions, but his sums do not add up, as the £1 million that that would leave is not enough for the marketing scheme that Scotland needs. I am disappointed that the minister did not mention ATBs, as the deputy minister suggested yesterday, in response

to my question, that they would be reviewed.

Ms Alexander: I understand that the cost of ATB subscriptions is about £2.9 million. I have encouraged visitscotland to examine the £5 million package that it has received to ensure that some refunds of subscriptions are made to the most affected businesses.

Mr Davidson: I welcome that clarification, but the minister's intervention leaves unanswered the big questions of how to market Scotland and what support will go into the marketing exercise. I will return to that point.

I welcome one or two of the comments that were made in the debate. George Lyon was right to say that tourism and farming are intertwined. I gave up farming last summer. Many local businesses cannot avoid being interlinked. Alex Neil made some interesting comments and it might be worth while sending a note to the minister seeking clarification on the background to the crisis. I agree with only one point that Roseanna Cunningham made: businesses that are in crisis need immediate support. Cathy Jamieson ought to recognise that it is not just her party that is working in the south-west of Scotland on this situation—from the evidence that I have seen, a cross-party effort is being made.

The tourism crisis has been going on for some time. It is nothing new to say that there has been slippage in the industry, but that slippage has been accelerated by the dreaded disease that is with us. The cash-flow crisis affects not only businesses that deliver the tourism product but associated businesses, such as suppliers, and neighbouring businesses.

The Conservative amendment recognises the urgency that is required to deal first with the situation in Dumfries and Galloway. Our amendment does not offer only kind words; it offers direct, early action. I say to Hugh Henry that such action is readily affordable and would do little damage to a Treasury that is overflowing with taxpayers' money. We are calling for a deferment, rather than a permanent writing-off of rates and taxes and an easy-to-access payment system for the time that it takes to restore people's cash flow.

At yesterday's meeting of the Enterprise and Lifelong Learning Committee, the Deputy Minister for Enterprise and Lifelong Learning and Gaelic agreed that the tourism industry's funding structure will be reviewed, but I have heard nothing about that today. In the next few days, I expect to hear something—from the deputy minister, I presume—about how the review will work. Yesterday, he talked about deferred tax payments, which we have called for. I point out to him that he needs to discuss that with the Inland Revenue, which sent me an e-mail today that

suggested that no deferment was available. He should take the matter up with the relevant authorities.

Many members spoke about the problems with definitions, such as how to define who will receive support. I hope that the Minister for Enterprise and Lifelong Learning will make an early statement on the details of how people will get support. The problem has two stages. Today, there is the problem of helping people who are in crisis; in future, we will have to consider how we market Scotland. I beg members in the chamber to consider our amendment carefully and to see whether they can support it as a way forward.

I am surprised that we are going for only £13.5 million when this is a UK problem. We need to talk seriously to the Chancellor of the Exchequer about central Government's responsibilities to the whole of the UK. Today in the chamber, we must focus on the needs of Scotland.

15:50

The Deputy Minister for Enterprise and Lifelong Learning and Gaelic (Mr Alasdair Morrison): I thank the member for Dumfries, Elaine Murray, for her measured contributions and for her consistently measured representation of her constituents. I am also happy to recognise the dignity with which other members have conducted themselves during the crisis and during today's debate. I am talking about members from all parties—including David Mundell, Margaret Ewing, Keith Raffan and others.

I now refer to the Opposition spokesman. As we all know, Kenny MacAskill is not a politician who is normally associated with mature or responsible rhetoric. Until today, Mr MacAskill had managed to shroud his views on this important issue under the cloak of respectability. In the first few seconds of his contribution today, that cloak of respectability slipped and exposed the true face of Scottish nationalism and certainly the true face of Kenny MacAskill. He demeaned no one except himself and his party.

What my colleagues Wendy Alexander and Angus MacKay announced today was an emergency package. We have rightly engaged in formal and informal contact with the industry. Its views have helped to inform many of our decisions. That dialogue is invaluable and will continue.

I will respond to some of the points that members raised. Duncan Hamilton claimed that only 14 per cent of businesses in Scotland would benefit from the 90 per cent rates relief. I have absolutely no idea where Duncan Hamilton gets his numbers from. The issue is that 80 per cent of businesses in rural areas—

Fiona McLeod (West of Scotland) (SNP) *rose—*

Mr Hamilton: Will the minister give way?

Mr Morrison: I had to endure Mr Hamilton in committee yesterday. I would prefer to respond directly to the points that have been raised.

Mr Hamilton: Will the minister give way?

Mr Morrison: I will respond directly to a point that Mr Hamilton raised in the debate.

Eighty per cent of businesses in rural areas will be eligible. I am happy to ensure that Executive officials explore the numbers further, but the relief available to those businesses is good news.

Alex Neil, the convener of the Enterprise and Lifelong Learning Committee, raised five important points.

Fiona McLeod: Will the minister give way?

Mr Morrison: I am not giving way, because I do not have much time and I want to respond to Alex Neil's five points, some of which Wendy Alexander has already responded to. I would like to add that we are considering the partnership action for continuing employment programme and the changes that we can implement in relation to the training for work programme.

Annabel Goldie sought specific help—as did many members—for Dumfries and Galloway. She asked whether help would be available. The short answer is that it is available. Indeed, help is already going to Dumfries and Galloway.

Ian Jenkins (Tweeddale, Ettrick and Lauderdale) (LD) *rose—*

Mr Morrison: We all appreciate that Dumfries and Galloway is the epicentre of the foot-and-mouth crisis in Scotland. However, some responses will be on a UK basis. We have already ensured that Dumfries and Galloway Enterprise has received additional support. It deserves that support, because the current structure is obviously incapable of coping with the crisis.

Mr Hamilton *rose—*

Mr Morrison: George Lyon raised a number of points, including the important one that we cannot divorce agriculture from tourism. Last week, I was in Dumfries and Galloway and met a number of people in businesses that are involved in tourism. Many of those people are also involved in agriculture. Mr Lyon raised a specific question on the hardship criteria. Those criteria will be established next week in discussion with the Convention of Scottish Local Authorities.

Ian Jenkins: Will the minister give way?

Tricia Marwick: Will the minister give way?

Mr Morrison: I give way to Mr Jenkins.

Ian Jenkins: I do not want to get involved in bargaining over who is affected worst, but does the minister recognise that the Borders tourism industry—because of its closeness to the main outbreaks and because of the declaration of an outbreak in Mr Euan Robson's constituency—may, if things get worse, ask for extra help in the same way as Dumfries and Galloway has had to?

Mr Morrison: We have outlined clearly what we are doing in Dumfries and Galloway. Margaret Ewing informed the chamber that a case of the disease has been confirmed in the Borders.

There is a question over the whole south of Scotland. We must reinforce the message that the south of Scotland does not consist only of Dumfries and Galloway. That is why we must market aggressively all parts of the south of Scotland. Many businesses there have been associated with Dumfries and Galloway and are being affected.

We have a great job of work to do. We have ensured that visitScotland has the resources to do that job for Scotland. The organisation is liaising closely with the BTA and together they will counter the misconceptions that are abroad in relation to the United Kingdom. There has been a prime ministerial instruction to all our embassies and consulates; our ambassadors have been instructed to engage in a vigorous campaign with their local media. That has been, and is being, reinforced by the Foreign and Commonwealth Office and we will take the message to north America during the tartan day celebrations.

Mrs Margaret Ewing: Will the minister give way?

Mr Morrison: I am sorry, but I am over my time.

Today, Wendy Alexander and I visited visitScotland's office and attended the daily foot-and-mouth disease emergency meeting. On behalf of the Executive, I put on record our thanks to the staff, who have demonstrated clearly their commitment to the Scottish tourism industry and their determination.

I conclude by saying that any discussion or debate about foot-and-mouth disease takes us back to the Executive's and the Government's first priority, which is the containment and eradication of foot-and-mouth disease.

15:56

Mr Duncan Hamilton (Highlands and Islands) (SNP): The confidence that the ministerial team has in its case was shown by the fact that Mr Morrison refused to take interventions from any

members other than members of his side.

The debate was not initiated by the Executive. The Scottish National Party called for the debate because we could get no information or clear guidance from the Executive.

Mike Watson (Glasgow Cathcart) (Lab): Will the member give way?

Mr Hamilton: No, thank you. [*Interruption.*]

The Deputy Presiding Officer (Patricia Ferguson): Order.

Mr Hamilton: I say to Mike Watson that this is a matter of some seriousness and if he is willing to treat it as such, I will be willing to give way to him later. I hope that he will allow me to proceed.

The ministerial team asked for unity in the chamber, but the way to achieve unity is not to launch an assault on an Opposition party that has suggested a full and constructive package of measures for the tourism industry. The way for the Executive to build unity is not to attack the Opposition's spokesperson simply because it thinks that there are cheap political points to be scored.

Karen Gillon (Clydesdale) (Lab): Will Mr Hamilton give way?

Mr Hamilton: No, thank you.

There is no doubt that, on this matter, we agree that there has been massive loss throughout the country. We all understand that the Scottish Tourist Board is saying that there will be a loss of £358 million. Another frightening statistic, which has come to light only today, is that every second call to the Scottish Tourist Board's information line is a call to cancel bookings. All members will sympathise with the particular plight of Dumfries and Galloway; let there be no doubt that the Scottish National Party also sympathises.

Roseanna Cunningham made a significant contribution when she talked about the effect on jobs. The issue is not just statistics and percentages going up and down; it is about real jobs and real lives. The tourism industry is already struggling due to the effects of the strong pound and the additional costs of VAT and fuel. The rural economy, which was already on its knees, is now at the point of national crisis. That is why last week the Scottish National Party suggested a comprehensive and positive package of measures, some of which have been adopted by the Executive, in consultation with the tourism industry. That is to be welcomed; the Scottish National Party will always welcome such progress.

The minister was wrong to suggest that the Scottish National Party's, or any other party's, criticism of the Executive fractures the consensus. It does not; it is the job of the Opposition to probe

and to tease out the detail of what the Government proposes. I will take some time to explain to the minister why the Scottish National Party has reservations.

Mr Rumbles: The tone of the debate is important when we send our message to businesses in Scotland. What does Mr Hamilton think is the most important message that should be sent from the chamber this afternoon?

Mr Hamilton: I am grateful for that question. No member would disagree with the Executive when it calls for unity in saying that Scotland is open for business—I associate myself with such remarks. The point of the debate is that more needs to be done to get that message across and to save businesses in the short term.

Mr Rumbles asks what the debate is about. It is about reading the fine detail of what the Government has proposed. I asked Mike Rumbles why local authorities were going to pick up the burden of rates relief. The Scottish Executive press release says that the Executive will increase its contribution from 75 per cent to 95 per cent for businesses with rateable values up to £12,000. Everyone agrees with that. But point 5 of the press release says that businesses that are not in that category

“can still apply ... councils will as usual fund 25% of the cost, with the Scottish Executive providing the remaining 75%.”

The dividing line is the £12,000 rateable value. If, like 86 per cent of businesses in Scotland, a company is on the wrong side of that line, 25 per cent of the burden will fall on local authorities. I say to the minister that this is a national crisis that requires national solutions, not the overburdening of local councils, which are already cash-strapped.

The business rates relief package that has been announced today amounts to £3.5 million. As my colleague Fergus Ewing pointed out, given that the annual amount of business rates in Scotland is £1.5 billion, that works out at relief of 0.0023 per cent. It is hardly surprising that people are asking for more. The Deputy Minister for Enterprise and Lifelong Learning and Gaelic asked where those figures came from. They came not from some rabid nationalist think tank, but from the Scottish Executive, from information supplied by the assessor to the Scottish property network. They are the ministers' own figures. Before bringing them to the chamber, I checked them with the Federation of Small Businesses, which confirmed them and said that the balance was about 86 per cent against 14 per cent. If we are to go forward as a national Parliament, the very least that the Executive should do is be honest and transparent about the figures.

Ms Alexander: We have costed every single

ha'penny of our proposal. Immediately prior to the debate, the SNP's leading spokesman called for £100 million to be spent on the tourism industry in Scotland. We are still waiting to hear how a single ha'penny of that commitment will be met, given that the SNP's tax policy was published on Friday and that not a single ha'penny was proposed for the tourism industry in Scotland. How is the £100 million that the SNP's front-bench spokesperson called for on the television to be raised?

Mr Hamilton: I was not at the interview, but I assume that Mr MacAskill was talking about the £100 million having to come from the national Government, which we keep being told is the United Kingdom Government. When a surplus is going from Scotland to Westminster, why is it unfair to ask for some of that money to relieve the hard-pressed businesses in rural Scotland? Is not it the job of the Scottish Executive, rather than sniping about the money, to make the case in Westminster for more resources for the Scottish Parliament, so that we can help the people of Scotland? Rather than chuckling, why does not the Minister for Enterprise and Lifelong Learning do something?

The minister says that this is a matter for the whole of Scotland. The areas that appear not to be affected by the foot-and-mouth crisis are Aberdeen, Clackmannan, Dundee, East Dunbartonshire, Falkirk, Edinburgh, Glasgow, Fife, Inverclyde, Midlothian, North Lanarkshire, Renfrewshire, West Dunbartonshire and West Lothian, yet they are all excluded from the Government's scheme. Is that delivering for all of Scotland? If it is, I suggest that the minister think again.

I come finally to the question of consequential compensation. Yesterday, the Deputy Minister for Enterprise and Lifelong Learning and Gaelic told the Enterprise and Lifelong Learning Committee that he could not define consequential compensation and he said, “Not to worry. I will come back tomorrow with a statement and I will define it for you then.” Henry McLeish thought that he could define it last week, but by yesterday the Executive could not. Can anyone in the Executive team point me to any part of the statement that takes us any further down the road to either defining consequential compensation or giving solace to any of the businesses that are looking for recompense for their loss of income? There is not a single sentence on the matter in the Executive's press release. That is another area in which the statement is deficient.

Many members have said in the debate that they are standing up for Scotland. When the constructive opposition from the SNP today is compared and contrasted with the inertia, complacency and arrogance of an Executive that

has half delivered and which has cruelly flirted with compensation but has not delivered, we all know who really stands for Scotland.

Scottish Parliament (Financial Powers)

The Deputy Presiding Officer (Mr George Reid): The next item of business is a Scottish National Party debate on motion S1M-1794, in the name of Andrew Wilson, on the financial powers of the Parliament, and one amendment to that motion. Members who wish to speak should press their request-to-speak buttons now, please. This debate will be rather tight, because we are five minutes over from the previous debate. I call Andrew Wilson to speak to and move the motion.

16:05

Andrew Wilson (Central Scotland) (SNP): I ask the Parliament to support the motion, which calls for the Executive to trust the people of Scotland. That is no heady ambition, just a desire for normality. At present, the Parliament has fewer financial powers at its disposal than any other Parliament in the world—no power to borrow and a minimal revenue power that is barely 3 per cent of the overall budget. That is one sixth of the autonomy accorded to local councils in Scotland.

“The tax varying powers of the Scottish Parliament do not appreciably alter the kind of resources that the Scottish Executive would have to spend”.

Those are not my words, but those of one of Henry McLeish’s closest friends—Helen Liddell, the Secretary of State for Scotland, on “Newsnight Scotland” only recently. For the first and perhaps the last time, Mrs Liddell said something that was correct.

The Parliament’s lack of responsibility will ultimately be corrosive to the proper development of democracy and accountability. Politicians must be accountable for how money is raised, as well as how it is spent. We need the same honesty and transparency with tax as we do with spending decisions. Henry McLeish has no more power at his disposal than Michael Forsyth had when he was Secretary of State for Scotland. In fact, Henry McLeish probably has even less power, given that he seems not to have the power even to appoint his own Cabinet.

The working of the Barnett formula is central to the debate. The idea of devolution is to recognise the demand for and desirability of a divergence in politics and policy in the United Kingdom, yet the Barnett formula is designed explicitly to produce convergence in spending levels per head. The basic idea of Barnett is not to preserve the differential per capita spending, but to reduce it. As the rules have been tightened and cash flows have increased, the resultant squeeze has increased.

New Labour members may find it convenient to employ Orwellian denial of that fact, but every serious academic analysis of the situation concurs with mine. Most recently at a Centre for Scottish Public Policy conference, Professor Peter McGregor of the University of Strathclyde—no SNP supporter—said that Barnett would

“ensure equal government expenditure per head across the UK ... Overall the Barnett formula will not ensure a beneficial expenditure share for Scotland. Indeed it implies a ‘squeeze’ for those who now enjoy an expenditure share that exceeds their population share”.

That squeeze will take £1 billion out of the Scottish budget by the end of the current spending plans. That is the simple arithmetic truth that underpins devolution’s financial settlement. We must ask why. Barnett and its accompanying convergence assume three conditions. First, Barnett assumes that public spending needs in Scotland are identical to the average for the rest of the UK. They are not. Secondly, it assumes that the cost of service delivery in Scotland is identical to the average in the rest of the UK. It is not. Thirdly, and most important, it assumes that public choice about the role of government, what it does and how is identical in Scotland to the average for the rest of the UK. It is not. That is the point of devolution.

It is up to the people of Scotland to decide how much of the nation’s wealth we devote to public services. Those decisions should not be taken elsewhere on our behalf. Surely it is wrong that if the rest of the UK decided to privatise the health service the financial consequences of that decision would play in the Scottish budget, despite the fact that we did not want to take that route. More marginally, if the English department chose to place or increase service charges on anything from general practitioners to eye tests, the cut in funding would have an impact on the Scottish budget. As Peter McGregor said:

“Adherence to the Barnett formula would imply that the Scottish assigned budget would be likely to grow more slowly than other regions”

of the UK

“with comparatively adverse effects on the Scottish economy”.

That will not stand as a situation for Scotland, which is why the SNP stands for full fiscal autonomy and normal financial powers for the Parliament. That would give us access to the £7.7 billion surplus that Scotland contributed to the UK Treasury last year and will contribute in the coming year. On any analysis—even the Government’s discredited analysis—Scotland is contributing more this year and next to the UK Treasury than it will receive in public spending. I am happy to admit that in many spending areas, such as health, our per capita spend is higher.

That is our choice. As the Scottish Constitutional Convention document—we will hear more about that later—that underpinned the Parliament said:

“the lion’s share of other forms of public spending accrues to the South East of England”.

As we said, on any analysis we give more to the Treasury than we get back. We need to argue about how to invest that rather than about constraining public spending as we do at present.

David McLetchie (Lothians) (Con): Is it implicit in the member’s remarks that that surplus is partly generated by our fuel taxes, which are the highest in Europe? Is it implicit in what the member says that the SNP would sustain those levels to maintain the expenditure levels that the SNP thinks are desirable?

Andrew Wilson: Mr McLetchie is half way to a neat point, but our proposals this week are Exchequer neutral and would have no impact on the overall tax take.

I will come to Mr McLetchie shortly. The key point is that Angus MacKay and someone called Raymond Robertson—if anyone knows who he is: somebody who makes Jim Murphy seem a reasonable chap—employed outdated and out-of-fashion arguments about deficits in the newspapers this week. The average UK non-oil deficit for the past 22 years is £26 billion. The average non-oil deficit during Mr McLetchie’s party’s term in office was £32 billion per year. That was national debt run up by the Tories every year. Sixteen years of Tory government were deficit years. Eleven of those, even on the Tories’ own figures, were Scottish surpluses. *[Interruption.]* I will move on. That is the reality, but nobody suggests that that record of deficit means that the UK cannot be financially autonomous.

I was very amused, but not surprised, to read the detail of the amendment. Angus MacKay appears to be the only finance minister on earth who does not trust himself with the nation’s finances. Perhaps he knows something that we do not.

Let us look at each of the amendment’s points in turn. Angus MacKay says that the Executive supports the Scottish Constitutional Convention’s financial framework. I am delighted to say that, due to extensive research using the resources at my disposal, I have a copy of “Towards Scotland’s Parliament” with me. It says explicitly that a Parliament funded by the block grant, as is the case at present,

“would be a minimalist approach which is neither radical in concept nor conducive to accountability as it would effectively mean that the Parliament would be more accountable to Westminster than the Scottish people and would be even less financially independent than the local authorities”.

If the Executive is looking to the convention for support, I am happy to go with it, but it will find that the convention scheme is more in line with my proposals than its. Angus MacKay is mistakenly using "Towards Scotland's Parliament" to shore up his conservatism. It goes on to argue:

"No sensible person would argue that resources should be allocated throughout the United Kingdom on a per capita basis".

That is exactly what Mr MacKay and the Executive are proposing. The amendment and the Executive are left looking very foolish indeed. Mr MacKay is trying to dress up his inherent conservatism by positioning himself and the Liberal Democrats behind the convention. Events have left him behind. He now occupies the same territory and uses the same tactics and rhetoric as the Conservatives used to. That will not stand; nor will Labour's position in the debate.

Others in the Labour party agree with me. I see one of them in the chamber today. I quote:

"I was a great supporter of the Scottish Parliament having tax-raising powers. Tax raising is one of the most productive things any parliament can do because it redistributes wealth and supports public services — and that's what the majority of the Scottish people want."

That is what John McAllion said in the *Daily Record*—not years ago, but this January. That is what Angus MacKay's own side thinks. I will be interested to see how John McAllion votes today.

However, John McAllion is not alone. I offer Angus MacKay another quotation:

"We are only scratching the surface of devolution. There are parts of the Scotland Act, which allow the Parliament to have greater powers. If ... we feel that we need more powers then we can seek them ... I have no problem with that."

That was no back-bench radical, but Henry McLeish. I wonder whether he has checked with Wendy Alexander about his ability to say such radical things.

When they have a consistent position—which is never—the Liberals have a similar record. Malcolm Bruce said:

"The Scottish parliament itself will not be able to meet the aspirations of the Scottish people, however, until it has control over their own revenues. The devolution settlement is unsustainable in the long-term."

Mr Frank McAveety (Glasgow Shettleston) (Lab): Will the member take an intervention?

Andrew Wilson: If Frank McAveety has something serious to contribute, I would be delighted.

Mr McAveety: Will Andrew Wilson reveal the insights that his party contributed to the debate in the Scottish Constitutional Convention about a Scottish parliament?

Andrew Wilson: Perhaps Frank McAveety would like a history lesson. He will recall that it was Gordon Wilson who proposed the existence of a convention in the first place.

Malcolm Bruce said:

"In due course, financial devolution should follow political devolution."

That is what we call for today. Where would any debate on fiscal autonomy be without Brian Monteith and the Conservatives? Brian Monteith said:

"I think the answer lies in us considering full fiscal freedom for the Scottish Parliament".

Does the Conservative party stick to its own spokespeople's views on these matters?

All those people—John McAllion, Henry McLeish, Brian Monteith and, of course, me—are correct: the Parliament's present position is unsustainable. The Barnett squeeze is unsustainable. We must act now to be in line with the consensus of the two thirds of Scots—according to polling—who agree that the Parliament should have full financial powers.

Angus MacKay and the Executive can stand, as the Conservatives did, against the tide of Scottish public opinion. The SNP wants to look forward to the opportunities that greater powers can give us. We look forward to the serious debate that we can have in the chamber about what to do with the real powers of a normal independent country.

"Towards Scotland's Parliament", which was produced by the very convention on which Mr MacKay rests his amendment, says:

"The conclusion therefore, suggests that the greater the access to sources of revenue given to the Scottish Parliament the greater the freedom of action it will have and the more acceptable it will be to the Scottish people."

That is what the convention document says. Those are our proposals today. I ask Angus MacKay to give a bit of thought to his statements, to consider supporting the motion and to follow through with the real principles of devolution and the convention he says he supports.

I move,

That the Parliament notes that the current devolution settlement gives the Scottish Parliament fewer financial powers than any other Parliament in the world; further notes, that while devolution is a recognition of the need and desirability for policy divergences within the United Kingdom, the financial settlement underpinning it is designed explicitly to produce convergence in public expenditure; recognises that two thirds of Scots already support the devolution of full financial powers to the Scottish Parliament and calls for the Scottish Executive to respond to this growing consensus and bring forward proposals to deliver full financial powers to the Parliament.

16:15

The Minister for Finance and Local Government (Angus MacKay): The SNP's motion shows the party's real intent: independence by the back door. It claims that we have fewer powers than any other Parliament in the world, but the words "Parliament of an independent country" are deliberately missed out. The SNP ignores the fact that we are a devolved country within the UK, not separate from it. To compare ourselves with devolved government elsewhere in Europe, do the German Länder have full fiscal powers? Does Catalonia? No.

Andrew Wilson: Will the minister take an intervention?

Angus MacKay: And no to Mr Wilson as well.

As in every devolved country, there is sharing between Governments.

The SNP goes on to say that the Barnett settlement is designed to produce convergence. The truth is that whenever there is an increase—as there was in the previous spending review and as there was in this month's UK budget—we get the same cash per head as the rest of the UK.

Andrew Wilson: Will Angus MacKay tell me whether any of the other devolved Parliaments to which he refers have fewer financial powers than ours? Does he agree that the Barnett squeeze will produce a convergence in spending per head? The minister referred the same spending per head—does he want the same spent on health in Scotland as in England?

Angus MacKay: Mr Wilson has made me sorry that I gave way, because he contributed nothing by that comment. [MEMBERS: "Answer the question."] I will not answer the question in that case.

The gap in spending per head of population will remain to Scotland's advantage. For example, we spend £1,200 per head on health and personal social services and England spends £960 per head. That gap of £240 per head will remain. The SNP says that two thirds of the population support full fiscal powers. If we ask people whether they would support keeping in Scotland more of the taxes that are raised in Scotland, of course they will say yes. If we tell them that we receive more income from the rest of the UK than we raise, we will get a different answer.

Finally, the SNP's motion calls on the Executive to introduce plans for full fiscal powers. Why? Simply because the SNP does not have any clear policies. It cannot even agree on its own manifesto.

Brian Adam (North-East Scotland) (SNP): Will the minister give way?

Angus MacKay: No.

I will tell members something that one of the SNP's own spokesmen said about the SNP's tax plans. Andrew Wilson himself gave a few quotations in his speech. I see that he is sitting in front of Alex Neil. I do not know whether Alex Neil has any relationship to this, but he might want to come in on it. The SNP spokesman said that the party's tax plans are illiterate and that the SNP is a bunch of numpties. That is someone from the SNP speaking about their own group.

Andrew Wilson: Will the minister give way now?

Angus MacKay: No.

The spokesman is wrong. They are not illiterate. They are innumerate, as Andrew Wilson demonstrated when he talked about 16 years of Conservative government. Some of us spent a long time fighting that Government and remember that it was 18 years. The SNP can write; it just cannot add up. That is its problem.

It is simple to say that the Government in Scotland should have full fiscal powers—simple, that is, until we examine the facts and what they mean. The nationalist case falls down when we consider the facts. It is clear to everyone except the nationalists that we spend more in Scotland than we raise. The Executive—and before that the Scottish Office—produces an objective analysis every year that stands up to independent scrutiny. The latest one shows that the £33 billion spent by the Government in Scotland exceeds the £28 billion taken in in taxes.

Andrew Wilson: Will the minister give way?

Angus MacKay: Sit down and listen.

That, in other words, is a £5 billion deficit, or £1,000 for every man, woman and child in Scotland. Even if we include all the revenue raised in the North sea from oil, we are still spending £2.5 billion more than we raise. That shortfall, even taking into account North sea oil, has existed throughout the past decade. It means that, under the SNP's full fiscal powers, we would have to go to the Treasury every year to ask for a top-up. What level of spending would the SNP ask the Treasury to top us up to? The same as Barnett? In which case, why change? If it is less, is that not worse for Scotland? If it is more, why would the rest of the UK agree to it? The arguments over who decides the budget level, and how, would simply result in debilitating annual arguments. Those arguments would go on outside the democratic control of the Parliament, which is, of course, just what the SNP wants.

Andrew Wilson: Will the minister give way?

Angus MacKay: No.

The nationalists are not keen to discuss the level at which the Scottish budget should be set. Perhaps that is why they have not tried to use any of the Parliament's existing powers. Have we seen an SNP proposal to vary the spending in the Scottish budget that we have just enacted? No. Does the SNP think that there is not enough to spend, then? Well, if it thinks that, why has there not been an SNP motion calling on the Executive to raise income tax with the powers that we have?

The SNP also prefers to use its own numbers—its own wrong numbers—to get out of fiscal deficit. Andrew Wilson's figures, quoted in *business a.m.*, are simply wrong. The revenues are wrong, the expenditure is wrong, the oil income is wrong and the national debt is wrong.

Why do members of the SNP avoid so many questions of detail on fiscal matters whenever they are put to them? We are still waiting to hear the answers to the following questions. How will they fill the funding gap between the revenue raised and the money they want to spend? Will they raise taxes, or cut spending? Do they still support their own 1999 penny-for-Scotland plans? Which taxes will they alter—VAT, corporation tax or fuel duty? Will it be up or down? Do they still want to slash corporation tax? Do they agree with Alex Salmond's view that tax rates of up to 50 per cent are not a disincentive? What new taxes will they bring in? How much will it cost to set up the systems—the very systems that the Confederation of British Industry Scotland says we cannot afford—to assess and collect those taxes? SNP members do not answer those questions.

How will those taxes interact with a UK-wide benefits system? What will happen to pensions and housing benefit? Does the SNP have an exchange rate policy that it can tell us or anyone else about? I do not think so. All those questions and more will not be answered next week, next month or even before the next general or Scottish election date.

The way in which we currently formulate the Scottish budget is simple, fair and easy to administer. It is simple because we automatically get our population share of any increase in England. It is fair because it recognises our need for higher expenditure. It is easy to administer because there is no annual conflict between Westminster and Holyrood. Full fiscal powers present a clear risk to Scotland, as they would mean a big deficit, annual arguments over revenues and the undermining of Scotland's case for the current higher spending per head than the rest of the UK that we currently enjoy.

Unlike Barnett and the straightforward tax-varying powers that currently exist, full fiscal powers are not simple and easy to administer, nor would it be fair to have them. What, for example,

would it cost a UK business to administer different tax systems in Scotland and England? Under the SNP's proposal, we could have different sets of income tax rates and bands, different corporation tax rates and different VAT rates in Scotland. How much would ending the UK's level playing field cost Scottish businesses?

While the Executive is trying to cut red tape, the SNP wants to wrap Scottish business up in its own new tartan tape. It bases our future prosperity on one commodity: oil. Our policy, which is supported by business, is to generate a knowledge-based economy. We want a modern economy in which we generate wealth and eliminate social exclusion through our knowledge skills, not our access to raw materials.

The Barnett formula has been tried and tested over two decades of giving Scotland its fair share within the UK, and as long as it remains the best system for Scotland we will support it. Rather than arguing to change the current system, we will devote our energies to achieving best value from our own budget. We will not spend our time debating in the never-never land inhabited by the nationalists. We stand up for Scotland and we deliver for Scotland.

I move amendment S1M-1794.1, to leave out from first "notes" to end and insert:

"supports the financial framework for devolution as set out by the Scottish Constitutional Convention and supported by the Scottish Labour Party and the Scottish Liberal Democrats; notes that the Barnett formula has provided a stable fiscal framework for government expenditure in Scotland; and welcomes the current record level of public expenditure in Scotland."

16:23

Mr David Davidson (North-East Scotland) (Con): We have heard the SNP lay out once again its general election stall, full of the same old policies of borrow, tax and spend and, although it was not said today, independence. I would like to ask a question before we go any further, because I see that some of the serious players are here today. Where does the SNP now stand on its policy of independence in Europe?

Andrew Wilson: Totally in favour.

Mr Davidson: I thank the Presiding Officer for being gracious with me; I should not have invited an intervention. So, the SNP is happy with "Frankfurt will rule". The German banking system will take over. That is what the SNP lost the argument on before.

Mr Lloyd Quinan (West of Scotland) (SNP): Will Mr Davidson give way?

Mr Davidson: I shall give way in a while.

What I cannot understand is why the SNP

seems to be hell-bent on competing with Labour and its Liberal lackeys to see who can penalise Scottish families the most.

Andrew Wilson: Will Mr Davidson give way?

Mr Davidson: I shall give way in a moment.

Did the SNP learn nothing when its penny-for-Scotland policy cost it votes from its own supporters? Now, it wants to drive out entrepreneurs and risk takers, who help to drive our economy, with an increase in the top rate of tax. How does the SNP think we would create jobs without those essential people being active in the Scottish economy? The SNP would make Scotland the most highly taxed part of the UK.

Andrew Wilson: Does Mr Davidson regret that there was a deficit in 16 of the 18 years of Conservative government? The average non-oil deficit for the Tory period was £32 billion a year. Does he regret that record?

Mr Davidson: I thought the SNP came to the chamber today to discuss the powers it wants for this Parliament.

The SNP is offering a sop of 2p a litre off fuel tax. That is less than the cut we offered last year. I have to say that Labour, through Gordon Brown, offered only a temporary relief. The SNP has said nothing about removing the stealth taxes that Labour has put in place, so presumably it wants to put additional tax on top of them. The SNP has not mentioned a return to the uniform business rate, which Labour abolished. That is another part of the SNP's well-established high tax credentials.

Full fiscal autonomy is an unnecessary and irrelevant distraction from the budgetary choices that Scotland faces. Nobody argues about a few Tories in the past having commented on it, but I do not think that the SNP's ranks are uniform on the issue.

Brian Adam *rose—*

Mr Davidson: Please sit down, Brian.

Fiscal responsibility should be the byword for any party that seeks to govern. It is a matter of how we divide our resources rather than a mad scramble to obtain and wield further, increased taxation powers.

Mr Mike Rumbles (West Aberdeenshire and Kincardine) (LD) *rose—*

Mr Davidson: I would be grateful if you would ask Mr Rumbles to sit down, Presiding Officer.

The Deputy Presiding Officer: I will decide when Mr Rumbles sits down, Mr Davidson.

Mr Davidson: I apologise.

The Parliament's current tax-raising powers

have not been used because even Labour is beginning to understand that enough is enough. The Parliament has not settled down yet. This debate is a distraction that takes the Parliament's attention away from the many current issues that should be addressed.

It is unfortunate for Scots that Labour, with Liberal backing, is still proposing new taxes, such as the graduate tax, city-entry tolls and road tolls. The latter is apparently backed not only by the Liberals, but by the nationalists, who introduced this debate.

Labour has added the equivalent of 10p on basic tax but reduced the basic rate by only 1p. The nationalists are obviously happy to continue with that and to add to it. The Liberals, like the nationalists, want to increase income tax and additional taxation on fuel. We all remember the caravan tax and the dogs tax.

Mr Rumbles: Will Mr Davidson give way?

The Deputy Presiding Officer: Mr Davidson is in his last minute.

Mr Davidson: The truth is that Scottish families are paying £670 a year more under Labour, with Liberal backing, and the nationalists want to add to that. The other parties are full of members who are determined to make Scotland the overtaxed, uncompetitive and disillusioned nation that it has never been. Our enterprise economy can never be based on high taxation. No one will ever be able to trust any of the other parties again on taxation. That leaves the Conservatives as the only party that can be trusted on tax.

I have a word or two of advice for Andrew Wilson and his colleagues. They should live in the real world, buy a calculator, do their sums correctly, balance their books and give up wish-list accounting. Unless they change their ways, nobody will support them—as Labour and the Liberals will find out soon.

16:28

Donald Gorrie (Central Scotland) (LD): I am happy to state that the Liberal Democrats fully support Angus MacKay's amendment.

I will make two main points. The first is the need to retain Barnett to keep the situation steady for the next few years and the second is the need to replace it with something more intelligent.

Before I do that, I will form a fleeting—or I hope permanent—partnership with Frank McAveety, who mentioned the SNP's absence from the Constitutional Convention. There was honest and hard discussion in the convention between people who took different views on devolution. Some people—including some Labour people, all the

Liberal Democrats, many of the trade unionists, church representatives and others—wanted the maximum devolution. Others wanted less far-reaching devolution. If the nats had joined in, that would have greatly strengthened the maximalist cause. However, they were not there; the battle of Bannockburn had broken out and they were off.

Andrew Wilson: Does Mr Gorrie accept that the SNP left the convention because it ruled out our perfectly reasonable policy? Despite the fact that the SNP was not part of it, the convention proposed greater autonomy than the Parliament has today—and yet Angus MacKay's amendment asks us to support those proposals.

Donald Gorrie: Although some of the convention proposals were accepted, the Executive went further on others. For example, Donald Dewar reversed one practice; whereas previous proposed legislation for devolution listed the powers that were devolved to Scotland, the Scotland Act 1998 lists the powers reserved to Westminster. There were gains and losses.

We need stability. Getting rid of the Barnett formula instantly and introducing some new formula would cause only instability. We should stick to the Barnett formula for the next few years, as it secures the bulk of our funding and ensures that the share of any additional funding is proportional to our population. It would take centuries for the Barnett formula system and any new system to converge. At the moment, stability is far better than any mucking about with the system.

However, the Liberal Democrats wish to look beyond the current system, which is not perfect. For the medium term, we are promoting regional government within England—which is critical—and are considering a needs-based financing formula for the regions of England, Scotland, Wales and Northern Ireland. As the gulf does not lie between Scotland and England, but between the poorer and richer parts of England, it is an English problem that the English have to sort out. We believe that there should be an effective democratic regional structure in which the different regions do not have the power to legislate—the English are not interested in that—but have democratic control over their economy. A needs-based formula would be fair all round, and we could make some progress towards that aim by the end of the next Parliament.

In the medium term, a needs-based formula should be introduced and a system of English regional government should be considered. In the meantime, we should retain the Barnett formula. The SNP's constant nipping at this issue has not been helpful. Although the nationalists make some good contributions when they seriously address issues, every now and then they go into their

propaganda mode and lose the plot. The motion is not helpful; the amendment is much better and I am very happy to support it.

The Deputy Presiding Officer: Because of the overrun on the previous debate, we have time for only two speeches in the open debate and only then if both members keep their remarks to three minutes.

16:33

Mike Watson (Glasgow Cathcart) (Lab): It is intolerable that this subject has been squashed into such a short debate. However, that said, the debate is sterile and I do not know why we are having it. I am sorry that Duncan Hamilton has left the chamber, because it was ironic at best and hypocritical at worst for him not to accept my intervention in the previous debate. If he had accepted my intervention, I would have asked him why the SNP did not take up the whole afternoon with the debate on the tourism industry if the industry is as important as it would have us believe. Why did it shoehorn in this debate of less than an hour which we can have at any time? I have to question the SNP's sense of priorities.

Tricia Marwick (Mid Scotland and Fife) (SNP): Will the member give way?

Mike Watson: No—I have no time to give way. [*Interruption.*] I have only three minutes. I will see Tricia Marwick outside to discuss these matters if she wants. [*MEMBERS: "Oh."*] I mean that in the nicest possible way, as Tricia knows.

At least this debate is in line with SNP party policy. I have dug out an SNP national council motion from March last year, which states that the council will

"seek to expand the powers of the Scottish Parliament in crucial areas such as finance, broadcasting, European and international relations and social security matters."

That is very interesting, because the cost of social security in Scotland for 1998-99, which is the last full year for which figures are available, was £9.2 billion, which is half as much again as the total Scottish Parliament budget. Where would the extra money to cover that come from? The SNP argues that we raise more money than we spend, but Andrew Wilson knows that the figures do not stack up and that that is not the case.

Where would the extra money come from? Would it come from taxation? An extract from "We stand for Scotland", the SNP's tax policy that was launched last Friday, states:

"We will not introduce any new measures to increase the overall burden of taxation or increase the rate of income tax".

If the SNP will not do that, it must tell the people of Scotland where the money for introducing full

fiscal powers will come from.

Let us consider what full fiscal autonomy means: it means independence. It cannot mean anything other than that. Why does not the SNP come straight out and say that? Why, in two years of the Scottish Parliament, have we never had a debate specifically on whether we should move towards independence for Scotland? It is dishonesty. If that is really what the SNP believes, let us have that debate in the Parliament. The money for full fiscal autonomy is not there without raising taxation considerably.

We have no time to get into the debate about the Barnett formula, which is an important aspect of the matter. We will address that issue another time. However, figures for the last full year for which figures are available show that around £28 billion was taken in tax in Scotland, and £33 billion was spent in Scotland, whether through the Parliament or centrally through Westminster. The simple fact is that we would have to find ways of bridging that gap. I hope that the issue of oil will not arise, because even with oil revenue, the gap would still not be bridged.

It is about time that SNP members came clean and told us what they think. Why should a debate on this important subject be shoehorned into less than an hour, especially when the debate on the tourism industry in Scotland could have continued? That is what people in Scotland want to hear today—not debates such as this, which is going nowhere.

16:37

Alex Neil (Central Scotland) (SNP): If Mike Watson had been a Labour MP in the 1940s, he would probably have told the Indians not to vote for independence because they were too poor. He would probably also have told the Irish not to vote for independence because they were too poor. Today, India and Ireland have two of the fastest-growing economies in the world.

It would seem to us, from listening to all these unionist members, that control from Westminster has brought resounding success to the Scottish economy. However, we should consider the record, over the past 20 years, of the official Tory Government and then the Labour Tory Government. Economic growth in Scotland has been half what it has been in the rest of the UK. This year, the Irish economy is growing by 9 per cent, while the Scottish economy is struggling to grow by 1 per cent. There are 170,000 people unemployed and looking for work in Scotland. Is that a success story from unionist economic managers? Let us also consider research and development. One company in tiny Finland spends more on research and development than does the

entire Scottish economy.

Mr Davidson: Will Alex Neil give way?

Alex Neil: Of course. Mr Davidson might care to remind us about the poll tax while he is on his feet.

The Deputy Presiding Officer: That is up to Mr Davidson.

Mr Davidson: While Alex Neil is addressing the problems that he perceives Scotland faces—and I share some of his concerns—how would he define the drivers for an enterprise economy? Would he include high taxation among them?

Alex Neil: There are several drivers for an enterprise economy, one of which is never to have a Tory Government—especially for 18 years. One of the ways in which the Tories drive is in permanent reverse.

Bristow Muldoon (Livingston) (Lab): As Alex Neil is reminding us about the Tory Government, would he care to remind us that today is the anniversary of the day on which the SNP helped to elect the Tory Government 22 years ago?

Alex Neil: The people who elected Margaret Thatcher were those who voted for her. If Labour had kept its promise to deliver a Scottish Parliament in the 1970s, we would have been here 25 years ago to protect Scotland against the ravages of Thatcherism. In levelling such criticisms, Bristow Muldoon should remember the role of Robin Cook, Tam Dalyell and every other Labour MP who sold Scotland down the river time after time. They are still selling us down the river, and that is why Scotland is in the mess that it is in.

For Duncan McNeil's benefit, I should point out that I am not speaking as the convener of the Enterprise and Lifelong Learning Committee in this debate.

The only answer is independence and financial autonomy for the Scottish people.

The Deputy Presiding Officer: We move straight to winding-up speeches—

Hugh Henry (Paisley South) (Lab): That last speech was a total wind-up.

The Deputy Presiding Officer: I call Iain Smith, to wind up for the Liberal Democrats.

16:40

Iain Smith (North-East Fife) (LD): This afternoon, we have had to endure yet another debate on fantasy economics with Andrew Wilson and his colleagues. Andrew Wilson talked about honesty and transparency on the issue of taxation. Sadly, however, we get neither from the SNP in these debates. The SNP keeps telling us about the significant increases in public spending that it

seeks—it wants more money for the tourism industry, for farmers, for fishermen and so on—but it never says how such increases will be paid for.

In the SNP's announcement on tax that it released last week, there was not a penny for pensioners, hospitals or the health service, schools, the police, farmers, fishermen or the tourism industry. The SNP was interested only in helping the multinational oil companies.

Andrew Wilson: If Iain Smith would be so kind, would he tell us what the Liberal Democrats' policy is? Charles Kennedy said in the Argyll papers last week that he was in favour of a cut in fuel tax. Is that the Liberal Democrats' position or not?

Iain Smith: Our position is clear in our manifesto: we will freeze fuel duty in real terms over the lifetime of the next Parliament.

Today we heard Andrew Wilson's quarterly moan about fiscal powers for the Parliament—it comes up as regular as clockwork. The SNP has nothing to debate, so it decides to have an hour on fiscal powers for the Scottish Parliament. However, the SNP does not say what it would do with the powers if it had them. That is what we and the Scottish people want to hear. How much extra spending would be introduced? How would that be paid for? By how much would tax increase? If we hear that in the summing-up speech, we will take that party's talk of full fiscal powers a bit more seriously.

The SNP's press release of 23 March, which was headed, "Shifting burden from stealth tax to fair tax", stated that the party would not

"introduce any new measures to increase the overall burden of taxation or increase the rate of income tax without consulting the people first through our manifesto."

That is fair enough, but the SNP still talks about the increases in expenditure that it will introduce without telling us how they will be paid for. Is not it about time that the SNP was open and honest on taxation and told us how it would pay for the increases in spending that it keeps promising us?

The SNP's policy is based on a flawed analysis of Scotland's fiscal health. It is based on assumptions about oil prices and revenues that are not sustainable in the long term. Under the SNP, Scotland would become an oil-dependent state. Its finance minister would have to check the oil price before committing to any expenditure. Our education policy and health policy would be based on whatever the spot oil price was at the time. When Andrew Wilson stood up to speak in today's debate, the spot oil price was \$25.72 but, by the time he sat down, it had fallen 2 cents to \$25.70. The simple reality is that, as a finance minister in an independent Scotland that was reliant on the spot price of oil, he would have had to sack 300 teachers to make up for the deficit.

The Deputy Presiding Officer: Wind up, Mr Smith.

Iain Smith: We have to be more realistic.

Fiona Hyslop (Lothians) (SNP): Will the member give way?

Iain Smith: I am sorry; I am in my final minute.

The Deputy Presiding Officer: You are over your final minute. Please wind up.

Iain Smith: The Scottish Government—a Labour-Liberal Democrat coalition—has secured stable finances for Scotland and significant increases in spending. I support that, and I support the Executive's amendment.

16:44

David McLetchie (Lothians) (Con): In its enthusiastic rush to acquire extra financial powers for the Parliament, the SNP should pause to consider why many people in Scotland are wary of the idea of the Scottish Parliament being given greater tax-raising powers. The reason is simple: giving the SNP greater tax-raising powers would be like putting the fox in charge of the hen house.

At the previous election, the SNP campaigned on a pledge to impose an additional 1p on the basic rate of tax in Scotland. As far as I am aware, that penalty for being Scots is still what passes for official SNP policy. Last week, the SNP announced a new policy of an extra 5p on the higher rate of tax. Once again, that showed that the SNP is a party that just cannot kick its addiction to tax-and-spend policies.

Before Labour and Liberal Democrat members get too cocky, let us not forget that they are also part of that left-wing consensus in Scotland. They believe that the answers to all Scotland's problems lie in the hands of politicians and bureaucrats. They think that all they need to solve those problems is to be given ever-greater slabs of taxpayers' money and greater powers to intervene and interfere.

A cursory examination of the Scottish Executive's record to date shows that it would be only too happy to use increased powers of taxation to increase the tax burden on Scots. Within the limited scope that the Scottish Parliament has at present, the Executive has already increased tax on businesses by abolishing the uniform business rate across the United Kingdom and is in the process of introducing a new £2,000 graduate tax on our students—although in typical weasel words that tax is called a graduate endowment. In addition, aided and abetted by the SNP, the Executive is determined to encourage our councils to impose new toll taxes on motorists entering our towns and cities and

crossing our bridges, notwithstanding the fact that the same motorists are already paying the highest fuel prices in Europe.

Mr Rumbles: Does David McLetchie believe in honesty in politics? If so, what does he think of the policy announcement this week by his leader, Mr Hague, of lower taxes but increased public spending on public services?

David McLetchie: I believe entirely in honesty in politics. What has been announced are the overall spending plans. We have said that we will scale back increases by £8 billion of identified economies. We would give back to taxpayers in Britain some of the £690 per household that Gordon Brown has extracted as a result of the 45 tax increases that have been imposed in his four previous budgets.

The priority for Scottish Conservatives is to remove the new Scottish stealth taxes that I have outlined and to ensure that individuals and businesses in Scotland are not at a permanent disadvantage compared with the rest of the United Kingdom. We are also sensitive to the fact that the present tax-varying powers of the Parliament were the subject of a referendum. Amazingly, there was a 2:1 majority in favour. That, of course, was before Gordon Brown's 45 tax increases; before he increased the tax burden per Scottish household by £690 per annum; before the SNP's ill-fated tax-raising plans became public; and before the Liberal Democrats' renewed determination to tax everything that moves, including, as my colleague Mr Davidson reminded us today, caravans and dogs.

If there was to be any question of going down the road envisaged in the SNP motion, such a move would have to be put to the people of Scotland in a further referendum. The one thing that the debate has made abundantly clear is that the only party that can be trusted to lower the taxation burden on Scots is the Scottish Conservative party. Until such time as there is a sea change in attitude—

The Deputy Presiding Officer: Wind up, please.

David McLetchie: —to tax and spend on the part of the parties of the left in the Parliament—Labour, the Liberal Democrats and the SNP—and until there is a change in attitude that gives people and businesses in Scotland the confidence—

The Deputy Presiding Officer: Wind up, please.

David McLetchie: —that tax-raising powers are not necessarily the same as tax-increasing powers, I see little prospect of Andrew Wilson achieving his objective.

The motion is premature at the very least and

dangerous at the very worst. It should be sent back for the SNP to think again.

The Deputy Presiding Officer: I am sorry to hustle members, but I am constrained by the shortness of the debate.

16:49

The Deputy Minister for Finance and Local Government (Peter Peacock): We have been richly entertained by Captain Marvel and the flights of fancy from the nationalists—as richly entertained, no doubt, as the Scottish people would be impoverished and depressed if the SNP ever managed to get its way.

As Angus MacKay indicated, the debate is not about pounds and pence; it is about independence. We know that SNP members are no longer to use the word “independence”—it must never pass their lips. They have invented the term “full fiscal powers” instead. That is the nationalist cloak to cover their true intent; it is separation by stealth. On the way, they seek to inveigle the hapless Tories into the coalition that exists among the members sitting on those benches on both sides of the chamber.

The SNP, in seeking to play the full fiscal powers card in the context of the devolved settlement, is in fact trying to create the fundamental rift in the UK that it always seeks to create in order to promote dissent and discord, in the hope that that will create the tensions in the UK that will lead the SNP to the vaunted state of independence.

That is exactly why the Scottish Constitutional Convention—this is the bit that Andrew Wilson did not mention—recommended the use of the Barnett formula, to represent a fair share for Scotland within the UK and to avoid the annual wrangles that would otherwise take place between the UK Treasury and Scotland. If Andrew Wilson cares to read the documentation more thoroughly, he will find the references to that.

As for the Tories, who knows what they think and want on this issue. I was interested in what David Davidson said. I think that he said that the debate was irrelevant and unnecessary. Yet just a few moments ago, David McLetchie said that it was premature. Is it irrelevant and unnecessary or is it premature? Where do the Tories actually stand on that? David Davis, in the south, and Brian Monteith here seem to be convinced on the matter. It will soon be time for the Tories to come clean on those points.

We need to dispense with the vain hopes, wishful thinking and sheer sloppy analysis of the SNP. We need to consider the hard facts. Hard fact 1: objective analysis shows that total

Government spending in Scotland was £33 billion in 1998-99. Against that, we raised only £28 billion in taxes.

Andrew Wilson *rose*—

Peter Peacock: Hard fact 2, for my arithmetically challenged opposite number there on the SNP benches: that leaves a gap, or a deficit, of £5 billion, which is £1,000 for every man, woman and child in Scotland.

Hard fact 3: even if we include all the oil revenue that was raised from the North sea, the deficit is still £2.5 billion, or £500 for every man, woman and child in Scotland.

Where will Andrew Wilson's axe fall? Which parts of the public sector that the Labour-Liberal coalition is building up will have to be taken apart to fund the SNP's folly: will it be the health service, will it be schools, will it be transport, will it be economic development, will it be environment or will it be housing? As with all detail from the SNP, its members remain entirely silent. Just like their Tory partners on the other side of the chamber, they remain silent on where their cuts will fall.

On a number of occasions, Andrew Wilson referred to the 18 years of Tory rule. Bristow Muldoon quite properly drew attention to the fact that today is the 22nd anniversary of that black day in British politics when the SNP sided with its partners, the Tories, to bring down the Callaghan Government, which brought us the poll tax. *[Interruption.]* That is what brought us the poll tax—which Alex Neil mentioned. If the Tories are the parents of the poll tax, SNP MPs were the willing helpers in that process.

If we are not to engage in cuts—as the SNP would have us believe—on whom are the increased taxes to fall in order to balance the books? They would include increased taxes to balance the massive deficit that would result from dismantling the Barnett formula. It is clear that they would not fall on the richest people in this country. Because of the SNP's new proposals, most of the richest, highest-earning people in Scotland, who so choose and who have the necessary flexibility and mobility to do so, will move south of the border—just 60 miles—to register their taxation.

Mr Kenneth Gibson (Glasgow) (SNP): Will the minister take an intervention?

Peter Peacock: The SNP front benchers' own colleagues agree with that analysis. From Angus MacKay's earlier quotation, it is clear that the SNP's own back benchers are beginning to rebel against that policy.

Mr Gibson: Give way.

The Deputy Presiding Officer: Order, Mr

Gibson: the minister is not giving way.

Peter Peacock: They clearly recognise that there would be a brain drain from Scotland, taking away those who are most able to develop the economy of Scotland.

The SNP's simplistic solution to everything is government by oil price. Its simple answer is to set up an oil fund, and we will all live happily ever after. In the really good years, we will put money away in the bank; in the bad years, we will draw on our savings. The trouble with that is that the boom years are past. The Tories spent the money financing unemployment. Far from including a surplus to save, the SNP's spending plans will require an overdraft from day 1. An overdrawn or empty bank account is something that the SNP is very familiar with. The SNP and empty bank accounts seem to go hand in hand. We need only look at the management of that political party itself to see Scotland's destiny. *[Interruption.]*

The Deputy Presiding Officer: Order. There is far too much chuntering and private conversation going on. The minister is responding to the debate.

Peter Peacock: It is no wonder that at election after election the Scottish people reject the SNP. It still has no policies, priorities, principles or price tag attached to its plans. It is still prepared to deceive the people of Scotland. The coalition stands for the people of Scotland. I commend the amendment to the chamber.

16:55

Mr Adam Ingram (South of Scotland) (SNP): The subject matter of the debate is not futile, as Mike Watson would have us believe, but goes to the nub of the argument over the future of the Parliament and the best solution for the provision of good governance in Scotland.

As the motion states, the devolution settlement provides the Parliament with fewer financial powers than any other Parliament in the world has. That curtails our ability to respond to the needs and wishes of the Scottish people, as the Executive is finding out to its cost.

I will quote from the most recent quarterly monitoring report from the independent constitution unit think tank:

"The Scottish Executive's expensive commitments for university tuition fees, teachers' pay and care for the elderly"

are

"stretching to the limit its room for manoeuvre especially now it is caught in the 'Barnett squeeze'. This means that public spending cannot increase at the same rate as it does in England".

Is not it time for the Executive and, in particular, Labour ministers to acknowledge publicly the fundamental problem with the block and formula approach to financing Scottish government?

Hugh Henry: Will the member give way?

Mr Ingram: No.

Is not it time that Labour came out from under its anti-nationalist paranoia to consider the alternatives objectively?

It is surely not in Labour's interests to continue to fly in the face of public opinion, which in poll after poll wants the Parliament to assume control over its finances. Neither can it be in Labour's interests to continue to demonstrate impotence in the face of the Treasury in London. Why is it that the Parliament cannot even be granted the courtesy of being able to call ministers or civil servants as witnesses in pursuit of legitimate inquiries? The Finance Committee has had to abandon an inquiry into the application of European structural funds in Scotland in the face of the arrogant intransigence from Whitehall.

That will not do. The current devolution settlement is not sustainable and neither is the arch-unionist rhetoric that we have heard all too often this afternoon and down the years, which says that Scotland is too poor, too wee or too stupid to run its own affairs. The success of Ireland and others proves that small is not only beautiful but successful. Norway has secured the future of generations to come by investing its oil wealth in ways that Scotland could and should emulate.

Attempts to manage down the Scottish people's aspirations and expectations will not work any more. Just as the Tories have had to come to terms with the fact that the Parliament is here to stay, all parties need to recognise that financial devolution must follow political devolution so that the Parliament can meet those aspirations in a democratically accountable way. The question for political debate ought to be not whether we go down the road of financial devolution but how far and fast we should go.

Ben Wallace (North-East Scotland) (Con): Will the member give way?

Mr Ingram: I am sorry.

Angus MacKay should reflect on the First Minister's words on taking office. He said:

"We are only scratching the surface of devolution. It is our Parliament. If after a period of time we feel that we need more powers we can seek them through Westminster. I have no problem with that".

Angus MacKay could do worse than take a leaf out of John McAllion's book. John McAllion has said that tax raising is one of the most productive

things that any Parliament can do because it redistributes wealth and supports public services.

I hesitate to recommend to David Davidson the contribution of his colleague, Brian Monteith, in favour of fiscal autonomy, but perhaps his near namesake David Davis, who is chairman of the Public Accounts Committee at Westminster, is a more respectable advocate of fiscal freedom. David Davis proposes that half of total public expenditure in Scotland should be financed by taxes that are placed under the control of the Scottish Parliament, and that an assignation should be made of up to 90 per cent of North sea oil revenues.

I have a question for Donald Gorrie: is not it time for the Liberal Democrats to raise their federalist principles and propose the dilution of the Scottish Parliament's dependency on UK Treasury grants, or are the leaders of his party too content with their ministerial positions to rock the boat with the courage of their convictions?

There are many models of devolved government in Europe and beyond on which members of unionist parties could draw in the pursuit of stable, financial devolution. For example, the Basque country has its own tax system, with most of the power to regulate and manage taxes that is usually available to countries with a treasury system. The Basque country operates under an economic agreement that includes a set of regulations that guarantee harmonisation between the Basque tax system and the systems in the rest of Spain.

SNP members would have no difficulty in supporting a move in that direction, despite the fact that it falls short of the independence that we seek for our country. We would give that our support, as it would be in the interests of Scotland, as well as being another stepping stone to our ultimate goal. Unfortunately, it appears that members in the unionist alliance have neither the wit nor the wisdom to put Scotland's interests first by advocating full financial powers for the Parliament.

Parliamentary Bureau Motion

Motion moved,

That the Parliament agrees the following designation of Lead Committee—

the Health and Community Care Committee to consider the Feeding Stuffs (Sampling Analysis) Amendment (Scotland) Regulations 2001 (SSI 2001/104).—[*Euan Robson.*]

Decision Time

17:02

The Presiding Officer (Sir David Steel): There are six questions to be put as a result of today's business. I ask members to check that the light in front of their card is out and that they are ready to watch the vote-now red light on their console. [*Interruption.*] I will not put any questions until the chamber is quiet.

The first question is, that amendment S1M-1797.2, in the name of Wendy Alexander, which seeks to amend motion S1M-1797, in the name of Kenny MacAskill, on tourism and the economy, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Gillon, Karen (Clydesdale) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Gorrie, Donald (Central Scotland) (LD)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (Edinburgh Pentlands) (Lab)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, Mr John (East Lothian) (Lab)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Jenkins, Ian (Tweeddale, Ettrick and Lauderdale) (LD)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 Macintosh, Mr Kenneth (Eastwood) (Lab)
 MacKay, Angus (Edinburgh South) (Lab)
 MacLean, Kate (Dundee West) (Lab)
 Macmillan, Maureen (Highlands and Islands) (Lab)
 Martin, Paul (Glasgow Springburn) (Lab)
 Matheson, Michael (Central Scotland) (SNP)
 McAllion, Mr John (Dundee East) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McCabe, Mr Tom (Hamilton South) (Lab)
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)
 McLeish, Henry (Central Fife) (Lab)
 McMahon, Mr Michael (Hamilton North and Bellshill) (Lab)
 McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)

McNulty, Des (Clydebank and Milngavie) (Lab)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Dr Elaine (Dumfries) (Lab)
 Oldfather, Irene (Cunninghame South) (Lab)
 Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Radcliffe, Nora (Gordon) (LD)
 Raffan, Mr Keith (Mid Scotland and Fife) (LD)
 Robson, Euan (Roxburgh and Berwickshire) (LD)
 Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)
 Simpson, Dr Richard (Ochil) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Iain (North-East Fife) (LD)
 Smith, Mrs Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Thomson, Elaine (Aberdeen North) (Lab)
 Wallace, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

AGAINST

Adam, Brian (North-East Scotland) (SNP)
 Aitken, Bill (Glasgow) (Con)
 Campbell, Colin (West of Scotland) (SNP)
 Canavan, Dennis (Falkirk West)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Davidson, Mr David (North-East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Dr Winnie (Highlands and Islands) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Fergusson, Alex (South of Scotland) (Con)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Goldie, Miss Annabel (West of Scotland) (Con)
 Hamilton, Mr Duncan (Highlands and Islands) (SNP)
 Harding, Mr Keith (Mid Scotland and Fife) (Con)
 Harper, Robin (Lothians) (Green)
 Hyslop, Fiona (Lothians) (SNP)
 Ingram, Mr Adam (South of Scotland) (SNP)
 Johnstone, Alex (North-East Scotland) (Con)
 Lochhead, Richard (North-East Scotland) (SNP)
 MacAskill, Mr Kenny (Lothians) (SNP)
 MacDonald, Ms Margo (Lothians) (SNP)
 Marwick, Tricia (Mid Scotland and Fife) (SNP)
 McGrigor, Mr Jamie (Highlands and Islands) (Con)
 McGugan, Irene (North-East Scotland) (SNP)
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)
 McLeod, Fiona (West of Scotland) (SNP)
 McLetchie, David (Lothians) (Con)
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)
 Mundell, David (South of Scotland) (Con)
 Neil, Alex (Central Scotland) (SNP)
 Paterson, Mr Gil (Central Scotland) (SNP)
 Quinan, Mr Lloyd (West of Scotland) (SNP)
 Reid, Mr George (Mid Scotland and Fife) (SNP)
 Robison, Shona (North-East Scotland) (SNP)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Sheridan, Tommy (Glasgow) (SSP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)

Tosh, Mr Murray (South of Scotland) (Con)
 Ullrich, Kay (West of Scotland) (SNP)
 Wallace, Ben (North-East Scotland) (Con)
 White, Ms Sandra (Glasgow) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)
 Young, John (West of Scotland) (Con)

The Presiding Officer: The result of the division is: For 68, Against 49, Abstentions 0.

Amendment agreed to.

The Presiding Officer: The second question is, that amendment S1M-1797.1, in the name of Miss Annabel Goldie, which seeks to amend motion S1M-1797, in the name of Kenny MacAskill, on tourism and the economy, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

Adam, Brian (North-East Scotland) (SNP)
 Aitken, Bill (Glasgow) (Con)
 Alexander, Ms Wendy (Paisley North) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Davidson, Mr David (North-East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Dr Winnie (Highlands and Islands) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Fergusson, Alex (South of Scotland) (Con)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Goldie, Miss Annabel (West of Scotland) (Con)
 Hamilton, Mr Duncan (Highlands and Islands) (SNP)
 Harding, Mr Keith (Mid Scotland and Fife) (Con)
 Hyslop, Fiona (Lothians) (SNP)
 Ingram, Mr Adam (South of Scotland) (SNP)
 Johnstone, Alex (North-East Scotland) (Con)
 Lochhead, Richard (North-East Scotland) (SNP)
 MacAskill, Mr Kenny (Lothians) (SNP)
 MacDonald, Ms Margo (Lothians) (SNP)
 Marwick, Tricia (Mid Scotland and Fife) (SNP)
 Matheson, Michael (Central Scotland) (SNP)
 McGrigor, Mr Jamie (Highlands and Islands) (Con)
 McGugan, Irene (North-East Scotland) (SNP)
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)
 McLeod, Fiona (West of Scotland) (SNP)
 McLetchie, David (Lothians) (Con)
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)
 Mundell, David (South of Scotland) (Con)
 Neil, Alex (Central Scotland) (SNP)
 Paterson, Mr Gil (Central Scotland) (SNP)
 Quinan, Mr Lloyd (West of Scotland) (SNP)
 Reid, Mr George (Mid Scotland and Fife) (SNP)
 Robison, Shona (North-East Scotland) (SNP)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Tosh, Mr Murray (South of Scotland) (Con)
 Ullrich, Kay (West of Scotland) (SNP)
 Wallace, Ben (North-East Scotland) (Con)
 White, Ms Sandra (Glasgow) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)
 Young, John (West of Scotland) (Con)

AGAINST

Baillie, Jackie (Dumbarton) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Canavan, Dennis (Falkirk West)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Gillon, Karen (Clydesdale) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Gorrie, Donald (Central Scotland) (LD)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (Edinburgh Pentlands) (Lab)
 Harper, Robin (Lothians) (Green)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, Mr John (East Lothian) (Lab)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Jenkins, Ian (Tweeddale, Ettrick and Lauderdale) (LD)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 Macintosh, Mr Kenneth (Eastwood) (Lab)
 MacKay, Angus (Edinburgh South) (Lab)
 MacLean, Kate (Dundee West) (Lab)
 Macmillan, Maureen (Highlands and Islands) (Lab)
 Martin, Paul (Glasgow Springburn) (Lab)
 McAllion, Mr John (Dundee East) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McCabe, Mr Tom (Hamilton South) (Lab)
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)
 McLeish, Henry (Central Fife) (Lab)
 McMahon, Mr Michael (Hamilton North and Bellshill) (Lab)
 McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Dr Elaine (Dumfries) (Lab)
 Oldfather, Irene (Cunninghame South) (Lab)
 Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Radcliffe, Nora (Gordon) (LD)
 Raffan, Mr Keith (Mid Scotland and Fife) (LD)
 Robson, Euan (Roxburgh and Berwickshire) (LD)
 Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)
 Sheridan, Tommy (Glasgow) (SSP)
 Simpson, Dr Richard (Ochil) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Iain (North-East Fife) (LD)
 Smith, Mrs Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Thomson, Elaine (Aberdeen North) (Lab)
 Wallace, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)

Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

The Presiding Officer: The result of the division is: For 48, Against 68, Abstentions 0.

Amendment disagreed to.

The Presiding Officer: The third question is, that motion S1M-1797, in the name of Kenny MacAskill, on tourism and the economy, as amended, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Canavan, Dennis (Falkirk West)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Gillon, Karen (Clydesdale) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Gorrie, Donald (Central Scotland) (LD)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (Edinburgh Pentlands) (Lab)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, Mr John (East Lothian) (Lab)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Jenkins, Ian (Tweeddale, Ettrick and Lauderdale) (LD)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 Macintosh, Mr Kenneth (Eastwood) (Lab)
 MacKay, Angus (Edinburgh South) (Lab)
 MacLean, Kate (Dundee West) (Lab)
 Macmillan, Maureen (Highlands and Islands) (Lab)
 Martin, Paul (Glasgow Springburn) (Lab)
 McAllion, Mr John (Dundee East) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McCabe, Mr Tom (Hamilton South) (Lab)
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)
 McLeish, Henry (Central Fife) (Lab)
 McMahon, Mr Michael (Hamilton North and Bellshill) (Lab)
 McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Dr Elaine (Dumfries) (Lab)
 Oldfather, Irene (Cunninghame South) (Lab)
 Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Radcliffe, Nora (Gordon) (LD)

Raffan, Mr Keith (Mid Scotland and Fife) (LD)
 Robson, Euan (Roxburgh and Berwickshire) (LD)
 Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)
 Simpson, Dr Richard (Ochil) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Iain (North-East Fife) (LD)
 Smith, Mrs Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Thomson, Elaine (Aberdeen North) (Lab)
 Wallace, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

AGAINST

McNeill, Pauline (Glasgow Kelvin) (Lab)

ABSTENTIONS

Adam, Brian (North-East Scotland) (SNP)
 Aitken, Bill (Glasgow) (Con)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Davidson, Mr David (North-East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Dr Winnie (Highlands and Islands) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Fergusson, Alex (South of Scotland) (Con)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Goldie, Miss Annabel (West of Scotland) (Con)
 Hamilton, Mr Duncan (Highlands and Islands) (SNP)
 Harding, Mr Keith (Mid Scotland and Fife) (Con)
 Harper, Robin (Lothians) (Green)
 Hyslop, Fiona (Lothians) (SNP)
 Ingram, Mr Adam (South of Scotland) (SNP)
 Johnstone, Alex (North-East Scotland) (Con)
 Lochhead, Richard (North-East Scotland) (SNP)
 MacAskill, Mr Kenny (Lothians) (SNP)
 MacDonald, Ms Margo (Lothians) (SNP)
 Marwick, Tricia (Mid Scotland and Fife) (SNP)
 Matheson, Michael (Central Scotland) (SNP)
 McGrigor, Mr Jamie (Highlands and Islands) (Con)
 McGugan, Irene (North-East Scotland) (SNP)
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)
 McLeod, Fiona (West of Scotland) (SNP)
 McLetchie, David (Lothians) (Con)
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)
 Mundell, David (South of Scotland) (Con)
 Neil, Alex (Central Scotland) (SNP)
 Paterson, Mr Gil (Central Scotland) (SNP)
 Quinan, Mr Lloyd (West of Scotland) (SNP)
 Reid, Mr George (Mid Scotland and Fife) (SNP)
 Robison, Shona (North-East Scotland) (SNP)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Sheridan, Tommy (Glasgow) (SSP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Tosh, Mr Murray (South of Scotland) (Con)
 Ullrich, Kay (West of Scotland) (SNP)
 Wallace, Ben (North-East Scotland) (Con)
 White, Ms Sandra (Glasgow) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)
 Young, John (West of Scotland) (Con)

The Presiding Officer: The result of the division is: For 67, Against 1, Abstentions 48.

Motion, as amended, agreed to.

Resolved,

That the Parliament recognises the impact of the Foot and Mouth outbreak on the tourism industry; welcomes the Executive's measures to minimise the effect on tourism through public information; endorses the support to businesses in the form of hardship relief, and supports the commitment to appropriate and effective marketing by visitscotland.

The Presiding Officer: The fourth question is, that amendment S1M-1794.1, in the name of Angus MacKay, which seeks to amend motion S1M-1794, in the name of Andrew Wilson, on the financial powers of the Scottish Parliament, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Gillon, Karen (Clydesdale) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Gorrie, Donald (Central Scotland) (LD)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (Edinburgh Pentlands) (Lab)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, Mr John (East Lothian) (Lab)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Jenkins, Ian (Tweeddale, Ettrick and Lauderdale) (LD)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 Macintosh, Mr Kenneth (Eastwood) (Lab)
 MacKay, Angus (Edinburgh South) (Lab)
 MacLean, Kate (Dundee West) (Lab)
 Macmillan, Maureen (Highlands and Islands) (Lab)
 Martin, Paul (Glasgow Springburn) (Lab)
 McAllion, Mr John (Dundee East) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McCabe, Mr Tom (Hamilton South) (Lab)
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)
 McLeish, Henry (Central Fife) (Lab)
 McMahon, Mr Michael (Hamilton North and Bellshill) (Lab)
 McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)

Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Dr Elaine (Dumfries) (Lab)
 Oldfather, Irene (Cunninghame South) (Lab)
 Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Radcliffe, Nora (Gordon) (LD)
 Raffan, Mr Keith (Mid Scotland and Fife) (LD)
 Robson, Euan (Roxburgh and Berwickshire) (LD)
 Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)
 Simpson, Dr Richard (Ochil) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Iain (North-East Fife) (LD)
 Smith, Mrs Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Thomson, Elaine (Aberdeen North) (Lab)
 Wallace, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

AGAINST

Adam, Brian (North-East Scotland) (SNP)
 Aitken, Bill (Glasgow) (Con)
 Campbell, Colin (West of Scotland) (SNP)
 Canavan, Dennis (Falkirk West)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Davidson, Mr David (North-East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Dr Winnie (Highlands and Islands) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Fergusson, Alex (South of Scotland) (Con)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Goldie, Miss Annabel (West of Scotland) (Con)
 Hamilton, Mr Duncan (Highlands and Islands) (SNP)
 Harding, Mr Keith (Mid Scotland and Fife) (Con)
 Harper, Robin (Lothians) (Green)
 Hyslop, Fiona (Lothians) (SNP)
 Ingram, Mr Adam (South of Scotland) (SNP)
 Johnstone, Alex (North-East Scotland) (Con)
 Lochhead, Richard (North-East Scotland) (SNP)
 MacAskill, Mr Kenny (Lothians) (SNP)
 MacDonald, Ms Margo (Lothians) (SNP)
 Marwick, Tricia (Mid Scotland and Fife) (SNP)
 Matheson, Michael (Central Scotland) (SNP)
 McGrigor, Mr Jamie (Highlands and Islands) (Con)
 McGugan, Irene (North-East Scotland) (SNP)
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)
 McLeod, Fiona (West of Scotland) (SNP)
 McLetchie, David (Lothians) (Con)
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)
 Mundell, David (South of Scotland) (Con)
 Neil, Alex (Central Scotland) (SNP)
 Paterson, Mr Gil (Central Scotland) (SNP)
 Quinan, Mr Lloyd (West of Scotland) (SNP)
 Reid, Mr George (Mid Scotland and Fife) (SNP)
 Robison, Shona (North-East Scotland) (SNP)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Sheridan, Tommy (Glasgow) (SSP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Tosh, Mr Murray (South of Scotland) (Con)
 Ullrich, Kay (West of Scotland) (SNP)
 Wallace, Ben (North-East Scotland) (Con)

White, Ms Sandra (Glasgow) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)
 Young, John (West of Scotland) (Con)

The Presiding Officer: The result of the division is: For 67, Against 50, Abstentions 0.

Amendment agreed to.

The Presiding Officer: The fifth question is, that motion S1M-1794, in the name of Andrew Wilson, on the financial powers of the Scottish Parliament, as amended, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Gillon, Karen (Clydesdale) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Gorrie, Donald (Central Scotland) (LD)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (Edinburgh Pentlands) (Lab)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, Mr John (East Lothian) (Lab)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Jenkins, Ian (Tweeddale, Ettrick and Lauderdale) (LD)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 Macintosh, Mr Kenneth (Eastwood) (Lab)
 MacKay, Angus (Edinburgh South) (Lab)
 MacLean, Kate (Dundee West) (Lab)
 Macmillan, Maureen (Highlands and Islands) (Lab)
 Martin, Paul (Glasgow Springburn) (Lab)
 McAllion, Mr John (Dundee East) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McCabe, Mr Tom (Hamilton South) (Lab)
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)
 McLeish, Henry (Central Fife) (Lab)
 McMahon, Mr Michael (Hamilton North and Bellshill) (Lab)
 McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Dr Elaine (Dumfries) (Lab)
 Oldfather, Irene (Cunninghame South) (Lab)

Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Radcliffe, Nora (Gordon) (LD)
 Raffan, Mr Keith (Mid Scotland and Fife) (LD)
 Robson, Euan (Roxburgh and Berwickshire) (LD)
 Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)
 Simpson, Dr Richard (Ochil) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Iain (North-East Fife) (LD)
 Smith, Mrs Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Thomson, Elaine (Aberdeen North) (Lab)
 Wallace, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

AGAINST

Adam, Brian (North-East Scotland) (SNP)
 Aitken, Bill (Glasgow) (Con)
 Campbell, Colin (West of Scotland) (SNP)
 Canavan, Dennis (Falkirk West)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Davidson, Mr David (North-East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Dr Winnie (Highlands and Islands) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Fergusson, Alex (South of Scotland) (Con)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Goldie, Miss Annabel (West of Scotland) (Con)
 Hamilton, Mr Duncan (Highlands and Islands) (SNP)
 Harding, Mr Keith (Mid Scotland and Fife) (Con)
 Harper, Robin (Lothians) (Green)
 Hyslop, Fiona (Lothians) (SNP)
 Ingram, Mr Adam (South of Scotland) (SNP)
 Johnstone, Alex (North-East Scotland) (Con)
 Lochhead, Richard (North-East Scotland) (SNP)
 MacAskill, Mr Kenny (Lothians) (SNP)
 MacDonald, Ms Margo (Lothians) (SNP)
 Marwick, Tricia (Mid Scotland and Fife) (SNP)
 Matheson, Michael (Central Scotland) (SNP)
 McGrigor, Mr Jamie (Highlands and Islands) (Con)
 McGugan, Irene (North-East Scotland) (SNP)
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)
 McLeod, Fiona (West of Scotland) (SNP)
 McLetchie, David (Lothians) (Con)
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)
 Mundell, David (South of Scotland) (Con)
 Neil, Alex (Central Scotland) (SNP)
 Paterson, Mr Gil (Central Scotland) (SNP)
 Quinan, Mr Lloyd (West of Scotland) (SNP)
 Reid, Mr George (Mid Scotland and Fife) (SNP)
 Robison, Shona (North-East Scotland) (SNP)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Sheridan, Tommy (Glasgow) (SSP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Tosh, Mr Murray (South of Scotland) (Con)
 Ullrich, Kay (West of Scotland) (SNP)
 Wallace, Ben (North-East Scotland) (Con)
 White, Ms Sandra (Glasgow) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)
 Young, John (West of Scotland) (Con)

The Presiding Officer: The result of the division is: For 67, Against 50, Abstentions 0.

Motion, as amended, agreed to.

Resolved,

That the Parliament supports the financial framework for devolution as set out by the Scottish Constitutional Convention and supported by the Scottish Labour Party and the Scottish Liberal Democrats; notes that the Barnett formula has provided a stable fiscal framework for government expenditure in Scotland; and welcomes the current record level of public expenditure in Scotland.

The Presiding Officer: The final question is, that motion S1M-1800, in the name of Tom McCabe, on the designation of lead committees, be agreed to.

Motion agreed to.

That the Parliament agrees the following designation of Lead Committee—

the Health and Community Care Committee to consider the Feeding Stuffs (Sampling Analysis) Amendment (Scotland) Regulations 2001 (SSI 2001/104).

Drug-assisted Sexual Assault

The Presiding Officer (Sir David Steel): We now come to members' business. I appeal to members who are leaving to do so quickly and quietly so that we can proceed. The motion to be debated is S1M-1368, in the name of Pauline McNeill, on drug-assisted sexual assault. The debate will be concluded without any question being put.

Motion debated,

That the Parliament notes the findings of the Home Office/Police Research Awards study on Drug Assisted Sexual Assault undertaken by DCI Peter Sturman of the Metropolitan Police; believes that drug assisted rape and sexual assault is a serious cause for concern, and notes that DCI Sturman's research progresses the debate on this matter and should be fully considered by the Parliament.

17:09

Pauline McNeill (Glasgow Kelvin) (Lab): It is apt, in the light of this week's press, that we are having this debate on drug-assisted sexual assault. I say that not because I want to deviate from the main subject, but because there are general concerns about the way in which women are dealt with in the criminal justice system and about definitions in the law.

If one tracks the history of crimes against women, one will discover that the legal establishment has often been slow to modernise and to bring equality to the law—consider the fact that rape within marriage was only relatively recently brought to the fore. I know that the Parliament and its powerful committees will not allow that to happen when they find fault in the law.

I turn to the subject for debate. There is a delicate balance to be struck when publicising the problem of drug-assisted sexual assault. There is a need to raise awareness, while not creating unnecessary alarm and without educating potential offenders.

I thank members who have shown their support, not only by signing the motion that we are debating tonight, but by signing an earlier motion in November. Since then, I have learned quite a bit about drug-assisted sexual assault and, because of that, have come into contact with Peter Sturman, the detective chief inspector of the Metropolitan police. He is the author of the most important research in the United Kingdom on this important issue and it is to his research that I will refer.

We must not confuse drug-assisted rape with date rape—very few victims of drug-assisted rape describe their experiences as being anything like a

date. The use of that term can serve to negate the strength of the case against an offender. I speak in the light of this week's report and Lord Abernethy's decision in the Aberdeen case—that sex without force, even without the woman's consent, is not rape. That is relevant to the debate because a drug-assisted sexual attack is often sex without a woman's real consent, despite its taking place without the use of physical force.

The police hold no evidence on the specific problem of drug-assisted sexual assault or rape. Drug rape is a problem in the UK, but not of epidemic proportions, although reported cases date back to the 1940s. Rape Crisis Scotland has not noted any increase in the offence, but I would like to debate the subject and, especially, to raise awareness of it.

I want to say something about definitions. The term drug rape describes a situation in which a person's ability to consent or refuse is impaired as a result of a drug or drugs. The scenario that is most commonly associated with drug rape is one in which a drug is slipped into a victim's drink. Such drugs can render a person mentally incapacitated and physically helpless, or victims can be aware of what is happening to them while they are physically unable to resist. Assaults can vary in nature and their effect—accompanied by the trauma that is associated with the memory loss and confusion that is suffered by many victims—can be of a similar magnitude to the effect of the offence of rape.

The term date rape is often wrongly applied to drug-assisted sexual assaults. Although some attacks might result from a date scenario, the majority of complainants do not agree that they were on any sort of date. The term date rape should not be used; it belittles the effects of an attack on a victim.

We know something about the characteristics of offenders. The offence occurs in a variety of circumstances. A victim can be party to a relationship with the offender and can be a willing partner to sexual activity, but many victims have been assaulted while they were completely sedated. Some victims might consent to assaults, but simply cannot remember afterwards what happened.

Some offenders are convicted mainly on the basis of photographic or video evidence and some of that evidence would be alarming to many men and women. Offenders may have collected such evidence as pornography or as trophies. Digital technology can be used to enhance, alter or distribute such material. Some victims in such circumstances may become aware of the event only after an investigating officer shows them the evidence.

Offenders can take advantage of incapacitated victims whom they might encounter, or they might develop situations in which a person becomes incapable of forming reasoned consent. The intent of an offender is often difficult to prove. He might say that he thought it was okay and that the victim had consented. There are also questions about what constitutes socially acceptable behaviour and often the blame can be shifted to the victim.

Pre-planned offences are often the actions of more than one individual using alcohol or drugs, or a combination of the two, to achieve their objective. The first offender administers the drug, then leaves. The second offender will join in after the drug has taken effect, subsequently arguing that he could not have administered the drug. The offenders may be in a relationship. The victims feel safer when a woman is present and tend to trust a couple. The offender may give the complainant alcohol, cocaine or ecstasy after administering a date-rape drug in order to mask the date-rape drug and devalue the complainant's account when samples are examined. Most notably, most of the attacks begin in social settings and often involve people who know each other.

We know from the statistics in the report that 42 per cent of complainants are in their 30s, which is surprising, and that 20 per cent of victims are university students. The National Union of Students is to be commended on the work that it has done to raise awareness among students. We should take that as an example.

I do not have time to talk about all the drugs. I will just say a word or two about what we know. Alcohol is defined as a drug. We all know that alcohol is often associated with circumstances in which drug-assisted assaults take place. Although gamma hydroxybutyrate and a group of 20 other drugs have not been detected in drug-assisted rape cases, they are either suspected of having been used or have the potential to be used. Often, alcohol is combined with the drug. Prior to February 1999, the forensic service did not check for GHB, but now it does, so we are making progress. The crucial point about GHB is that it is colourless and practically odourless, and therefore difficult to detect.

A person who takes drugs or alcohol, and who is raped as a result of being incapacitated, does not consent. Consent must be informed—it must be intelligent and not obtained through drugs. Sixty-nine per cent of complainants realise within eight hours of the attack that they have been assaulted. The majority of victims are alone when they gain full consciousness, and the additional trauma of lost time and fear of the unknown effects contribute to the assault.

The Sturman report asks us to examine four

areas, the first of which is a dialogue on sharing information between agencies. That is crucial in all the work that we do on social justice. Secondly, there should be a complainant-driven approach; Rape Crisis should be the lead body in that respect. Thirdly, there should be dedicated sexual assault examination centres, where there should be appropriate equipment to detect such assaults, which it is possible to do. Last, there should be a body to deal with drug-assisted sexual assault and to bring together all the aspects. I am not calling for those measures in particular, but saying that we should consider them as the way forward.

At the beginning of my speech, I said that I would like the Parliament to consider how we can raise awareness of this alarming situation. Once we have done that, if we decide that the law should be reformed, we should do so.

I thank members who have supported my motion and who are here tonight.

17:18

Mr Gil Paterson (Central Scotland) (SNP): I thank Pauline McNeill for bringing this issue to the Parliament and I congratulate her on securing the debate and on the quality of the information that she has brought to it. It has been more than a year since I secured my members' business debate on the rights of rape victims and it is heartening to know that the work of the Parliament is continuing in this area.

Drug-assisted rape is the fastest-increasing crime against women. It is estimated that, to date, 2,000 women have been the victims of sexual assault after having been drugged. The crime is hugely distressing for the victim and is exacerbated by the fact that many cannot clearly remember the events that occurred.

Drug rape is a high-profile crime. The fact that drugs are used to aid the assault adds to the media interest, of which there is much. As a result, much of the discussion about drug-assisted sexual assault concentrates on the drug, implying that it is the drug that is evil, rather than the men. However, the men are the ones who are doing the raping; the drug is just the form of disarmament. Drug rape is simply rape carried out with the aid of drugs; it is no different from rape that is carried out with the aid of alcohol, the threat of violence or the use of force.

We must change attitudes towards rape. When that crime is committed, we must ensure that justice is done. Pauline McNeill's debate will add to the strength of the work that is being done on the matter; it will keep the issue alive and ensure that it has a high profile.

Rape is rape, no matter how it is carried out. If

we start to concentrate solely on the methods that are used to carry it out, divided we will fall. Last week, Lord Abernethy put back by light years the work of groups such as Rape Crisis, Women's Aid and Zero Tolerance and their campaigns to end violence against women. To suggest that physical force or the threat of force must be used before an act can constitute rape is an insult. In the case concerned, it must have been even more horrendous for the victim to hear that, even though she had said no many times, no was not enough.

When the judiciary makes such statements, what message is sent out to society? Zero Tolerance has shown that 50 per cent of young people feel that there are situations in which it is acceptable to rape a woman. One in 10 boys have said that they would rape a woman if they thought that they could get away with it.

According to Lord Abernethy's ruling, if a woman were drugged, she could be not only raped, but gang raped, yet if there were no physical signs of damage, those acts would not constitute rape. That is unacceptable. I am grateful to Pauline McNeill for initiating the debate. The fact that we are having it this week will help us to deal with that judgment.

17:21

Mrs Lindsay McIntosh (Central Scotland) (Con): I join in the congratulations to Pauline McNeill on securing the debate. I thank her for giving all members the opportunity to air our concerns about drug-assisted sexual assault.

I appreciate the fact that members will not wish to labour long on recent court decisions, which have been covered at length on television and in the press—although, from looking at the press gallery, I think that it is doubtful whether our debate will be covered. However, that court decision is a debate for another day, which I hope will be in the not-too-distant future. I would welcome efforts to make changes in the direction that has been suggested. For too long, the topic has been subjected to legalese and learned definition. It has been like a child's riddle: when is a door not a door? When it is ajar. When does no mean yes? When it is a rape charge. However, as I said, that debate is for another day.

Pauline McNeill is right to highlight the issue. We are grateful for being informed by Peter Sturman's research. I have done some research of my own and I have been staggered by the wealth of information and advice that is available on the web. Rohypnol appears to be the drug of choice for those who chase an easy conquest. The alternative of gamma hydroxybutyrate, or GHB, is another popular seller. Its name would have been much easier to remember if it had been called

GBH. What makes that drug so popular? I expect that it is the ease with which it is used to spike someone's drink and to leave them not in control of their senses.

It is a fact of life that women, with more economic independence and growing confidence about enjoying the benefits of their efforts, are drinking more. That leaves them open to the opportunist chancer. I do not mean to be a killjoy. I understand that if people work hard, they may want to play hard.

How times have changed, however. In my mother's day, it would have been the height of scandal for a woman to be incapacitated by drink. A hangover of almighty proportions would have curtailed further adventure with alcohol. When I was a younger woman, discos and a couple of drinks were the order of the weekend's entertainment. Being asked to take to the floor for the last dance could be the highlight of the night.

The excitements that my children's generation seem to look for scare me. Many of us who are parents will have seen their children off for a night's entertainment with a warning ringing in their ears: "Never go back to a drink that has been temporarily out of sight. Buy another one. The risk is too great." That applies equally to boys and girls, so no feminist agenda is involved.

Here is some more advice. Before women go on a night out and take a chance, they should examine their feelings about sex and set limits. They should decide early whether they wish to have sex and they should not give mixed messages. They should be clear when they say yes or no and alert to unconscious messages that they might be giving. They should be forceful and firm, independent and aware, and they should not do anything just to avoid unpleasantness.

Women should be aware of specific situations in which they do not feel relaxed and in charge. If things get out of hand, they should be loud and protesting and they should leave and get help. Gut feelings should be trusted and women should be aware that alcohol and drugs are often related to acquaintance rape. They should avoid falling for lines such as: "You would if you loved me." If they are unsure of new acquaintances, they should go on a group date and have transport available or a taxi fare. It is important to recall that real men do not rape.

I am pleased to have participated in the debate and I congratulate Pauline McNeill on bringing the matter to our attention.

17:26

Elaine Smith (Coatbridge and Chryston) (Lab): As gender reporter for the Equal

Opportunities Committee, I have worked on issues relating to women and the justice system. That work was started by Johann Lamont and the committee's sub-group. I take issue with one thing that Lyndsay McIntosh said: I think that the issue is a women's issue. However, with others, I congratulate Pauline McNeill on securing the debate.

As we know from research, the vast majority of women who are raped or sexually assaulted know their abusers. That is also the case with drug-assisted rapes. DCI Sturman's report on drug-assisted sexual assault was produced after interviews with 109 female and 14 male drug-rape victims. The report informs us that 70 per cent of victims knew their attackers and that 27 per cent of victims cited them as friends. Fifteen per cent cited attackers as fellow students. The report states that up to 25 different drugs—mostly types of tranquillisers, sleeping tablets and anaesthetics—are used.

After drug-assisted rape, most women are left with little or no clear memory of what has happened. They can therefore be reluctant to report the crime. Like other victims, they have a fear of being medically examined, of not being believed and of being questioned. The last is made worse by the possibility of the obscene spectacle of their attacker cross-examining them.

Until recently, proof of having been drugged was difficult to establish because the substance remained in the blood for only a few hours. However, I understand that new tests have been developed that can trace such drugs for up to 18 months after the attack. I feel that that needs to be highlighted.

If charges are made and the case goes to court, victims have to relive the whole horrific experience. They can end up feeling that they are the one in the dock. It is often implied that a woman has asked for it because of her dress, make-up, behaviour or sexual history. Two thirds of the drugged victims interviewed for the study that I mentioned said that they decided not to report the attack to the police because they were too ashamed or because they blamed themselves. Of those who reported what happened to the authorities, more than half felt that their treatment by the police was poor. Perhaps the police could learn lessons from their current approach to domestic abuse.

If the woman has had previous contact with the perpetrator, she can be made to feel that she is somehow to blame. If a woman has not resisted, it now seems that that can become evidence of consent. As mentioned, we saw an example of that in the rape case in Aberdeen, when Lord Abernethy, in an absolutely outrageous decision, told the jury that there was no case to answer. He

ruled that sex without a woman's consent is not rape unless the attacker uses force or the threat of force. Does Lord Abernethy not realise that in such a situation a woman can be so frightened and so fearful of violence, and even of the loss of her life, that she will not put up a struggle? In the case of drug rape, she may not even have been conscious.

The Scottish judge, Lord Cockburn, stated 150 years ago that the essence of rape is that sexual intercourse is obtained without the woman's consent. Sir Gerald Gordon QC, the respected author of a standard textbook on criminal law, believes:

"It is simpler to discard the concept of force altogether and to define rape in terms of overpowering or overcoming the will of the victim."

Both men seem more enlightened than Lord Abernethy. Fortunately, the Lord Advocate has requested a report on the Aberdeen case and may ask the Court of Appeal to rule on the judge's interpretation of the law.

We know that the number of rapes reported remains the tip of the iceberg and that, of those reported, only 16 per cent get to court and only 9 per cent result in conviction. Women who have their drinks spiked and are subsequently raped are reluctant to report the crime. Women who are raped when not drugged are reluctant to report the crime. Women are told to be wary of strange men lurking in bars, but their attacker is most likely to be someone whom they already know. Women are told to avoid badly lit streets, to train in self-defence and to moderate their appearance. Why should women have to modify their behaviour? Women are not the rapists. It is the men who must change their behaviour and it is society that must change its attitudes. We do not tell pedestrians to take high-jump lessons so that they can leap out of the way of drunk or reckless drivers; we try to change the behaviour of the offenders. We should be sending out and reinforcing the clear message that male violence against women is unacceptable and that no always means no.

The Sturman report calls for a nationwide network of 24-hour sexual assault treatment centres, where victims can, under one roof, receive medical attention and counselling and make a statement to the police. We should seriously consider that proposal, which would make the ordeal of reporting rape and receiving treatment less traumatic for victims. We must create an environment where women can come forward in confidence, where women will be believed and where women will tell us what multi-agency services there should be.

17:31

Johann Lamont (Glasgow Pollok) (Lab): I will address the issue of women keeping themselves safe. In a recent conversation with some young women of my acquaintance, I was struck by the way in which life has changed since I was a young woman going out for a drink. The young women told me that they never leave a drink unattended and that they almost invariably have drinks that are in bottles. That tells me that women understand the dangers and try to avoid the problem of drug-assisted rape.

It is depressing that, as women get wise to that form of safety, there will no doubt be men who will find other means of exercising power, oppressing women and carrying out sexual violence. It is important to recognise that there is a feminist agenda. Although the victims of the crime outlined by Pauline McNeill may not only be women, the perpetrators will almost invariably be male. That should be addressed. This is about power relationships. Rape is a crime that uses power and sexual violence—that reflects deeper attitudes in society. That is why it is important that our legal system matches the ingenuity of men when they seek to exercise power over women and use sexual violence. Instead of being thirled to old attitudes and definitions, the legal system must address the questions that Pauline McNeill highlighted.

It is also important that we continue to challenge the attitudes that are reflected in some of the decisions of the legal system. A simple lesson that I would like to teach my daughter and son—it would be valuable to all our young people and to society as a whole—is that, when women say no, they mean no. The issue is as clear, simple and straightforward as that. Men should be able to control themselves. In our society, men and women must take responsibility for their actions. When it comes to rape, however, it seems that when women say no they mean yes and that the confusion of the night absolves men of responsibility for their actions.

There has been outrage in the past week over what Lord Abernethy said, but there appears to be a strongly held view that, when a woman finds herself in such a situation, what happens is somehow her fault. This debate is helpful in challenging such attitudes and in demonstrating the complicated way in which power can be exercised. We are grateful to Pauline McNeill for securing tonight's debate.

17:34

The Deputy Minister for Social Justice (Ms Margaret Curran): I congratulate Pauline McNeill, who must feel quite feted tonight. I want to add to what has been a significant debate. As Gil

Paterson—who is to be congratulated on his work on related issues—said, the Parliament, from its inception, has taken the issue seriously. We are doing our bit to raise public awareness, and all members who have contributed to today's debate are to be congratulated.

As Pauline McNeill and others have said, the debate was prompted by last year's Home Office-sponsored research report, "Drug Assisted Sexual Assault", which was written by the Metropolitan police. The report focused on English procedures and laws, but it was a valuable contribution to the sum of knowledge on the matter. We all welcome any material that helps to highlight the issues.

The report makes wide-ranging recommendations covering prevention, criminal process, the victim and society's attitudes. A number of the report's recommendations, such as those on basic procedures for treating victims, already apply in some form in Scotland. Not everything in the report is relevant to Scotland, but it is nonetheless important for us to keep those issues within our framework to ensure that we are pursuing that agenda.

I hope that it goes without saying that Scottish ministers condemn all types of sexual assault, no matter how it is perpetrated. I share Gil Paterson's analysis of the problem and his view that we should not get so fixated on how such crimes are committed that we forget about their inherent criminality. It is right that they should be treated seriously. The law does so by making drug-assisted crimes liable to the same heavy penalties as other forms of sexual assault.

The licensing and control of medicines is a reserved matter. Responsibility for that lies with the Medicines Control Agency. As with all drugs, the so-called date-rape drugs that are referred to in the report are subject to strict controls. I agree with Pauline McNeill's firm view that we must be careful about the language that we use and what is implied by terms such as date rape. Possession of Rohypnol without authority is an offence, and gamma hydroxybutyrate can be made available only by doctor's prescription. Any other method of sale or supply is a criminal offence. The Medicines Control Agency has issued public guidance warning of the dangers of those drugs, and I am sure that we all welcome that sensible move.

It is important to get across the right messages about being alert to potential dangers. That is particularly relevant when it comes to drugs, both in this context and generally. Scottish ministers approved the setting up of the drug misuse communications group, in accordance with our drugs strategy commitment to provide

"local ... publicity campaigns and drug education materials."

That commitment is reaffirmed in the Scottish Executive's drugs action plan. The group met for the first time in January to agree its remit and membership and is in the process of carrying out an audit of current and planned drugs communication material, campaigns and activity. That will provide a base on which the group can plan its work to ensure that the issues that we are discussing today can be flagged up.

The group is currently looking at improving information targeted at young people and clubbers, which will include serious issues such as drug-assisted assaults of that nature. Of the new £100 million drugs expenditure package, £6.3 million has been earmarked for public awareness initiatives and we are consulting on the best way to spend that money.

There is a wide range of sexual offences both at common law and in statute. Rape and sexual assault are common-law offences; rape is always tried in the High Court. Both crimes can attract sentences of up to life imprisonment. Many members have referred to recent concerns about the law on rape, and Scottish ministers are aware of those concerns. Although it is not the purpose of today's debate to make specific reference to the case in question, let me make it clear that the Scottish Executive is determined that there should be confidence in the criminal justice system. As members know, the matter is currently with the Lord Advocate. Our sympathy lies with victims and we have solidarity with them. We want to ensure that they get fair hearings and that the law affords sufficient protection for all.

Work is in hand on the commitment to make proposals to change aspects of the law on evidence in cases of rape and other sexual offences to further protect the complainer. As members will know, a consultation exercise on proposals dealing with the cross-examination of a complainer by an accused person and the admissibility of certain aspects of evidence has recently been completed, and we have a commitment to legislate. Responses from and informal meetings with representatives of victim support groups and other interests will help to inform the development of any new policy and we shall continue to conduct such consultation. Further consultation on vulnerable witnesses will be produced later this year.

We also plan to announce shortly the new proposals for dealing with serious violent and sexual offenders, following on from the recommendations in the report of the MacLean committee, which was published in June 2000. We are also considering whether there are adequate protections from sexual assault for vulnerable people in the light of the Millan committee's review of the Mental Health (Scotland) Act 1984, which

was produced in January 2001.

Members will be aware of continuing work by the Home Office on the review of sex offences in England and Wales. We will consider closely the outcome of the consultation for the review to see if there are any lessons to be learned for Scotland. Members will appreciate the differences between the legal systems; I am sure that everyone will understand that we will make appropriate laws for Scotland.

There is a need to ensure that the system cares for those who are the victims of the most appalling crimes. I mentioned the work that is in hand on proposals to change the law of evidence in sex assault cases. We have also said that some of the report's recommendations are already reflected in our strategy for victims.

We want to stress that the Scottish Executive is committed to action to support all victims of crime. The Scottish Executive granted over £2.2 million to Victim Support Scotland this year, specifically to help victims of sexual assaults. The aim is to promote a shared understanding of the needs of victims and a shared vision for the future provision of victims services. That is why we launched the Scottish strategy for victims on 16 January. I am sure that members will be aware of the continuing work on that. As has been mentioned, the police are usually the first point of contact in the criminal justice system for victims. It is important that victims are treated properly from the earliest encounter.

We emphasise the importance of tact and sensitivity in dealing with all victims of sex offences—that has long been recognised by the Scottish Executive and the police. In her excellent speech, Elaine Smith referred to the progress that has been made on that. I will not read out all the notes that I have about the guidance that has been issued to police and what the Scottish Police College has been doing on the matter. If any members want the details on that, I will be happy to provide them.

Pauline McNeill's speech, in demonstrating her commitment, asked the Executive to pursue a number of issues. I take her point that we must share this agenda. We are working on agencies sharing information—technology is assisting in that. We put the complainer's rights at the centre of the policy that we are moving forward. My understanding is that police have interview suites on sites and there are dedicated facilities in hospitals. Agencies are already working together.

Scottish ministers recognise public concern about drug-assisted sexual assault. We condemn all types of sexual assault. The in-depth report by DCI Sturman is a welcome addition to the body of knowledge. We take this seriously.

I thank Pauline McNeill for bringing this important issue to the attention of Parliament. It is at the heart of our equality drive to ensure that progress is made on issues such as this.

The Parliament and the Executive can work in partnership to ensure that we deliver for all people in Scotland, including victims of sexual assault.

Meeting closed at 17:43.

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