

MEETING OF THE PARLIAMENT

Wednesday 14 September 2005

Session 2

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Scottish Parliament

Wednesday 14 September 2005

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

Time for Reflection

The Presiding Officer (Mr George Reid): Good afternoon. The first item of business, as every Wednesday, is time for reflection. Our time for reflection leader today is Sir Jonathan Sacks, the chief rabbi of the United Hebrew Congregations of the Commonwealth.

Sir Jonathan Sacks (Chief Rabbi of the United Hebrew Congregations of the Commonwealth): We in the Jewish community are fast approaching the holy of holies of the Jewish year: Rosh Hashanah and Yom Kippur, the new year and the day of atonement. These are days in which we engage in honest self-examination. We ask ourselves not what did we do right, but what did we do wrong. We use two ideas that between them have the power to change the world. The first is apology; the second is forgiveness. They are the only ideas that have the strength to break the grip of the past.

Apology and forgiveness tell us that we can mend fractured relationships. We can acknowledge our errors and begin again. We cannot rewrite the past, but we can write a different future. Homo sapiens is the only form of life known to us that can say, "I did wrong. I am sorry. Let us work together to make it different next time." Human beings are the only species that can forgive.

That matters now more than I can say. Today, for the first time in my lifetime, we stand at a crossroads in history—not the history of Scotland alone, or Britain, or even Europe, but of the world. Let me be precise. What we face is not, as some have said, a clash of civilisations. What we face is a clash within civilisations: within Christianity, Judaism and Islam and within the great secular humanist tradition so proudly associated with this city—the tradition of Adam Smith, Adam Fergusson and David Hume.

The question splitting us apart is how we deal with change—unprecedented, anxiety-creating change. Do we deal with it with confidence or with fear, with reason or with inflammatory emotion? Do we seek to impose our views by terror and rage, or do we use the great institutions of what Adam Fergusson called civil society—the willingness to make space for the people not like us? Are we convinced that we are always right, or

can we apologise when we get it wrong? Are we destined forever to hate, or do we have the courage to forgive?

A tone of anger has entered public debate since 9/11 and 7/7 that frankly terrifies me, as if there really were a clash of civilisations instead of what there is—a clash within each group between moderates and extremists, those who care for freedom and those who care only for victory at whatever cost. Long ago, Moses set us a challenge, which still resonates:

"Behold I set before you life and death, the blessing and the curse, therefore choose life so that you and your children may live."

Let us choose life and choose it together. Let us focus on the future and forgive the past.

May you have a blessed new year, and may God be with you in all you do.

Ferry Services (Clyde and Hebrides)

The Presiding Officer (Mr George Reid): The next item of business is a debate on motion S2M-3253, in the name of Tavish Scott, on Clyde and Hebrides lifeline ferry services.

14:34

The Minister for Transport and Telecommunications (Tavish Scott): Earlier this month, I travelled on the Caledonian MacBrayne ferry across the Sound of Harris. Two reflections struck me at the time. The first was the critical role that the services play for those who live and work in remote, fragile areas of Scotland. The ferry service provides a key transport link in the spinal route through the Western Isles and brings major economic and social benefits to islanders.

Secondly, I was struck by the skill and the evident dedication of the CalMac crews and staff who operate those unique services. The captain of the MV Loch Portain, John Docherty, and the first engineer, Robbie Steadwood, told me of the treacherous, shallow waters that have to be navigated, involving some 18 planned changes of course during a one-hour crossing. The knowledge and experience of the CalMac staff is vital in ensuring that the services run all year round, in the wild winter conditions as well as on the calm seas that I was lucky to experience.

In many ways, those reflections underpin the three objectives on which our policy on ferries must deliver. First, we have to ensure the maintenance of services that meet the needs and aspirations of islanders. Secondly, we must ensure that the services continue to be delivered to the same high standards that I witnessed. Thirdly, we must do all that we can to protect the jobs and terms and conditions of employment of the CalMac workforce.

The devolved Government has, as we promised following the debate last year, reviewed the requirements of the European Union rules in the light of the objectives that I described.

Pauline McNeill (Glasgow Kelvin) (Lab): Will the minister take an intervention?

Tavish Scott: I will be happy to take some interventions when I have made some progress.

We have also considered proposals that, it was suggested, might avoid the need for tendering. Some of them were put forward by other parties—particularly academic observers—and I am grateful to those who took the time to prepare and submit alternative proposals.

In addition, we formulated new proposals that we thought might provide possible alternatives to

tendering. We have carefully considered all those proposals and comments and we have raised, debated and analysed each option with the European Commission. We have also taken legal opinion, both internal and external, on the options. On Monday, I wrote to the Local Government and Transport Committee enclosing a detailed paper setting out the reconsideration of the requirement to tender. I also placed copies of the paper in the Scottish Parliament information centre.

I will lay out in some detail the options that have been explored in line with the Parliament's request. The 2003 decision of the European Court of Justice in the Altmark case raised hopes that, if the Clyde and Hebrides ferry services met certain criteria, they would be exempt from the scope of the maritime cabotage regulation. Some of the alternatives to tendering that were floated used that decision as their starting point. However, we have had to conclude that that is not a viable approach. The Altmark judgment was about whether a subsidy could confer on the company that received it an advantage over others that did not. The European Court of Justice's decision makes it clear that the judgment did not seek to overturn sectoral rules relating to subsidy where those exist.

The Clyde and Hebrides ferry services fall within the scope of specific sectoral rules—the maritime cabotage regulation, which sets out the European Union rules that govern subsidies for shipping services. The arrangements for the Clyde and Hebrides services must therefore be considered against the requirements of that regulation.

Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP): Does the minister accept that, as those substantial documents were published only on Monday, it would be sensible to allow Professor Neil Kay, Dr Paul Bennett, Jeanette Findlay and other experts who have given their time pro bono to analyse them? The documents should be a starting point and not a conclusion. Does he accept that a task force would be the best way of making a final assessment of the matter and of considering the complex issues around tendering that the Scottish Trades Union Congress rightly stressed today?

Tavish Scott: I know that the position of Mr Ewing and the Scottish National Party is to break the law and therefore that they—

Mr John Swinney (North Tayside) (SNP): Oh!

Tavish Scott: Mr Swinney obviously was not at the Local Government and Transport Committee meeting yesterday when Mr Ewing enunciated the SNP's position of breaking the law. That option is not available to ministers, but it is obviously an option for those who wish to posture on the sidelines and who never take any decision whatever.

The maritime cabotage regulation requires that EU ship-owners must be treated on a non-discriminatory basis. The effect of that requirement is that member states must treat all Community ship-owners in the same way. If subsidy is to be made available, all ship-owners must be given the opportunity to qualify for it.

Some commentators have suggested that the European Commission's recent decision on public sector compensation to services of general economic interest means that certain ferry services do not need to be tendered. That is not the case. The decision simply provides an exemption from the requirement to notify the Commission about certain state aids. Just as with Altmark, it does not exempt public authorities from any other requirements in relation to the state aid rules and any applicable sectoral rules. That means that the Executive must comply with the provisions of the maritime cabotage regulation.

Pauline McNeill: I commend the minister for his commitment to protect workers' pay and conditions. Can he confirm to the Parliament that the Scottish Executive will ensure in the tendering process that pay and conditions will be protected for the duration of the contract and not just at the beginning?

Tavish Scott: Yes, I can. I shall come back to detailed points relating to staffing issues in due course.

Brian Adam (Aberdeen North) (SNP): Will the minister give way?

Tavish Scott: No. I have already given way and I would like to make some progress.

I must say that, even in my most rational and objective moments, I struggle at times to cope with European Commission rules against a criterion of consistency, particularly in respect of remote and peripheral areas. I can genuinely understand members' difficulties in making sense of what are extremely complex rules, which—on the surface, at least, and sometimes, I believe, more deeply—appear to be self-contradictory.

The Commission's view is that the best way of complying with the regulation's non-discrimination requirement is through a tendering process. The Commission does not say that that is the only way of doing it, which is why we mounted a full review of all the options—both those submitted to us and those that we devised ourselves. The latter included the radical option of bringing the delivery of the services within the fold of the Executive, so that the CalMac staff would become civil servants. We also considered whether we could tender a contract solely for the management of Caledonian MacBrayne, leaving the structure beneath that intact. However, as we have explained in the published paper, none of the options withstood detailed legal scrutiny.

The only alternative to tendering that we concluded might comply with the EU rules would be to offer subsidy, on the same basis, to all operators wishing to offer services on a particular route or routes. That approach is applied by some member states—including France for services to Corsica, for example—but there are a number of difficulties with that approach for Scotland. It would not offer the certainty of provision that is secured by a public service contract and it would have to be applied on a route-by-route basis, thereby breaking up the network.

We take the issue very seriously. Islanders expect alternative ferries to be available for relief or breakdown cover. I agree with them. A subsidy-for-all approach could attract low-cost operators, with consequential implications for staff terms and conditions. The Executive would not be able to set any of the requirements in relation to staff that we would be able to set via a tendered public service contract. It would also be highly unlikely that Transfer of Undertakings (Protection of Employment) Regulations would apply should the incumbent operator lose business to a competitor. For those reasons, I reject the Tory amendment.

Brian Adam: On staff terms and conditions, is the minister confident that a tendering process will give a better result than was produced in the case of NorthLink Orkney and Shetland Ferries Ltd, whose management were first based in Cyprus and are now based in Guernsey and whose members of staff are having extreme difficulty in getting their terms and conditions fulfilled under the current contract?

Tavish Scott: We are putting in place a number of additional measures in relation to staff—I shall go on to say more about that in a moment. I believe that those measures will provide a lot of comfort. I have discussed those matters with the STUC and with the constituent unions on a number of occasions and I hope that those discussions have been positive on exactly those issues.

In light of the review of all the options, I have concluded that tendering is the only way open to ministers and to the Parliament of protecting the vital lifeline Clyde and Hebrides ferry services.

It has been suggested that other EU member states are ignoring the rules and that we should do the same. That is simply not the case. Following a review of experience elsewhere in the EU, it is clear that all other member states with subsidised ferry services follow or will follow maritime state aid rules. The European Commission has in the past initiated formal action against member states, including Italy, Greece, Spain, Portugal and Denmark, to ensure that they bring their services into line. If the Clyde and Hebrides ferry services are not brought into line with EU rules, the consequences could be severe.

Mr Jamie McGrigor (Highlands and Islands) (Con): Will the minister give way?

Tavish Scott: I shall give way in a minute.

The Commission could order the immediate cessation of subsidy to Caledonian MacBrayne and could order the Executive—*[Interruption.]* It is, of course, open to the SNP to break the law, but that option is not available to those of us who care about the islands and about the men and women who work in the ferry services.

The Commission could order the immediate cessation of subsidy to CalMac and order the Executive to recover from CalMac all subsidy that had been declared to be illegal state aid. That would put CalMac out of business and bring its services to a halt. Neither I nor any minister—nor, I believe, any member of the Parliament, except for the SNP members—would put the islanders who depend on the ferry services in such a high-risk position. However, that is the course of action that Mr Ewing and the SNP advocate today.

I know that there are some who think that the European Commission could not contemplate such drastic action. I have to say that, following my discussion with the EU transport commissioner, I am clear that the Commission wants the issue to be resolved. The Commission has indicated that it has received complaints from third parties about the Clyde and Hebrides ferry services. Even more serious is the pre-infractions letter that was sent to the United Kingdom Government on 29 June 2005. That is a fact. If the action were to proceed to a full investigation, it could seriously jeopardise the lifeline services in the way that I have described. Because of those risks, I cannot support amendments from either the SNP or the Scottish Socialist Party that advocate a policy of breaking the law.

I will address one of the key concerns expressed this afternoon by members of the Parliament and, in fairness, by many others. The Executive attaches great importance to the future of the Caledonian MacBrayne workforce. We will do everything that we can, within EU and domestic legislation, to secure the continued employment of those staff and the protection of their terms and conditions and pension rights. In particular, we are of the view that TUPE is likely to apply to the main Clyde and Hebrides bundle—the recent employment appeal tribunal ruling on the northern isles ferry staff transfer has strengthened our confidence in that. However, we are aware that TUPE offers protection only at the point of transfer.

It is possible that an operator could contemplate seeking to replace the current staff with others on different terms and conditions. We will make it abundantly clear to any bidders who are

considering doing that that the compensation that would be payable to the existing staff would not qualify for subsidy payment and so would have to be funded from the operator's own resources. In addition, any savings in on-going staff costs that resulted from such an approach would be clawed back through an equivalent reduction in subsidy. On that basis, it would not appear to be financially viable for an operator to propose an approach that involved replacement of the existing staff.

The TUPE regulations do not currently protect occupational pension scheme entitlements. However, the Executive will require the operator to ensure that transferring staff have access to an actuarially equivalent pension scheme and entitlements.

Fergus Ewing: Will the minister give way?

Tavish Scott: We dealt with the issue very firmly at the committee meeting yesterday. Mr Ewing was wrong yesterday and he will say nothing new today—that is for sure.

The devolved Government is committed to protecting the pension provision of the transferring staff. As the Parliament will appreciate, we have strengthened the commitments that we are making to Caledonian MacBrayne staff significantly since the debate last year. I firmly believe that, should the need arise, the strengthened and structured approach to staff transfers provides a much greater level of comfort and security to Caledonian MacBrayne staff than would be on offer under any of the alternative options.

It is important to recognise that Caledonian MacBrayne has confirmed that, were it to continue to provide the services, there would be no compulsory redundancies, that pay and conditions for its staff now or in the future would not be worsened and that it has no intention to introduce a two-tier workforce. The company has also made it clear that it has no plans to move its headquarters from the current site at Gourrock.

When I was in Argyll early in the summer, islanders said to me, "Whatever you do, Tavish, think of the islanders and end the uncertainty." Politics ultimately involves decision making. That is what the Parliament is about. This is a tough decision for all of us, but it is time that we took it.

I move,

That the Parliament welcomes the Scottish Executive's further detailed consideration of the EU requirements relating to the Clyde and Hebrides lifeline ferry services; notes the serious consequences of these services not being compatible with the regulations; recognises the Executive's commitment to secure the continued employment of the Caledonian MacBrayne workforce and the protection of their terms, conditions and pension rights, and acknowledges that the tendering of the Clyde and Hebrides lifeline ferry services is required to protect these vital services.

14:49

Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP): I had the great benefit this morning of enjoying the company of Councillor Donald Manford. When I discussed with him the issue of protecting lifeline services, he said that the term "lifeline" is 100 years old and suggests that the island communities in Scotland are entitled only to one or a few services. Instead, we should be talking about highways, because for our island communities the ferries are their cars and the sea is the road and the railway. We should think of the issue in that light. As the professor of business economics said in a submission to the 2002 consultation:

"Perhaps it might help if the Scottish Executive were to imagine Morningside households and businesses having all transport access with the outside world completely severed ... for a whole week."

George Lyon (Argyll and Bute) (LD): Will the member give way?

Fergus Ewing: No, not at this point.

The key issue in the debate from the Executive's point of view is that the EU says that we must tender. That view is not shared by Professor Neil Kay, Dr Paul Bennett or the STUC. It was also not the view expressed by Brian Wilson when he spoke on the subject some months ago—I suspect that the views of that gentleman are held in slightly higher esteem by some members on the back benches than they are by the minister who occupies the front bench, but that is just a wild guess.

Over the past 36 hours, a number of people have given of their time pro bono to the Parliament. If those people, who include Scotland's leading academics, had charged for their time, they would have submitted a bill of £100,000. They gave their time for free because they care about the future of CalMac services. I make that point because those people have not had the chance to respond to the arguments in the Executive document. However, they have had the chance to speak to me—unhappily for them, some members may say. For example, Paul Bennett asked me where in the document the Coname case and the Irish Government's challenge on the state aid rules are considered.

George Lyon: Will the member give way now?

Fergus Ewing: I will do so after I have finished the point.

Professor Neil Kay told me that the Executive's description of his arguments and work is frankly wrong. To misrepresent the people who came before the Parliament for the good of Scotland is a huge discourtesy to them and it is not good enough. We need to study the Executive

document, but as a starting point and not a conclusion. That is why the SNP has suggested that a task force be set up under the chairmanship of an eminent person—Bristow Muldoon has an idea of the person to whom I am referring—to find a solution to the question whether tendering is necessary.

The SNP does not believe that tendering is necessary. Even if we are wrong, it is clearly the case that the Executive's tendering plans are not good enough.

George Lyon: Does Mr Ewing acknowledge that the minister has accepted that an alternative approach could be considered, but that that would mean individualising routes? As Professor Kay admitted, it would also mean that tenders would be required on those routes. Indeed, in one of the meetings that we had with Professor Kay at the University of Edinburgh, he admitted that some of the routes might have to be taken out altogether and left open to the vagaries of the marketplace. Is that what Mr Ewing is supporting?

Fergus Ewing: I would rather hear Professor Kay's views from Professor Kay. George Lyon has misrepresented Professor Kay's views just as they are misrepresented in the document. That is why the SNP argues for, and why an SNP Government would set up, a task force to unravel the problems. *[Interruption.]* The minister can barely restrain himself—

Mr Swinney: He cannot restrain himself.

Fergus Ewing: I am corrected by Mr Swinney—the minister cannot restrain himself.

The Executive tells us that, if we do not tender the routes, the most horrendous consequences will befall Scotland. If that is the case, how is it that Finland has directly funded services yet will not be tendering for at least three years? Where are the horrendous consequences for Finland? What about Malta? The timescale given for Malta is 2010, which is five years away, during which time, I imagine, heavy fines will not be imposed.

Dr Sylvia Jackson (Stirling) (Lab): Will the member take an intervention?

Fergus Ewing: What about the Baltic countries? What about Denmark? What about the case of Trasméditerranéa, in Spain, which the European Court of Justice found had broken the rules? Trasméditerranéa was fined, but it did not have to pay the fine—perhaps because Mme Loyola de Palacio, the Spanish transport commissioner, had a little influence behind the scenes.

Tavish Scott: Mr Ewing makes a serious allegation, which I hope he can substantiate. He is factually wrong about the process, as he was yesterday and as he has been throughout. I have a copy of the judgment in my hand—it was not

about what he says it was about. I read article 2 of the judgment to him yesterday, which states that Spain should terminate the current contract. Will he confirm that that is exactly what Spain did?

Fergus Ewing: No, I will not. The minister enjoys playing the man, not the ball, in politics—I have observed that that is what he tends to do when he is losing the game.

Dr Jackson: Will the member give way?

Fergus Ewing: I hope that Labour members will take seriously the STUC's arguments. What about costs? Yesterday, the minister said that the tendering process would cost more money. Well, there we are. He might mention the letter that he sent to Sylvia Jackson, which refers to Finland going to tender. Perhaps he thinks that it supports his arguments. However, I notice that the Finnish Government said that it is going to tender because it expects that it will save money. Yesterday, the minister said that tendering would cost money. When Bruce Crawford asked how much more would be an acceptable price for the Executive to pay—£10 million, £20 million, £30 million or £40 million, all sums that Jeanette Findlay postulated in her detailed paper—answer came there none.

On the timetable, Audit Scotland agreed, after the good work of my colleague Brian Adam, to investigate the shambles of the NorthLink experience. He will talk more about that later—all I will say is that the Executive seems unable to learn from its mistakes.

Dr Jackson: I have a question on the last point, because I could not get in on the first point. Does Fergus Ewing accept that the minister said yesterday that he would look at the information on NorthLink that comes out of the Audit Scotland report?

Fergus Ewing: We are deciding today whether CalMac services will go out to tender; it is a bit late in the day to start looking into things.

Let me turn to the workforce and communities. *[Interruption.]* Our alternative would allow that to happen, so members should vote for our amendment. As I said, let me turn to the workforce and communities, which is the third element in the STUC's press release that was issued today and circulated to every MSP, including Labour and Liberal MSPs. I am interested to hear their comments. When, in an intervention, the minister was asked whether there would be an assurance on workforce rights for the duration of the contract, he did not say yes.

Tavish Scott: I did.

Fergus Ewing: No, he did not. He said that he would consider the matter. One has to listen carefully in politics, because the record will show that he did not say yes. I know what union

members are worried about, because, with many of my SNP colleagues, I spoke to some of them today. They are worried because some of the companies that are after the CalMac and NorthLink tenders pay their staff €2 an hour. Is that acceptable to Labour members?

Pensions were one issue on which I asked a question of the minister yesterday but answer came there none.

Tavish Scott: I gave Fergus Ewing an answer; he just did not like it.

Fergus Ewing: I will put the question again to the minister in case he decides to come up with an answer. He knows that I have pursued the issue with CalMac and with the trustees over a long period. As I told him yesterday, the press release that I issued has been confirmed as factually accurate by the trustees, so if he attacks me he is attacking them. The key point is that all the tender plans say is that any successful bidder must provide an actuarially equivalent pension fund. The current pension fund is in deficit, so the obligation on the successful company will be to provide a pension fund that is in deficit. What comfort is that to the more than 800 members of the CalMac fund?

There is also a concern that, as the Executive plans are for a vessel-owning company and an operations company—vesco and opSCO—CalMac will not have any assets when it has to put the pension deficit on the balance sheet next year, which means that it might be bankrupt when it is submitting its bid. In those circumstances, how could its bid be considered?

The pension trustees have a fiduciary duty to their members. I respect their role. I know that they are concerned about the matter, as are members and the people whom they represent. I am concerned about it, too. The Executive has had six years to come up with the necessary plan to put to the trustees, but the trustees have received no plan, which they are concerned about. They cannot say whether the workers' rights will be protected without a plan. Is it possible to produce a plan? I doubt it, but it is clear that the consequences for the workers could be horrendous.

An SNP Government would not tender; instead, it would protect CalMac and its workforce and improve the ferry services to our island communities in Scotland.

I move amendment S2M-3253.3, to leave out from "welcomes" to end and insert:

"notes that the Minister for Transport and Telecommunications has stated that the tender process which he supports will result in extra cost to the taxpayer and believes that the Scottish Executive's tender proposals may put employment and pension rights at risk, whilst not

resulting in any improvement to ferry services for the Clyde and Hebrides; believes that documents published by the Executive on 12 September 2005 should be considered further but that as they stand the tender proposals are flawed, and calls on the Executive to remit the matter to the Local Government and Transport Committee with a view to the appointment of a task force to give final consideration to the question as to whether tendering is the sole method of satisfying the legal requirements and, insofar as possible, to devise solutions to the flaws contained in the Executive's current proposals."

15:00

Mr David Davidson (North East Scotland) (Con): It is a pity that the debate is already so bad tempered, because it would be helpful for those who are reliant on lifeline services if we actually considered the opportunities, which is what my amendment is about.

At yesterday's meeting of the Local Government and Transport Committee, the minister was very frank—a little more than his predecessor has been in the past. He said that carrying out the tendering exercise will cost more than not carrying it out. I am not sure where he is coming from, because the point of tendering is to secure the best possible service at the best value for the taxpayer.

George Lyon: On a factual point, the reason we are tendering is not about competition. We are doing so to preserve the Scottish Executive's right to continue paying subsidy. The cabotage regulation is about ensuring that all ship-owners throughout Europe have a chance to bid for the subsidy and its aim is to protect the subsidy. Mr Davidson should know that; it was his party that introduced the measure in 1992.

Mr Davidson: I do not argue with that—it was John MacGregor MP who signed the maritime cabotage regulation in 1992. However, the regulation says nothing about tendering.

The minister was frank enough yesterday to admit that the tendering is being done for no reason other than to appease unelected officials in Brussels, which does not quite match with what he said today. Bizarrely, during the business in the Parliament conference on Friday, the minister's predecessor, Mr Stephen, had the audacity to say:

"We can ... lobby ... the EU ... not simply accept the regulations that the EU gives us".

He also said:

"we should engage and make a difference ... in the development of the regulations".

In response, Mr Iain McMillan of the Confederation of British Industry Scotland said:

"Nicol is quite right—we should be telling Brussels where they are going wrong".

The ferries issue is a classic example of Brussels getting it wrong. If Mr Stephen's remarks applied

to EU red tape, how much more should they apply when Europe starts telling us how to run our lifeline ferries? No doubt the minister will remind us that his predecessor, Ms Boyack, secured permission from Europe to tender the routes together, but a model that ends up costing us more than we would otherwise pay is nothing to be proud of.

I fully support tendering—it is a good thing. I accept that we must consider how to reform our island ferry services to achieve better value for the taxpayer and better services for ferry users; the minister and I agree on that point and tendering could be a way to achieve that. As has been said, the letter that the minister sent to Sylvia Jackson—a copy of which he has distributed—highlights the Finnish position. The letter states:

"Services will be put out to tender in order to achieve lower-cost and higher-quality services for our customers. Through the structural change, the efficiency and competitiveness of the Finnish Maritime Administration's own service production have been improved. The tendering of service production will gradually be expanded. The goal is to achieve lower fares for our customers through improved cost efficiency, smooth procurement of services as well as tendering."

The minister himself seemed to support that notion.

We should be aiming to develop a model that will lead to lower costs, rather than what the Executive proposes. The comments of the current and previous ministers for transport give me the awful feeling that everything is being geared so that there can be only one winner of the ultimate tender process: the minister's fleet of CalMac ships. I therefore urge the minister to take alternative models to Europe. He says that he has considered other models, and a document came out yesterday. Most of us have not had a chance to check the veracity of all of the comments—a point on which I agree with Mr Ewing. However, the way the minister rattled through them was interesting. We face an apparently pre-decided decision.

One suggestion was to reassess the commercial viability of each route and then to tender services in smaller bundles; however, when I have asked parliamentary questions of the minister I have not been given any information—which I know exists, although no one has been able to get it—on the actual costs, losses and subsidies related to single routes or even to groups of routes. I am not sure why it is all so secret—I presume that it is for reasons of commercial sensitivity. The Executive has refused to disclose any of that information.

Smaller tenders could be achieved without the bureaucracy and costs of creating a vesco and an opsko and, more important, would make it far more realistic for smaller operators to come in and

bid against CalMac. We could test the market. By all means, standards for the service and how it should be delivered should be set—we are not in any shape or form arguing that we should dilute quality—but there is no attempt under the current scheme to bring about reductions and efficiencies in the costings, which could be reinvested.

Some of the CalMac vessels are very old. I was on a 37-year-old vessel the other week, which is barely fit for purpose nowadays. How will we build up, and reinvest in, a modern fleet? Someone could invent a brand-new ship that required one less crew member, but the minister's comment about terms and conditions for employees seems to rule out such a ship being put into service because it would mean that somebody would lose a job. The workforce is not seeking that, any more than anybody else.

The minister has concerns about unbundling some of the routes, but by tendering en masse he risks crowding out all the other parties that might be interested in competing. He would not admit it when I asked him at the Local Government and Transport Committee yesterday, but perhaps that is exactly what he wants. Speaking on "Good Morning Scotland" shortly after the Executive's previous defeat on the matter, Mr Stephen said:

"We have to make sure that, if we are forced by Europe, we have the very best prospect possible of CalMac winning."

That is hardly an open tender approach from a minister. What sort of competitive tender is it when the Executive openly admits that it will cost us more and that it is backing its own state-owned incumbent to win? That makes the minister look very silly indeed when he talks about competitive tendering and about other companies coming in to bid.

The Audit Scotland inquiry was referred to by Mr Ewing. I would like to think that we might learn some lessons from that report when it comes out. I cannot see why we have to rush into the exercise as quickly as we appear to be doing without having all of the options clearly in front of us and fully and rigorously investigated. Unless the minister simply stands up and says, "I don't care what anybody says. I'm giving the contract to CalMac"—the message that is coming across—it is silly just to carry on.

I move amendment S2M-3253.2, to leave out from "welcomes" to end, and insert:

"believes that the proposed tendering of the entire Caledonian MacBrayne (CalMac) network as a single bundle will be a costly, disruptive and bureaucratic exercise which shall do nothing whatsoever to improve ferry services; further believes that there is scope for significant efficiency savings and improvements to the network and that tendering of any routes must be genuinely open to any operator who can ensure the best possible value for the

taxpayer and ferry users; rejects the Scottish Executive's implied assumption that no routes currently operated by CalMac could be run on a commercial basis, and, in light of this, calls on the Executive to issue proposals for smaller route bundles to attract commercial interest which could lead to efficiency savings and improvements to services."

15:09

Tommy Sheridan (Glasgow) (SSP): This afternoon's debate is clearly about privatisation. The new Labour-Liberal Executive wishes Parliament to vote this afternoon to privatise a lifeline ferry service. The Executive should cut away all the spin and cut away all the worthless guarantees. The minister should have the honesty and dignity to admit that if CalMac does not win the tender, his guarantees are not worth the paper they are written on. Any new employer could rip them up and start again; that has been the experience in every privatisation of former public services.

That is why Mr Ewing called on Labour members in particular to pay heed to the STUC on behalf of Scotland's trade unionists. He calls on Labour members to try to remember where they came from and to try to remember what it was they came into politics to do, because what Labour members are about to do this afternoon is even worse than what the Tories did. When the Tories privatised services, they at least told us that the services would cost less, but they were wrong, because they ended up costing even more.

Phil Gallie (South of Scotland) (Con): Will the member give way on that point?

Tommy Sheridan: No. Labour members are being asked today to vote to privatise a lifeline public service, and the minister who is asking them to do so tells them, "By the way, it's going to cost us more." Is that what Labour members have reduced themselves to? They are not prepared to stand up for public services for the communities and workers who provide those services and who rely on them.

In the 1980s, the Proclaimers sang a wonderful song telling the story of Scotland's deindustrialisation at the hands of the Tories. It seems that under the feeble fearties that we have in government in Scotland now, the Proclaimers will have to pen a new song. In place of Linwood and Lochaber, we will have "Fishing no more", "Shipbuilding no more" and "Lifeline ferry services no more".

We had the spectacle of Ferguson's shipyard workers having to accept only last month that they would not be building essential vessels here in Scotland, but that instead a contract would be awarded across the water to Poland, where labour is cheaper. The justification was, "I'm afraid it's the European Union. We need value for money and

the tender from that yard was cheaper than the tender from the Ferguson's yard." Today, the justification for privatisation of the ferry service does not even have the silver lining of being cheaper. The minister has already admitted that the costs will be even higher than what is needed to run the service now.

I raised the issue of the NorthLink fiasco with the minister yesterday. He tried to avoid it, but there are similarities between the two privatisations. When the NorthLink services were tendered, a long line of academics warned the Executive about the lack of an independent regulator and about the lack of safety provisions in the tender. They were dismissed by the Executive with, "What do they know?" Of course, now we know just how costly that dismissal was; £13.4 million of taxpayers' money has had to be ploughed into that failed NorthLink ferries tender. The same academics, and others, tell us today that there is no need even under the European regulations to tender the services, but Mr Bennett, Jeanette Findlay and Neil Kay are dismissed with disdain by the minister and by the Executive with a "What do they know?" The worry is that in a couple of years from now we will be back in the chamber debating another debacle because we ignored the academic evidence.

Thirteen years ago the cabotage regulation was introduced. Six years ago, the Executive became responsible for its implementation, but we are told that we cannot wait even another couple of weeks for the benefit of hearing from bodies such as the STUC, which has meetings with the European commissioners arranged for 28 September. The Executive cannot wait another couple of months for the establishment of a task force, which would include the unions, academics and Executive representatives, to come up with an alternative.

I do not often agree with Paul Martin on the Local Government and Transport Committee, but he pressed the minister several times yesterday, asking him what the alternative proposals were that the Executive had raised with the Commission in order to avoid tendering. Despite the question being asked several times, there was no reply, because the Executive has not come up with viable alternatives. That is because it has been prepared to bend its knee to the unelected European commissioners and to bundle in lifeline services as if they should be run on the basis of profit, of cutting corners and of who can make the most money. That is not the way to run a Government. The minister should be putting the communities, the workforce and the service first. The tendering is not only unnecessary, it is unacceptable, and the Executive motion should be rejected.

I move amendment S2M-3253.1, to leave out from "welcomes" to end and insert:

"opposes the proposals of the Scottish Executive to put the Caledonian MacBrayne ferry services out to tender as it views these proposals as unnecessary, unacceptable and in conflict with the need to defend lifeline services and the jobs of those who work in these services."

15:16

Michael McMahon (Hamilton North and Bellshill) (Lab): When our party entered into government, we as Labour back benchers knew that we would have to face up to making some hard decisions in supporting that Government. My Labour colleagues and I have had to make some very tough decisions since coming to Parliament, and we will have to do so again in the future. More important, we must do so again today.

Despite what Fergus Ewing and Tommy Sheridan have said, this is not an academic exercise; this is an exercise in taking decisions in government. It is easy for members to posture and to promise what they will never be asked to deliver, and it is sometimes tempting to take the line of least resistance. Most serious MSPs, however, know that there is nothing to be gained from doing that.

In December last year, I found myself making a tough decision not to back the Executive. That was, and remains, a unique experience, and there had to be very good reasons for that to happen. I still believe that I had no alternative last year but to withhold my support when I was asked to endorse the Executive's decision to put the Clyde and Hebrides ferry services out to tender. As a Labour MSP, I was not prepared to endorse a decision that, although it appeared to me at the time to be ultimately inevitable, left so many issues around protection of the workforce at CalMac unresolved and inadequately addressed by the Scottish Executive.

Although a number of legal questions and points about the tendering process were not properly dealt with last year—they remain in dispute—the main issue for me has always been to have the minister and his officials provide me with the assurance that I and, I believe, other Labour colleagues need that the tender documents will include the safeguards that the employees require over their employment rights. Having heard, like members who have already spoken, a lot of evidence at the Local Government and Transport Committee, I have come to the conclusion over recent months that there is little that the Executive can now do to withstand the will of the EU commissioner. If we went against the commissioner, there would now be consequences for the workforce that would be worse than would otherwise be the case.

The Scottish National Party amendment says that going out to tender could have complications.

That is true, as the minister has acknowledged. However, the SNP fails to address the fact that there could be financial penalties if the Executive does not follow the instructions of M Barrot. Rather than recognise that reality, the SNP has as usual taken the easy route. If government is difficult, it would appear that opposition, as ever, is easy.

Having asked questions of the Executive and having had them answered at the Local Government and Transport Committee, I would now like to hear some answers from Opposition members. Are they really prepared to allow the decision on the tender process to be taken out of the hands of the Minister for Transport and Telecommunications and handed over to EU officials? Are they, as legislators, prepared to advocate defiance of the European Commission, whose responsibility it is to see legislation that is passed in Europe being applied here? Are they prepared to play fast and loose with the possibility that the Commission could order the cessation and recovery of subsidy to CalMac? Are they prepared to abdicate responsibility and place in jeopardy the lifeline services that the islands need and to take the easy option, which they would rather take? They might be, but I am not.

Fergus Ewing: The answer to all those questions is no, but Michael McMahon has not read our amendment—[*Interruption.*]

The Deputy Presiding Officer (Murray Tosh): Order.

Fergus Ewing: Our amendment calls for a task force to consider finally whether tendering is necessary, to consider the terms of the tender and to bring back as quickly as possible that work of experts, who have not had the opportunity to complete their case. It does not talk about law breaking, which was mentioned in the ridiculous and absurd intervention from the minister.

Michael McMahon: Fergus Ewing has just reiterated his speech and said nothing more than he said yesterday or earlier this afternoon. The question that remains is this: what part of “infraction proceedings” does he not understand? If we want to be in the game, we have to play by the rules. Those rules might be hard to accept and the people who apply them might not be doing so as we would like them to but, as in most cases, the umpire’s decision is final and we have to accept it. That is not a palatable position in which to be left, but we have a responsibility when we come to Parliament, which means having sometimes to make such difficult decisions.

Last December, I rejected the Executive’s explanation of the situation that it faced at that time. The decision was difficult, but I could take it because I believed that more could and had to be done for the CalMac workers. Since that time, the

minister has to his credit taken us towards the point at which I am confident that the important employment safeguards are now being put in place. Unlike last December, when no protection was on the table, I now believe that to vote against the Executive today would leave the workforce totally unprotected and the Executive in no position to further influence the workforce’s future prospects within the tender rules. I am not prepared to do that and I urge members not to do it, either.

15:22

George Lyon (Argyll and Bute) (LD): I make it clear that, with the permission of the minister, I am speaking as the MSP for Argyll and Bute, where 60 per cent of the Caledonian MacBrayne routes either originate or service the islands. I wanted to speak in the debate because it is important that the views of the islanders and the people in the communities that CalMac serves are heard.

We have heard a lot about the process, Europe and the interests of employees, which are important because many of them are islanders, but we have not heard an awful lot so far about what the islanders think—the people who absolutely and utterly rely on Caledonian MacBrayne’s services for their future, prosperity, economic viability and the price of all the goods in their shops. What do they want? Over the past six weeks I have visited nearly every island in my constituency and have travelled on 36 different ferries as I moved around—all of them Caledonian MacBrayne ferries. The message that I get back from my constituents is that they want a decision to be taken and an end to the uncertainty that has been hanging over us since 1999—or, indeed, since 1992 when John MacGregor, the then transport minister, drove through the legislation in Europe, which he celebrated in his reporting back to the House of Commons.

The islanders want guarantees above all that fares and service levels will be protected under any future arrangements. The employees, of whom there are more than 1,000, many of whom live on the islands that they serve, want reassurances about their terms and conditions and their pensions. They want flexibility in any future arrangements that will allow improvements to ferry services to be made. Above all, they do not want the Caledonian MacBrayne network to be broken up.

Phil Gallie: If the member is saying that the islanders do not want the CalMac network to be broken up, that suggests that there is only one option, which is to issue the tender contract to CalMac. Why go through the process?

George Lyon: The process is to secure the future of the island communities by being able to

continue paying them subsidy without fear of infraction proceedings from Europe, and without Europe stepping in and telling us what we might have to do to comply with the cabotage regulation. It is time that people understood what the debate is about.

It seems to me that what is most important to the communities that I represent is a guarantee that the Scottish Executive will continue to subsidise the ferry services. The fundamental question that faces us today is about how we can secure the right to continue subsidising those services. How can the elected members of the Scottish Parliament give that guarantee to the islanders in Tiree, Coll, the Western Isles and so on? We have to ensure that their communities, families and businesses have a future. That is what we are discussing today. The ferries are fundamental to their survival and are what will ensure that they have a prosperous future.

We have heard arguments from all around the chamber about how to proceed, but it seems to me that the Scottish Executive proposals that are before us today are the only way we will be able to give that cast-iron guarantee to the communities and the workforce. We might not like the situation and we might think that the rules are nonsense and should be changed, but that is a different argument. Regardless of what we think in that regard, Parliament must face up to its responsibilities to those communities and individuals if we are to give them the guarantees that they need about their future. However unpalatable it might seem to be, we must support the minister's proposals.

Jim Mather (Highlands and Islands) (SNP): In terms of the sound future, prosperity and—I hope—growing population of the islands, what level of improvement would Mr Lyon want under the tender arrangement?

George Lyon: My communities and I want the record investment in improving the services to continue. In the past six years, five new vessels have been commissioned and others are in the pipeline. However, I add a caveat: we would like the company that runs the services to respond to some of the consumer issues when the introduction of new ferry services does not work. I believe that the process that we are discussing might deliver a larger element of customer focus.

The view of Fergus Ewing and the SNP is that we must prevaricate further because six years is not long enough to decide on the right way forward and that, if necessary, we should break the law. The reality of that approach is infraction proceedings, suspension of subsidy and a potential clawback of previous subsidies that have been paid. As Professor Neil Kay himself has admitted on many occasions, the approach that

Fergus Ewing outlines would end the CalMac network, individualise the routes and leave the routes open to cherry picking. How on earth are we going to secure the future of our island communities or the workforce with that approach? I think their futures would be put at risk.

Fergus Ewing: Where in the tendering proposals that Mr Lyon is supporting is there any protection against cherry picking?

George Lyon: We have the single bundle, which was negotiated with Europe. That was an important concession. I argue that, if we prevaricated and Europe were to step in, it would not allow that concession to continue and we would end up with the proposals that the Tories have outlined—privatisation, basically—which would leave communities open to the vagaries of the marketplace.

Many times, Mr Ewing has issued press releases announcing that he, Jim Mather and Alyn Smith are going to see the European Commission. The strange thing is that, when they come back, no press release is issued. Why? It is because “no” does not fit the press release.

The best way to secure the future of the CalMac services and to protect the communities that they serve is to bite the bullet and support the approach that has been set out by the minister today.

15:29

Brian Adam (Aberdeen North) (SNP): The key thing about ferry services is that our communities need them. They have to have them and they need to be certain that they will have continuity of service into the future. I am not convinced that tendering will deliver that. As a secondary matter, we need to ensure that we get value for money. Again, however, I am not convinced that tendering will deliver that. Another key element is the question of how we deal with the staff. I am in no way convinced that a series of tendering arrangements will give them any confidence or continuity. Indeed, the track record of some of those who have been involved in some of the tendering exercises means that it is quite likely that they will seek cheaper labour from elsewhere, instead of building up our communities by providing long-lasting, well-paid jobs that will reinvest in the island communities.

Mr Duncan McNeil (Greenock and Inverclyde) (Lab): Will the member give way?

Brian Adam: Let me develop a point.

Several members have highlighted the fact that the debate has been going on for some time: today is not the start point. I agree with my colleagues who have suggested that it should not be the end point, either. At the Transport and the

Environment Committee, in June 2001, Sarah Boyack—our first Minister for Transport and the Environment—said:

“Most recently we had the experience of the northern isles services tender. It was a useful exercise for the Executive to run through that process. The difference between the northern isles and the CalMac services is that there are an awful lot more CalMac services. We are well aware that the CalMac tender will be a more complex exercise.”—[*Official Report, Transport and the Environment Committee*, 26 June 2001; c 1927.]

That is the kind of thing that the reporters, Maureen Macmillan and Des McNulty, had to say as they started on this process.

I understand that the Executive has used the NorthLink Ferries tender almost as the template for the CalMac tender. This very week, following a call by me on 19 July that we should have an investigation into the significant failures of the NorthLink contract, Audit Scotland will start to look into the circumstances of the NorthLink Ferries tendering process. The Auditor General will examine the very significant cost overruns and how the Executive has handled the situation. That inquiry will not finish until December; however, the minister has said that he will make a final decision on who will get the CalMac contract in November. I cannot see how the Auditor General's report will inform that process. Nor can I see how, if we make a final decision today about going down the tendering route, looking at the processes in connection with the NorthLink Ferries tender will help in dealing with the CalMac tender.

Michael McMahon: I had the benefit of being at the Local Government and Transport Committee yesterday, at which that issue was thrashed out with the minister. It became clear that, given the timescale that the tendering process will take after today, any lessons that need to be learned from Audit Scotland's inquiry into NorthLink will easily be built into the new tendering process. If we were talking about this a year ago, I would have agreed with Brian Adam about NorthLink; however, he cannot say what he is saying today.

Brian Adam: The Auditor General has undertaken to look into the process that was followed, to see whether that is the best way to tender; however, if we are today making the decision in principle that we will tender, I do not see how that will help. The Auditor General's report may well help to deal with things at the edges, in terms of the detail of the CalMac tender, but it is not going to do anything for the existing NorthLink retendering exercise. The minister is already committed to making a decision on that prior to the Auditor General making his report. That seems a very odd and irresponsible way to conduct government.

The cost overruns are significant. It is not just that an academic has produced a report saying

that, potentially, the CalMac tender could cost us £10 million, £20 million, £30 million or £40 million more. We have the proof that, when we tendered for the northern isles routes, it cost us more. Basically, the NorthLink Ferries tendering process does not work. One of the main shareholders of the existing company is not prepared to continue that arrangement with CalMac. It did not even bid in the retendering exercise.

It is extremely irresponsible of the Government to proceed in haste on this when it has accepted that it is going to look at what the Auditor General and his team have to say about the NorthLink Ferries tender. I hope that the Government will be willing to act on that report.

What is wrong with taking a few more weeks to allow others to digest the contents of the documents that have been produced and to set up the task force to consider all the possibilities? Other countries are not rushing to implement the regulations. The minister may be concerned about what the EU might do or that we might have to go to arbitration or a European court. It would be perfectly reasonable for any Government to say that it is considering what is happening now so that it can inform future practice. I commend the SNP's amendment.

15:35

Phil Gallie (South of Scotland) (Con): My constituency in the south of Scotland has no CalMac routes. My interest in this debate comes from the involvement of Europe in affairs that directly affect Scotland as a nation and as part of the United Kingdom. The argument that the minister made demonstrates the futility of EU involvement in the exercise.

The Government is going out to tender on a facility that it owns. If we believe the minister's words, he is intent on maintaining the status quo and placing the contract back with CalMac—and yet the tendering process is all-important and must be carried out within an extremely tight timescale.

I have some sympathy with Fergus Ewing's arguments. It makes sense to buy a little time and to take advantage of expert advice. I cannot see why the minister is set on such a rush, unless it is that he is frightened and feels threatened by Europe looking over his shoulder.

George Lyon: On the point about delaying further, does Phil Gallie agree with what his former colleague Mr MacGregor said in response to a question on this matter in 1992? He said:

“I also hope that during the United Kingdom presidency the Community will take forward the increasingly rigorous application of the state aid rules in the transport sector so as to provide for full and proper competition in the single market.”—[*Official Report, House of Commons*, 24 June 1992; Vol 210, c 248W.]

That was almost 14 years ago.

Phil Gallie: I recognise that, at that time, John MacGregor had his own Government agenda and he wanted there to be improved services and value for money. However, Tavish Scott does not offer that; he simply offers a solution to a problem that he identifies as having originated in Europe.

The EU has introduced a shambles of a situation. It has introduced uncertainty for those who live in the islands, for users of public transport and, above all, for the employees of CalMac. When we consider Europe we see the shambles that surrounded the proposed constitution and, perhaps more important, the present shambles surrounding the Lisbon agenda. That is an unfortunate shambles, given the motivation of that agenda and the fact that it would have benefited Scotland, Europe and the Scottish Government.

I will refer to some of the aims and objectives of the Lisbon agenda. The intention is to make the EU more competitive. It seeks to achieve and maintain EU economic growth against a background of social improvement and environmental protection. I believe that by taking an en bloc approach to the ferry issue, we are going back to the finer objectives of Europe and seeking to meet the European commissioners' perceived assessment of the law as it stands. That is the wrong reason for going out to tender at present.

I have some sympathy with Labour MSPs on this issue. It has not gone unnoticed that, on this as on issues such as fishing and the tendering of fishery protection vessels, the Scottish Executive has been led by Liberal ministers, who have their own EU federalist approach. The Executive has been influenced, I suggest, more by the interests of the Liberals than by the need to protect the interests of CalMac workers, of islanders and of the country as a whole. Labour MSPs should bear that in mind during today's debate.

I put it to members that, of all people, Tavish Scott should have learned lessons, as Brian Adam suggested, from the NorthLink Ferries fiasco. With regard to the need for competition, Tavish Scott should aim honestly at introducing change, as David Davidson suggested. At the very least, he should have regard to Fergus Ewing's suggestion and agree to take a bit more time to make use of the views of the experts, who have no particular axe to grind. If Tavish Scott were to do that today he would do a great service to CalMac, its workers, the islanders and, indeed, Scotland.

15:41

Maureen Macmillan (Highlands and Islands) (Lab): I am pleased to have a chance to take part in today's debate. In the former Transport and the

Environment Committee, I was a reporter on the tendering of the CalMac routes. Alongside Des McNulty, I took evidence from local enterprise companies, local authorities, trade unions, passenger organisations, communities and hauliers—and, yes, academics—from throughout the west Highlands and Islands. We also questioned the Commission on whether the routes needed to be tendered because, like everyone else, we would rather have kept the status quo.

Even though we complain from time to time about CalMac services and prices, CalMac is embedded in our communities. It employs significant numbers of local people and it delivers lifeline ferry services to small island communities. We would like to be an exception to the Commission's competition requirement on maritime cabotage; many of us lobbied the Commission to that effect.

Representatives from Western Isles Council, Argyll and Bute Council, Highland Council and Highlands and Islands Enterprise have all been to Brussels to lobby the Commission. The trade unions lobbied Brussels through their European organisations. The MEPs also lobbied. George Lyon MSP led a delegation of Lib Dems to Brussels; a delegation of SNP members was led by Duncan Hamilton. All of them went determined to find a chink of hope. We wanted some way of getting a derogation, but that was not possible and Professor Neil MacCormick MEP advised the SNP of that five years ago. Indeed, at the Executive's request, Professor MacCormick and other MEPs lodged questions to the Commission to clarify, for example, whether the mainland-to-mainland routes could be included in the subsidy bundle.

Tommy Sheridan: Will the member take an intervention?

Maureen Macmillan: No thanks.

The bundling of routes that the Executive achieved is crucial for CalMac's future. I hear SNP voices such as Jim Mather's propose that, if the services were to be tendered route by route, some routes would not need to be tendered because of the low number of people who use them. However, that would expose the other routes to cherry picking by private companies, which would be a disaster for the communities.

In a previous statement to Parliament, the then Minister for Transport and the Environment, Sarah Boyack, stated:

"we must ensure that the tendering process keeps the logic and integrity of CalMac's routes."

That statement was endorsed by Kenny MacAskill, who highlighted the importance of bundling the routes:

"If that does not happen, there will be a cherry-picking of routes and lifeline services will be neutered and damaged."

The then Tory transport spokesperson, Murray Tosh, made it clear that the Executive should seek to retain the network in its entirety, as there were

“significant advantages in preserving the critical mass of the company and its services. ... That is important not least to afford capacity to respond in emergencies.”—[*Official Report*, 27 April 2000; Vol 6, c 76-77.]

What a disappointing amendment we have from the Tories today.

Duncan Hamilton warned against the potential break-up of the CalMac network, but the SNP would now lead us in that direction. Its requests for further consideration and a task force amount to fiddling about during a period in which CalMac might be required to pay back its subsidy. We need to face up to the fact that, if we fail to comply swiftly with the European directive, the tendering of the ferry services could be taken out of the Executive's hands. The services might then be tendered route by route, which would be a catastrophe for the communities in the west Highlands and Islands and for the workforce. In those circumstances, who would bid for the route to Coll or Colonsay or Tiree? Once again, the SNP looks for the quick headlines—and hang the consequences. The consensus that we had in the chamber to preserve the bundle and to give CalMac its best chance has been broken. I condemn the SNP—in particular, its transport spokesperson—for that.

I agree with those who say that tendering is not cost effective. The Commission does not care about cost effectiveness—it cares only about competition for the subsidy. We knew that four years ago. I spoke to Professor Kay about it then, but he is still trotting out the same old arguments.

Phil Gallie: Does the member accept that the EU is looking again at the Lisbon agenda, in which competitiveness features prominently, and that if we bought a little time a different solution might arise?

Maureen Macmillan: I am not prepared to take that chance and to risk the future of island communities by waiting any longer before we comply with the law. I agree that we do not want to tender and that we must do our utmost to protect the workforce's pay, conditions and pensions. We must focus on that and write such requirements into the tendering documents and the specification. I hope that the minister's recent talks with the STUC have resolved some of the issues. We need a very robust section to be included in the tendering documents and specification underlining commitment to human resources. Proper engagement and consultation with the workforce by the company, whether CalMac or another, is paramount.

Questions remain on the protection of pensions, particularly about who will ultimately be

responsible for guaranteeing them. Will it be the company or the Executive? Those matters need to be addressed urgently.

We have been debating this matter for five years. It is not an academic exercise; it has huge importance for island communities. We must bite the bullet. Not to tender would be to do a disservice to our island communities, by passing control to the Commission. It could lead to the disintegration of CalMac. No Labour or Liberal Democrat member wants CalMac to go to the wall. I therefore support the Executive motion that is before the Parliament today.

15:47

Mark Ballard (Lothians) (Green): The previous debate on lifeline ferries opened with a point of order regarding the fact that the Executive had provided essential briefing materials at such a late stage as for them to be almost worthless. In today's debate, we have also heard concerns about scheduling and materials. As we have heard, a committee inquiry into the issue is still under way.

Fergus Ewing outlined very well the amount of work that has been done by academics to come up with ways of avoiding tendering. He also pointed out that we have not had an opportunity to receive a proper response to the Executive documents from those academics, given that we received the documents only on Monday. To me, that begs the question whether the minister intends to pay any regard to the findings of the Parliament's Local Government and Transport Committee and whether he wants participants in the debate to be able to consider and to have real understanding of the documents that the Executive has provided. If the Executive had wanted that, the option would have been clear—to have a ministerial statement on the documents, which would have given the academic experts on this complicated area of European law a chance to produce guidance for the committee and for parliamentarians that would have allowed us to have a proper debate on the matter. That reflects the Executive's general attitude.

Again and again, we are told that there is no option but to go to tender. However, given the complexity of the legal arguments and views that have bounced back and forth over the issue, if the Executive is really serious about fighting the tendering process there seems to be scope for it to challenge the commissioner's line all the way. We must recognise CalMac's status as a special case. I question whether the Executive is prepared to fight Scotland's corner or whether it intends simply to do what Mr Barrot says.

Throughout the CalMac saga, the Executive has maintained that tendering is the only alternative to

breaching European state aid rules. It has always been too ready to accept the Commission line. When a new European Court of Justice ruling comes out, it has always been too eager to deny that it has any relevance to Scotland. It is important that we make a real challenge.

It is significant that the Altmark decision arrived three years after the Executive had already decided to go ahead with what is the privatisation of CalMac services, as Tommy Sheridan said.

Sarah Boyack held the same line on the necessity of tender that Tavish Scott does now. The Executive might have beefed up its arguments, but it shows unwillingness to accept any challenges to or any possibilities but tendering.

Sarah Boyack (Edinburgh Central) (Lab): Will the member take an intervention?

Mark Ballard: I am sorry; I am moving on. We are talking about vital services for island communities. Given that the era of cheap oil is over, we are talking about the only economically viable and sustainable means of mass transport for people from those islands to the mainland. There will be situations where people will need to fly from the islands to the mainland, but for most people the ferries are crucial—they are the only alternative.

There are huge advantages in keeping the ferry services together under a publicly owned and accountable company. The introduction of private interests and profit will inevitably lead to a decline in the quality of service. For proof of that, as we have heard, we can look at the Ullapool to Stornaway route or the NorthLink debacle. When it comes to the effect of privatising transport services, what happened to the railways? Profit-driven efficiencies put at stake the workforce's livelihood and conditions as well as the quality of basic lifeline services.

The academic studies show increased costs and risks in repeated tendering. In the previous debate, the then Minister for Transport, Nicol Stephen, said:

"We are specifically not going to tender to ensure that the lowest tenderer wins."—[*Official Report*, 8 December 2004; c 12691.]

I want to hear that guarantee repeated, but I also want it explained to me how the minister can guarantee that that will happen not only now, but in the future, because we are discussing lifeline services for the future of the islands and their communities.

We should reject tendering. Maureen Macmillan was right to say that we do not want tendering, but we must fight against it. The Greens will support Tommy Sheridan's amendment to say that we

reject tendering. In the interests of cross-party unity, I will agree with Fergus Ewing's amendment and the point that we need to have time to look at the tendering process properly. We must look at the flaws that Fergus Ewing identified and then we need to think about how we put the interests of Scotland's people and island communities first, before those of M Barrot.

15:53

Mr Duncan McNeil (Greenock and Inverclyde) (Lab): That was a disgraceful speech. What a rallying cry for Scotland and Scotland's people, the CalMac crews and the communities that they serve. In fact, that speech represented an abrogation of political responsibility that would hand over the future of those people and communities to the courts to decide so that we could avoid making a difficult decision here today.

Up to now, the debate from the Opposition parties has been an exercise in creative avoidance—it has been about why we should not do this, how we will sit tight and how we will challenge the decision in this way and that. That is not brave politics. We have seen that rhetoric in the past; we saw it take the miners union to disaster—we have seen it take all sorts of workers to disaster. Certain people are always brave to say, "We'll do this and we'll do that," but we are talking about the reality of people's jobs, their lives, their pensions, their wages and conditions, how they get to work and how they live in their communities. Certain people are always brave to say, "We'll back you up until your nose bleeds and then we'll complain that others failed you."

We have a responsibility to face today; I and others made that clear last year. That is why we are having this debate—those Labour MSPs who have been much maligned ensured that today's debate would take place. Last year, we said that the proposed way in which the process was to be tendered was not acceptable to us and we blocked it. We have worked hard—not on the rhetoric, but consistently, with ministers and with our colleagues, week after week—to ensure that what has been presented is a much better option than what was on the table last year.

I have a particular interest in the matter because my constituency boasts three ferry terminals: the CalMac terminals at Wemyss Bay and Gourock and the Western Ferries terminal at McInroy's point. Gourock is also the home of CalMac's headquarters, so it is not surprising that I have followed the highs and lows of the debate since 1999. I appreciate that I approach the problem from a different perspective from that of colleagues who represent island communities and our neighbours across the river in Argyll, but, as I said last December, we have a shared interest

and have made common cause. Their hard work on behalf of their constituents throughout the process deserves our praise and is in marked contrast to the behaviour of the Johnnys-come-lately who tell us in slogans that the matter is all about privatisation whereas in fact it is about securing massive public subsidy and ensuring that that is not challenged. Whenever there is a political opportunity, however, Fergus Ewing will be there at the front.

I do not buy the conspiracy theory that the Executive, which I was forced to vote against in December, is motivated by a secret desire to privatise or sell out CalMac. On the contrary, if we are to avoid a debacle like the one at Ferguson's it is essential that we get the tendering process right. Members should not wait until that process concludes and then complain when we lose out.

I have no doubt that progress has been made over the years and I have previously welcomed the Executive's commitment to the Gourock to Dunoon service. That commitment was not put in place automatically, and I welcome it. It is important that the service continues to exist. Loss of the route would jeopardise the planned transport interchanges and affect the redevelopment of the Gourock waterfront, which is an ambitious project that the Executive continues to back.

However, I was concerned that the proposed tendering process would have sold CalMac workers to the lowest bidder. That was not acceptable to me or to my constituents who work in the crews or at CalMac's Gourock headquarters, which provides highly valued jobs in a constituency that has consistently higher levels of unemployment. I could not back what the Executive proposed. The fact is that specifications to safeguard the workforce, the routes and the location of the company's offices can and should be written into any tender. I take some comfort from the fact that the minister now acknowledges that and I welcome the fact that the specification that must be met by bidders addresses those issues.

It is vital that staff pay and conditions, including pensions, are protected. There is agreement about the situation at NorthLink Ferries. I have made consistent representations to ministers over a long period of time on behalf of my constituents who serve on its vessels. In many cases, they were forced to go to the courts to ensure their rights. Surely that cannot be proper.

On the location of the headquarters, again it is crucial that the tender documents contain the appropriate safeguards. As I have argued consistently, those documents must stipulate that the HQ is close to the services that are operated and they must contain a clear disincentive to

relocate. Indeed, it would be sensible for the vesco's headquarters to be sited alongside the existing headquarters at Gourock. I make no apology for the fact that the future of my constituents who are employed by CalMac and the future of the Gourock development are the extent of my interest in the matter.

The fact is that we are where we are. The primacy of European Union law over United Kingdom law is long established. We might not like it, but we need to make the best of it. We need to meet our international obligations and our moral obligations to those who elected us. For me, whether the solution that has been proposed today meets both requirements depends on whether it safeguards key infrastructure projects and the future of the workforce. Provided that the minister can give me his assurance on those points, he can be assured of my vote tonight.

16:00

Rob Gibson (Highlands and Islands) (SNP):

This debate seems to focus around a poor vision for the communities of the Highlands and Islands, a poor deal for the taxpayer and a very poor deal for the CalMac workforce. I will explore some of the ways in which we might start to look at things differently, even at this 11th hour.

The trouble is that the partnership agreement is committed to supporting and investing in lifeline ferry links, but the aim is not to improve or grow the services. That circumstance shows that the Executive has a poor vision of those services. The Executive is failing not only to provide solutions to the problems that we face with the maritime cabotage arrangements, but to use the European rules that are currently in our favour, such as those that allow us to use discounted ferries for island residents for social reasons. Several European countries use that approach, including Denmark, Finland, Ireland, Malta, Spain and Sweden; the approach is also used by France for the France to Corsica route and Italy for the Italy to Sicily route. We, however, do not use that approach. It is far too poor an approach for the Executive to contemplate.

I would like to take members through the current potential for defending Scotland's needs in Europe. The SNP does not advocate, and has never advocated, flouting EU law.

Tavish Scott: Yes it has.

Rob Gibson: If Mr Scott will listen, I shall explain.

We understand all too well the serious consequences of the Clyde and Hebrides lifeline ferry services not being compatible with the regulations. In the event of a Commission action,

which has not been commenced, the Scottish Executive would have two months in which to reach a satisfactory solution and make representations. Tendering the services is no guarantee of exemption from Commission action. The Commission will now examine the Executive's tender documents, should the tender go ahead, to see whether the tender satisfies the complainants' concerns. If it does not, formal investigations will be launched and an infraction letter will be sent, giving the time period of two months.

If an attempt was made to refer the issue for a preliminary ruling to the European Court of Justice, CalMac services would be viewed in a different way—as lifeline services. We could then use the prism or the lens of the Altmark judgment, but Altmark cannot be extended to CalMac. Scotland needs a ruling from the European Court of Justice about the necessity to tender, the prize being that that court can rule that the subsidy awarded to CalMac is compensation, as it ruled in the Altmark case, and that it is not awarded to CalMac at present and is not state aid. The British Government supported the Altmark judgment in Germany. Surely it is entirely possible for us to apply that court process to our current circumstances without incurring any infraction.

My front-bench spokesman, Fergus Ewing, has advocated a timescale for action for an attempt to use the period when the committee is reviewing the issue. If we had an Executive that was interested in fighting for Scotland in Europe, surely it would do something to ensure that, in that time, action was taken in the terms that I have suggested.

George Lyon: Will Rob Gibson give way?

Rob Gibson: I am sorry, but I do not have time.

Perhaps the Executive, too, is worried about the fact that the British Government would represent Scotland in any infraction procedure. As *The Herald* said this morning,

"we should question a devolution structure that would leave specifically Scottish interests represented by the British government at the European Court."

In that circumstance, devolution is not helping the people of the islands and Highlands of Scotland and the ferry services that we are talking about.

Michael McMahon: Will Rob Gibson let us in on a secret? I know that there are two by-elections coming up, but does he have an inclination that there will be a general election at which the Government will change and that the SNP will rule Scotland in the near future?

Rob Gibson: I thank Michael McMahon for that party-political broadcast.

It is possible for a different approach to be taken in this country. The STUC has pointed out the

costs that will be incurred and has asked for the timetable to be followed. It is concerned about the conditions for the workforce. Even if the TUPE regulations were to apply, they would not protect the pension scheme. We have heard nothing from the ministers today to say that they would protect the pension scheme.

Defending the islands will have to be done by other people, because this Government clearly does not have the stomach to do it. Edwin Morgan's poem for the official opening of the Parliament said:

"What do the people want of the place? They want it to be filled with thinking persons as open and adventurous as its architecture. ...

A phalanx of forelock-tuggers is what they do not want."

The SNP has argued logically that this Parliament requires respect from this Executive, that this country requires leadership from this Executive and that Scotland requires better of this Executive than it has offered. The Executive has taken so long to reach a position that is far from satisfactory. We do not need poverty of vision, poverty for the taxpayer or the poor services that the Executive offers with this deal. I ask all members to support Fergus Ewing's amendment because it would give us time to make the case. The Executive has not tried to make the case—the SNP calls on it to do so.

16:06

Des McNulty (Clydebank and Milngavie) (Lab): I pay tribute to the campaign that has been fought by the RMT—the National Union of Rail, Maritime and Transport Workers—and the STUC in recent months. They have legitimately raised issues about the employment rights and security of their members. Some of the arguments that they have made have been challenges to the Executive and they have been picked up—certainly by Labour members—and pursued. What we have in front of us now is significantly better than what was in front of us in December. There is a tighter specification in the potential contract and better protection for the workers. Significant steps have been taken. That is a product of consistent work, application and effort.

In particular, I pay tribute to people such as Ian Macintyre and Steve Todd of the RMT and John Park and Stephen Boyd of the STUC for the work that they have done. It is also fair to pay tribute to the work of Labour members such as Duncan McNeil, Bristow Muldoon and Allan Wilson, and to other people who have consistently put the case to test the arguments about what we can and cannot do in the circumstances. They have produced significant improvements in the Executive's position.

My view is that the Executive's position is by no means perfect. There is consensus throughout the Parliament that it would be better not to have to go down the tendering route. Some valid points have been raised about the extra cost that it is anticipated tendering will produce. There are also points that have not been raised about the freezing of the service in CalMac as a result of our going down the tendering route. That denies flexibility and reform in the usual way, which I hope would improve services from the point of view not only of the workers but of the consumers of services. Tendering, which implies inflexibility in the system, is a barrier to that negotiation and flexibility.

However, we face the prospect of infraction proceedings being raised against the Executive and the Government if we do not go down the tendering route. That situation is a product, in my view, of an inappropriate interpretation by the European Commission, with which I do not agree. I do not think that competition rules should be applied in that way to the services in question, but the law exists and it will be applied by the European Commission. The consequences of the law being applied could be catastrophic for the continuity of services, the continuity of jobs and the position of employees. People must weigh up an imperfect outcome to the process, which has been going on for five or six years, against a catastrophe if the European Union acts. I am thinking not just about the infraction proceedings and competition law but, even worse, the issue of state aid. Although the latter does not require a two-month cooling-off period, it has the potential to give rise to significant additional costs for the Executive. Rob Gibson is not legally qualified; perhaps he does not realise that two dimensions are involved.

The current position has been argued against not only in two parliamentary debates but, as Maureen Macmillan said, consistently over five or six years. Scottish National Party, Conservative, Liberal Democrat and Labour members and civil servants have all said that forcing us down the tendering route is inappropriate, especially in terms of the management of services. However, the reality is that, unless we can automatically change overnight European Commission rules and regulations to avoid infraction proceedings, the consequences of not going down that route would be disastrous.

We need to accept our current position, but the debate must not end today. We have to look into two or three things as we go ahead. First, we need continuing pressure from politicians, the trade unions and others so as to ensure that all the points and commitments that the minister made today are adhered to and followed through. If other points need to be made, they should be added into

the process. I am committed to looking at that along with my colleagues, the trade unions and, I assume, the members who will act on behalf of their constituents.

Secondly, we need to look again at our relationship with Europe. The interesting issue in the debate is whether Scotland is at the butt-end of inappropriate European rules that are not properly formulated for our requirements. That dialogue has to take place between ourselves, the British Government and the European Community. This is neither the only circumstance nor the only case in which inappropriate European rules have forced us into outcomes that we may not have chosen.

Thirdly, there is the issue of costs. The costs that are associated with the CalMac tendering process have escalated from something like £48 million three years ago to about £60 million today; if the minister is right, they may increase yet further. A real value-for-money issue is involved in terms of whether we will get the correct outcomes for the money that is put into the process. If tendering makes things worse, an audit issue is involved. For the Parliament, audit or value-for-money issues are not secondary to the requirements of European legislation. That is part of the argument that we should be having with Europe. If Europe forces us to go down routes that are costly and inappropriate, we can argue that it is wrong. We should be arguing strongly that the way in which Europe is forcing us to go is wrong in this and other circumstances. The matter does not end with the debate today. Interesting constitutional and procedural issues have been raised, which the Parliament must take forward.

The way in which the Executive has driven the matter over the past five or six years is not a textbook example of good practice. I am sure that no one would argue that that has been the case. I do not blame the current Minister for Transport and Telecommunications; his predecessors and civil servants share the blame for the way in which the matter was conducted. Let us learn from what has happened. Let us educate ourselves on the better mechanisms for circumventing such difficult decisions before they arise.

Nothing would be added at this point by Fergus Ewing's suggestion of a further task force. However, five years ago, three years ago or even one year ago, a task force would have been a valuable thing. Let us learn from the mistakes that have been made in getting to this point, deal with the decision that we have to make today and try to move on from it.

16:14

Mary Scanlon (Highlands and Islands) (Con):
To continue the theme of learning from mistakes, I

will concentrate on two issues: the experience that we have gained from the NorthLink debacle and the part of the motion that deals with the terms and conditions of Caledonian MacBrayne's workforce.

Earlier, we heard from the chief rabbi, whose words were pertinent to the debate. He said that we should acknowledge our errors and begin again and that we should say, "I did wrong. I am sorry. Let's work together and try again." He said that we should focus on the future and forgive the past. That view has been stated by every side in the chamber. All parties would respect the minister's points if, for once in his life, he acknowledged that he has made mistakes and learned from them. If he does that, we will support him in the future.

The STUC briefing paper referred to Audit Scotland's inquiry into the NorthLink "farrago"; I am not familiar with that word, but I looked it up in the dictionary and found that it means a confused heap of nonsense, also known as a hotch-potch. Although I hesitate to call for more delay in the process, there would be sense in taking time to read the Audit Scotland report before proceeding with the CalMac tender. After all, we have already waited more than six years.

The NorthLink public subsidy has more than doubled from the original £11 million per annum to more than £24 million today. Pentland Ferries, however—which is operated privately by Andrew Banks and which built two piers and bought two ex-CalMac ferries—carries thousands of passengers, vehicles and livestock from St Margaret's Hope in Caithness to Gills Bay in Orkney every year and does so without a penny of public subsidy. The ferry is heavily used by tourists, businesses and locals, and is cheaper than NorthLink. Despite the multimillion pound subsidy to NorthLink, which includes a 75 per cent subsidy for livestock, Pentland Ferries continues to carry around 80 per cent of sheep and a substantial number of cattle out of the Orkney islands every year, as well as shellfish lorries, yet it receives nothing.

Now that the Royal Bank of Scotland is pulling out of the management of the NorthLink partnership, surely lessons need to be learned about costs to the taxpayer and the future involvement of the private sector, which we agree should be positive. Should not the subsidy be paid on the basis of usage, rather than on the basis of who is the monopoly supplier? Surely it is now obvious that the NorthLink bid was unrealistic and that the experienced operator, who knew the real cost of operating the service, was undercut, with the taxpayer paying a high price for the mess.

I listened carefully to the minister's opening speech, in which he said that the Executive would

do all that it could to maintain terms and conditions. If I were a CalMac employee, I would hardly view that as a solid confirmation of or commitment to my future. When Fergus Ewing asked a question on terms and conditions, the answer was that CalMac would ensure that there was no financial detriment to any employee as a result of any changes. However, the minister stated in a written answer to me:

"The key changes would be in relation to Statutory Sick Pay and Statutory Maternity Pay, although broadly equivalent arrangements would apply".

Why does not the Executive say that exactly the same arrangements would apply? Why must it say, "broadly equivalent"?

Tavish Scott: Grow up. Is that the best argument that Mary Scanlon has got?

Mary Scanlon: The minister asks me to grow up, but I have a few years age and experience on him. He needs to grow up quicker and to uphold the status of his office.

Tavish Scott also stated in that answer:

"employees would no longer be eligible for Statutory Paternity Pay or Statutory Adoption Pay." —[*Official Report, Written Answers*, 25 July 2005; S2W-17433.]

Employees may not be queueing up for statutory paternity or adoption pay, but why is Government-owned and publicly subsidised CalMac changing the arrangements?

Why change from state benefits to CalMac benefits or from guaranteed benefits to broadly equivalent benefits? Why cannot the CalMac employees continue to enjoy all the benefits that apply to every other taxpayer in Scotland? Finally, if there is to be no financial change for employees or financial advantage to CalMac in the tendering process, what is the objective of, or reason for, the Executive-backed move to offshore contracts for CalMac staff?

16:20

Tommy Sheridan: We have just heard a speech from a Conservative member that should put the new Labour members to shame, because she spoke up more for the workforce than any Labour member has been prepared to do. We have also had the debacle of another Tory member expressing sympathy with the plight of the new Labour members. Those members can try to run or hide and they can use terms such as "creative avoidance" about other members, but the reality is that they are going to vote today to privatise a public service. I think that Michael McMahon used the term "the rules of the game", but we are not playing cricket; we are talking about people's jobs and the future of communities.

If we accept the rules of the game, we must accept the STUC's comment today that

"if Calmac fails to win the contract there is ultimately no protection against dismissal and a serious shadow will be cast over the Calmac pension scheme."

The STUC goes on to say:

"Even if the TUPE transfer of undertakings rules were to apply, they would not protect the pension scheme".

Of course, if we accept the rules of the game, the minister cannot stand here and tell us that CalMac is going to win the tender, because if he did, he would be breaking European rules on tendering. That is the sort of knot that we get into when we accept the rules of a game that is already rigged against us. The problem is that the Executive has accepted the rules of a game that is rigged against public service provision and retention and against the best possible wages and conditions for staff as an outcome.

I would like to hear from one of the Labour members who spoke. I listened to Maureen Macmillan, Michael McMahon, Des McNulty and wee Duncan McNeil—who has had creatively to avoid my summing up—when they said that Labour members are responsible for our having the debate today. Are they telling us that what was on offer in December was so bad and terrible that they could not bring themselves to vote for it, whereas today everything has changed, even though we have not had any concrete changes in the tender specification document?

Of course, the reason why none of them has stood up is that if they told us that the reason why they did not back the Executive in December was because the deal that was on the table was so bad, they would then have to explain why 34 of their colleagues backed the Executive. Only 15 Labour members abstained in that vote, which means that, without all the so-called conditions and safeguards that we now have, 34 of them backed the sell-off of the service. The truth underneath the skin of new Labour is that those members are not protecting and defending workers, but privatising a public service.

New Labour members tell us that if we do not back the Executive today, we will endanger the workers and make their jobs more vulnerable. That is an insult from those members. Do they seriously believe that the STUC would have lobbied us this afternoon and issued us with briefing notes if that was the case? Is the STUC saying "Please back the Executive because workers' jobs will be vulnerable if you don't"? I say no to new Labour members. The STUC states:

"Considering the very real issues outlined above, the STUC strongly urges MSPs to vote against the Executive's motion this afternoon."

I repeat:

"the STUC strongly urges MSPs to vote against the Executive's motion this afternoon."

There we have it. That is the voice of the trade unionists and the workers, which Labour members are going to ignore because—apparently—they represent those workers' interests.

The truth is that Labour members are taking us down a very dangerous path. How many times are they going to succumb to the diktat of the European Union before they stand up and say no? Even Des McNulty, who is not known for his militancy, now says that we should wait a wee minute and ask whether we can continue to implement everything that the European Union tells us to implement.

Now is the time to stand up and be counted. If it is not now, when will it be? These are lifeline services—jobs and communities rely on them. We urge all members to back the SNP's amendment. I will back it and I hope that it is agreed to. If the SNP amendment is not agreed to, I ask members to back the amendment in my name because we must not take a decision today that will be disastrous not only for CalMac workers and the communities that they serve, but for other public services in the future. If the European Union can get away with this, it will get away with further forced privatisation.

16:27

Mr Alasdair Morrison (Western Isles) (Lab): I am grateful to the Executive for fulfilling its undertaking to bring the issue back to the Parliament at the earliest possible opportunity.

The Minister for Transport and Telecommunications, Tavish Scott, began by reflecting on a journey that he made a few weeks ago in my constituency—he left the blessed island of North Uist and went northwards to the Isle of Harris—and rightly highlighted the excellence of the service that Caledonian MacBrayne staff are delivering on that route and on others. There are four ferry ports in my constituency with links to the mainland and two internal routes, one of which the minister recently sailed on.

Whatever the Executive is or is not guilty of, it can certainly not be accused of failing to examine all the options that are open to it. The issue that we are debating has been on-going for five years, and Tavish Scott and his predecessors have been meticulous in their efforts to find alternatives to tendering. They have indeed examined the papers that the academics have produced.

I will refer to what members from all parties have said. Tavish Scott explained in detail what is happening to lifeline services in other member states. It is easy for single-issue protest groups such as the SNP to bask in the luxury of knowing that their outrageous, populist, law-breaking strategies will be ignored by responsible

Governments—Duncan McNeil rightly referred to “creative avoidance”. The lead nationalist on the issue, Fergus Ewing, began by urging the Executive to establish a task force to examine all the issues. He may need a task force of academics to interpret the contents of a pre-infractions proceedings letter that is currently on the secretary of state’s table, but Labour members certainly do not need a task force to tell us what its contents mean for the workers and islanders that Caledonian MacBrayne serves.

Fergus Ewing: Will the member take an intervention?

Mr Morrison: I am going to make progress. I have heard enough from Mr Ewing for a lifetime, never mind an afternoon.

My colleague Michael McMahon forensically and properly posed some excellent questions. He asked whether the Opposition was willing to play fast and loose with the existing services and jobs and about what will happen in our communities. The short answer is: “Of course the Opposition is willing to do so.” It advocates a strategy of delay that would be devastating for my constituents. Proceedings following the pre-infractions proceedings letter would be escalated, subsidy would cease to be paid to CalMac and the services that people are enjoying even as we debate the matter would cease to exist. Islanders from the island of Arran to the Butt of Lewis would suffer.

Phil Gallie of the Conservative party took us on his usual anti-European tour de force—I hope that he will forgive my using that expression. If we needed any confirmation that we are doing the right thing, we got it when Mr Gallie said that he was at one with Mr Ewing.

The Tories are irresponsibly advocating that we dismiss the bundling of routes. That would certainly be an irresponsible and retrograde step. Bundling the routes protects the smaller islands, their communities and the ferry workers; it is an important concession secured by Sarah Boyack four years ago.

Phil Gallie: The member has slightly misinterpreted me; I said that I had sympathy with Fergus Ewing’s arguments.

The member, as Tommy Sheridan suggested, is in effect saying that the STUC is wrong. Will he emphasise that in his speech?

Mr Morrison: The STUC is absolutely right when it says that we, as responsible legislators, should get on with the business of protecting jobs and workers and the communities that we serve. I am at one with the STUC on that issue. However, we disagree on how we get there.

Maureen Macmillan, having been a reporter on the previous Transport and the Environment

Committee, put the issue before us in its proper context. This is not a matter that we have just stumbled upon in recent weeks; it has been subject to debate, investigation and lobbying ad nauseam, all of which leads us to exactly where we are today. Importantly, she also highlighted the fault line in the SNP over the bundling issue. Who do we listen to? Who do we believe? Is it Kenny MacAskill, who supports bundling, or is it Mr Mather, who wants to unravel the protection that we have sought and secured for the islands and for the workforce?

Jim Mather: Will the member take an intervention?

Mr Morrison: I have only two minutes left. I apologise to Mr Mather.

I tried to follow the logic of Mr Mark Ballard of the Greens, and, as always, it was a challenge. He failed to mention the extraordinary work undertaken by the Green party on this important issue. I am happy to confirm, having consulted my colleague, Mr Muldoon, that not one Green MSP ever turned up for any of the Local Government and Transport Committee’s deliberations since this matter was debated last year. That is all that need be said about the Green party and its position.

Duncan McNeil passionately and rightly highlighted the difference between those of us who are committed to CalMac and our islands and the rhetoric merchants who claim that this is a secret privatisation agenda. It most certainly is not. This is about the continuation of subsidy payments to Caledonian MacBrayne to ensure the continuation of services and the protection of jobs.

Des McNulty was absolutely right to say that we should learn from this episode; it would be wrong of us not to examine what has happened over the past few years so that we can apply the lessons in future.

I am not dewy-eyed about Caledonian MacBrayne; I know that it is not a blemishless entity. We all know its weaknesses—weaknesses that are firmly the responsibility of a lethargic and sometimes cumbersome management. We all recall the episode over the Stornoway to Ullapool route when the management of Caledonian MacBrayne refused, despite repeated claims, to put a freight ferry on that route. We now have that service, which frees up space on the car ferry and grows the route year by year.

I am certainly not going to mention in detail the outrageous episode in CalMac’s history when an establishment figure slithered into the position of chairman of the company, helped by his pals in the civil service. Until very recently, islanders never appeared on the short list for CalMac board membership—only the same dreary old St Andrew’s House regulars appeared and were duly appointed. We have changed that.

Today, the board has people who actually use the services—the islanders. They, in common with all other islanders, want to see this process brought to a conclusion. None of us wants to see the fragmentation of Caledonian MacBrayne. The important point is that fragmentation would compromise safety. All of us should endorse objectives that would enable us to maintain and improve ferry services to our island communities so that we can provide the best-quality services. By that, I do not mean the cheapest services. We should do our utmost to protect the interests of the workers by securing the best possible protection under EU rules and UK employment law. The best way to do that is to support the Executive motion and reject firmly the Opposition amendments.

16.34

Mr Jamie McGrigor (Highlands and Islands)

(Con): I start by saying that it is a good thing that two members on the Executive front bench actually live in coastal or island communities and use ferries. They must know something about them. That is about the best I can say for them—there is nothing else good that I can say about them.

It is also good to hear Tommy Sheridan back in full cry; he is always better, I think, when he is on his own. It is a shame that his colleagues will not be here to vote with him against what he thinks is the privatisation of CalMac. I do not agree, however, that it will be the privatisation of CalMac. In fact, I think that it will be the opposite.

On 8 December, the Executive's plans to tender the CalMac ferry network were defeated in the Parliament after a lengthy debate. I am surprised that the Executive wants to bring the matter back for debate again, as it only highlights its shambolic handling of the whole process, which has led to an inexcusable level of confusion and uncertainty for CalMac and its employees, for any potential competitors and for the people in both mainland and island communities who depend on the ferry services. Furthermore, the process has wasted vast sums of taxpayers' money.

The debate will once again highlight the fact that the main reason why the tendering process is going ahead is to appease unelected EU officials. Why will the Executive not take a far more robust view in relation to the European Commission's role? What is happening now sets an alarming precedent. Surely a devolved Scottish Government should be up to organising ferry services in Scotland. It seems, however, that the Government would rather that the EU performed that task for it.

It is high time that the Liberal-Labour coalition put our interests before those of the European

Commission. It is time that it stopped passing the buck and wasting money that could be spent on improving lifeline ferry services. We have already had this debate, so the Parliament's time and Scottish people's money are being wasted. The most important thing for politicians to ensure is that the people who depend on the ferries get a good service that is modern and flexible and which adapts to the changing needs of its users.

We might think that the Executive could have learned a lesson from the sorry saga of NorthLink, whose contract to run the Orkney and Shetland ferry services should have lasted until 2007 but had to be retendered three years early because the company lost so much money. How can it be that Mr Andrew Banks can run an unsubsidised ferry service between Orkney and Caithness and stay in business when the NorthLink service costs the Executive £100,000 a day to keep going—and that is over and above the millions of pounds of subsidy that NorthLink has already received? Should we ask Mr Banks how he does it? Something has to change.

Three weeks ago, I visited Shetland, Orkney and Caithness. Orkney farmers produce some of the best livestock in Scotland. Above all, they produce an abundant supply of quality beef that goes direct to the abattoirs all year round. That is exactly what the supermarkets are crying out for: an uninterrupted supply of a quality product. That is what Orkney can deliver. To do so, the farmers need reliable livestock freight transport, but that is not being provided to the standard that is required. That sector of business is so important to the Orcadians, yet the needs and details of livestock transport were never properly described in the previous tender process. The current proposals will be very expensive and wholly inadequate.

It is not just for Orkney but for Shetland, the Western Isles, Tiree and Coll and many other islands that livestock freight is so important. If ferry operators do not get a full brief on what they are expected to provide, how can they put in a realistic tender to fulfil the needs of a particular route?

George Lyon: Will Mr McGrigor take an intervention?

Mr McGrigor: I cannot take an intervention—I do not have time, I am afraid.

Why has the Scottish Executive so far refused to divulge the costs for the various routes that are served by CalMac?

George Lyon: Will the member take an intervention?

Mr McGrigor: Not just at the moment.

I would like to know which routes might be profitable. Would not other members like to know? In this new era of freedom of information,

information on CalMac routes is not forthcoming. If it was available, the losing and winning routes would become clear and there could be smaller route bundles. I would hope that some healthy competition would build up, such as that provided by Western Ferries and Andrew Banks's Pentland Ferries. Such competition could mean that, in the end, the subsidies might go to the areas where they are most needed.

George Lyon: Will the member take an intervention?

Mr McGrigor: No. The minister would not take mine, and I do not have time. However, I will see if I have time at the end of my speech.

The idea of subsidising a profitable route seems absurd. Western Ferries, which is an excellent company, has operated the Hunter's Quay to McInroy's point route with enormous success, and the people of Dunoon have benefited from the great public spirit that was shown by Western Ferries with its 24-hour help for the Scottish Ambulance Service.

We are against the proposed tendering because it will do nothing to improve services and the process will simply waste money that could be spent on better disability access on ferries or on disability equality training for CalMac staff. Any tendering process should include improved access for the disabled. Things have changed. There are now more elderly people who need just a little extra care.

Tendering will set routes and timetables in stone, when they must be flexible to suit changing conditions and needs. The people of Stendal in Germany managed to keep their buses free from any tendering process, and Westminster supported the German position. Why can German buses get a derogation when Scottish ferries cannot? What would Winston Churchill, Nye Bevan or Jo Grimmond have said about the situation?

CalMac is a famous old company with a safety record that is second to none, but this Government is undermining it. I really hate to say this, but the real hypocrites on this issue are the Lib Dems. Nicol Stephen told the business in the Parliament conference on Friday 9 September that we can "lobby the EU" and

"not simply accept what the EU gives us".

He went on to say that

"we should engage and make a difference ... in the development of the regulations."

Iain MacMillan, director of CBI Scotland, praised Mr Stephen's attitude, insisting:

"just because a law has been approved by the Council of Ministers, that doesn't mean that we should accept it ...

Nicol is quite right—we should be telling Brussels where they are going wrong."

Why does the Executive not tell Brussels where it is going wrong?

16:41

Jim Mather (Highlands and Islands) (SNP): I am here to support Fergus Ewing and encourage the Parliament to reject the motion. I seek an apology from the minister for the break-the-law canard that we have heard this afternoon and want to hold Alasdair Morrison and Maureen Macmillan to account for the untrue statements that they have made that we have ever advocated route-by-route tendering—not true.

I ask the minister to address in his closing remarks the damning condemnations in today's editorial in *The Herald*. Given what I have heard today, he must be asking himself, as he prepares to close the debate, whether the proposals are really appropriate for the west coast, whether it is really appropriate to accept tendering without a fight and why the EC has not said "tender" publicly. Could it be that it is not keen to have the further decline of the west coast on its conscience and record? Today we have been asking the minister whether it is right to dismiss and distort academics' input without giving them the right of reply. Is it right to dismiss the idea of a task force when such a move can easily be justified? Is the minister not increasing the risk, as he said last night, of his being held to account over the lack and dubious nature of safeguards, as spelled out by Professor Neil Kay, for CalMac employees and customers?

George Lyon: Will the member give way?

Jim Mather: George Lyon is going to have to accept that my questions are rhetorical today, because I want what I am saying to be on the record and I want the guys up the back to have it as ammunition to strengthen their argument.

George Lyon: Will the member take an intervention?

Jim Mather: No. I am taking no interventions—this is the Duncan McNeil school.

The process has been delayed enough. We must ensure that the right thing is done and that the west coast has a secure, safe, value-for-money service that meets the evolving needs of the communities that it serves. The Executive motion and document put such a service at risk by dismissing and distorting the extensive pro bono advice of academics and ignoring the logical option of creating, with a little more time, a task force that could either make the case for avoiding tendering or produce a better tendering proposition.

The Executive offers no justification for its approach other than assertion. That can only erode confidence and trust and can do nothing to repair the damage that has already been done. In fact, this is beginning to look like the Gavin McCrone strategy of 30 years ago, which tried to take the wind out of the SNP's sails, missed the target and instead took the wind out of Scotland's sails for a generation. The motion and strategy might be designed to take the wind out of the EC's sails, but they too will miss the target and take the wind—and the cultural continuity—out of the west coast's sails.

I have to say to the Executive that it even started on a weak basis with a limited policy objective that lacks noble and worthy aims and which is now being shaped to deliver, with other policies and policy omissions, negative, unintended consequences that could devastate the Highlands and Islands.

As far as the Clyde and Hebrides ferry services are concerned, Executive policy seeks to ensure

"the provision of a suitable standard of transport connection, in terms of quality, frequency and capacity, to island and remote peninsular communities; that ferry fares and freight charges are not excessive; that ferry services are delivered efficiently; and that the necessary level of service is provided for the minimum amount of public subsidy."

That is all well and good, but I have a serious criticism. As I have said, there is no high-level aim and without a noble, worthy aim, there is no system. Without such an aim we cannot optimise a system or get better results. I suggest that the noble aim would be to play a full and constructive role in optimising population, demographic balance and economic activity on the west coast.

The fact is that our west coast ferry services are part of an overall transportation system that consists of several components—the passengers, the carriers, the shippers that they serve, the employees of the carriers, shippers and suppliers, the communities that they serve, the environment, the nation and Government agencies—all of which are interdependent.

I resent being forced to oppose free-market competition but that is necessary in this abnormal situation of the Executive's making, which condemns the economy of the west coast to underperformance. In other words, while tendering could satisfy the EC, remove any legal threat, absolve the Executive of further worry and freeze the cost of ferry services, it would have a negative effect on every user of the services and on the economy of the west coast.

George Lyon: Will the member give way?

Jim Mather: I have already said that I will not take any interventions.

Surely the objective must be to play a positive part in optimising the system, which concerns the entire economy of the west coast. Treating the EC requirement for non-discrimination in the contracting of ferry services on our vulnerable west coast as an issue that must result in tendering and must minimise the direct impact on the public purse might be entirely the wrong thing to do. I am not alone in believing that more routes, more appropriate vessels, increased frequencies, higher reliability and lower fares would strengthen the economy of the west coast, resulting in a higher population, more visitors, an increased tax take and lower social security payments, which would result in financial neutrality or better. Precipitate tendering puts all of that at risk. If Duncan McNeil was still here, he would hear me say that headquarters jobs will be the first to go, especially if an Irish or European provider took over. The Labour members might not realise that, but the people sitting in the public gallery do.

It is clearly time at least to challenge the orthodoxy of tendering and offer a different approach to compliance based on the task force and the production of a case for developing the existing model. Surely there is potential to cut and defend an Altmark-style deal. Latitude can be offered to a bus company in affluent Bavaria with the support of the UK Government, but the fact is that the proposition that has been outlined by the minister today offers the prospect of a quiet life for the Executive and the European Commission. It will also produce a much quieter and poorer west coast of Scotland and the diminution of one of our nation's greatest natural assets.

That is why the question that is facing the Parliament is whether our west coast ferry services are to be an enabler or an inhibitor. The subsidiary question is why there has been no attempt to evaluate the impact on the west coast of a higher population, higher visitor numbers, a bigger tax take and lower social security payments.

With that in mind, it is ironic that the Executive's position is being supported by Liberal Democrat MSPs who represent island and mainland ferry users and who also believe in increased tax powers for this Parliament and will be selling that idea in manifestos that will be published before the tendering process is complete. What is even more inexplicable is that the negative impact will be increased unless the Executive acts on the need for more material relocation of civil service jobs to our west coast and opposes the UK pension policies that are about to destroy the availability of housing for people who want to live and work in the Highlands.

I have, therefore, no hesitation in supporting the amendment in Fergus Ewing's name.

16:48

Tavish Scott: I begin by apologising for having shown my frustration this afternoon. I did not mean to do that but, occasionally, the genuine feelings in debates become too much for us and, this afternoon, I got frustrated by the utter nonsense that was talked by a lot of members of the Opposition parties. However, if I overdid it in an inappropriate manner, I apologise.

It was genuinely interesting for us to be accused by the SSP of privatisation and by the Conservatives of nationalisation and of stitching up the contract. As for the SNP, I do not know what its position is apart from buying a little time at the cost of subsidy, jobs and services to the islands. We are not prepared to pay that price. The devolved Government cannot allow infraction proceedings that would put the Clyde and Hebrides service at risk; only the SNP, which is in opposition, has the option of expressing such a view. I will happily give way to Jim Mather if he can say whether he and his party support the Kay proposals that support route-by-route tendering.

Jim Mather: We do not support route-by-route tendering. I have told the minister that before.

Tavish Scott: SNP members do not support the Kay proposals; yet, half of them have spent the whole afternoon saying that they do support them. On one hand, they want a task force; on the other hand, they want to break the law. Now they do not want route-by-route tendering, except that Jim Mather, in an earlier answer, pretty much gave the game away on that one as well. The SNP does not know what its position is; its only position is that it wants another academic exercise.

As Michael McMahon and other colleagues have made absolutely clear, sometimes—and this is such a time—Governments have to make decisions and cannot just have more academic exercises. As a Government, we have made clear our commitment to protect the workforce; to improve and maintain the services that we see as important; and to provide lifeline services, particularly for the islanders who depend on them.

To Brian Adam, who made one of the more sensible points, on Audit Scotland's investigation, I say that we will look at that. I said that yesterday, but Mr Adam was not at the Local Government and Transport Committee meeting. I made it quite clear that the Executive welcomes that investigation. We will look closely at the Auditor General for Scotland's recommendations. There is no question but that the invitation to tender will be issued after the Auditor General has reported. In that sense, there is time—I am very clear about that. I give the commitment that there will be time to take on board any lessons to be learned from the NorthLink tendering exercise. The Executive

genuinely believes that improvements can be made to the process, and if the Auditor General can make solid recommendations on that front, we will consider them.

At no time in their speeches did Brian Adam and Mary Scanlon, who also raised that point, recognise that the core responsibility of the Executive in the provision of services is to maintain lifeline services. That is a provision that we will maintain because that is Government's responsibility.

Brian Adam: Having given an assurance that he will take into consideration the outcome of the Auditor General's report for the CalMac tender, can the minister tell us whether he will do so also for the retender of the NorthLink contract?

Tavish Scott: I cannot slow that process up. However, if there are particular points and lessons that come out of that report—I have no doubt that the Auditor General will make immediate findings—we will consider what we can do in that regard as well.

The costs of tender were debated yesterday in committee and this afternoon in Parliament. Yes, we must face increased costs, but we do not apologise for incurring extra costs when that is done to protect pensions and to ensure that the taxpayer and the Parliament retain the ships in public ownership, so that, in the transfer, we hold on to those assets. Yes, there are costs to that, but those costs are important and they are costs that the Parliament and the devolved Government are prepared to pay.

To Des McNulty I say that we would welcome any work that he and his colleagues on the Finance Committee could do in that regard. I include the SNP members in that. If they could make a constructive contribution to that work, that would be very helpful—we will wait and see. What we have heard from the Opposition benches is an awful lot of blame game being played. If we could move the debate forward and look for some positive solutions, I would be only too happy, but I suspect that I will be waiting for some time.

For the Conservatives to lecture us all on lessons of the past really is rich. I will read from *Hansard* of 24 June 1992 what was said by John MacGregor—one of those famous Tory transport ministers, of which there were many. I hope that the Conservatives do not mind my quoting their former minister directly. In relation to the introduction of the maritime cabotage rules, which the Conservative Government of the day wholly supported, he said:

"I also hope that during the United Kingdom presidency"—

the Tories had the EU presidency in addition to everything else—

“the Community will take forward the increasingly rigorous application of the state aid rules in the transport sector so as to provide for full and proper competition in the single market.”—[*Official Report, House of Commons*, 24 June 1992; Vol 210, c 248W.]

Phil Gallie will love that last bit. That was the position of the Conservative party.

Mr Davidson: Will the minister give way?

Tavish Scott: I will answer David Davidson's question because he suggested that we have done nothing to improve the services, but George Lyon and many others pointed that we have provided five new ferries since 2000—the Hebrides, the Loch Nevis, the Loch Portain, the Coruisk and the Bute.

The Conservatives want to unbundle the CalMac network, allow the free market to operate and ensure that we lose all the advantages that are afforded by the bundled network. We would lose the maximum flexibility of the fleet to best serve the network. We would lose the simplified safety management structure. Dare I say it, there are many safety parallels with railways following the Conservatives' disastrous rail privatisation. We would lose the prevention of cherry picking and the opportunity to use economies of scale and, if we went with the Conservatives, we would lose the integrated nature of the services. We are not prepared to do any of that, but if Mr Davidson is willing to stand up and say that he has got it wrong, I will be more than happy to give way.

Mr Davidson: Will the minister guarantee that the tender process is a true and open one that will encourage others to come along and possibly offer better value for money and improvement in services? As I said earlier, I am not interested in diminishing the services. We seek improvements, efficiencies and sustainability. Is the minister saying that the tender process will be truly open or is it, as I suspect, a stitch up?

Tavish Scott: The Executive is determined to ensure that the services improve. However, that will happen only if we tender them as one bundle, and that is not the Conservatives' position. They would destroy the network by breaking it up. Mr Davidson cannot sit there and have it both ways; he cannot argue it from both sides—only Fergus Ewing can do that.

Fergus Ewing was very quiet on the subject of pensions today. He lost that argument big time yesterday and he did not raise it much today. It is important that Parliament is reminded of what he suggested. He told ministers and the Executive that we should tell trustees of pension funds what to do. In fact, he says that we should have done that months ago. Would he have then been on his

feet announcing a press release lecturing us all about being in contempt of Parliament? I think that he would, but he cannot have it both ways.

Fergus Ewing: I am grateful that the minister has given me an opportunity to add a point that I omitted to make in my original speech. At no time, anywhere, in any forum or in any debate have I ever suggested that the Executive should direct the trustees to do anything. I have said that, for six years, the trustees have been waiting in vain for the Executive's plans. They have expressed their concern about that to me in writing. Even now they have received no plans and the minister has not answered the question: will he clear the deficit or not?

Tavish Scott: Fergus Ewing is telling me what to do again and he is telling me that I should tell the trustees what to do. He just does not get it. He does not understand the crucial difference between making decisions in a position of responsibility and standing barracking from the Opposition.

I will finish by talking about the consistency of the EC's message on tendering. The one thing that I do not believe any MSP can criticise is the consistency of that message. Maureen Macmillan was right to say that many delegations have gone to the EC on this issue during the six years for which the Scottish Parliament has been responsible for the services. Those delegations have crossed many political boundaries and included many members of local authorities. Those delegations have also included the SNP and it is important to share a press release that was issued by the SNP's Alyn Smith MEP on 14 March. After a meeting that was well trailed in the press in advance and at which, we were told, the SNP would sort the issue out, he said:

“I feel more confident having met the Commission that a sensible way can be found to this issue. The meeting was a free and frank exchange of views”—

I bet it was—

“so I am limited in the extent to which I can comment upon the Commission view.”

Mr Ewing and Mr Mather were there on 2 September—it says so in *The Press and Journal*, so it must be true—but the SNP issued not a single press release afterwards. The Commission's position has been clear.

Our position is also clear. Our position is that we want to protect the workforce, to maintain and improve the services and to protect the lifeline services; the position of the Opposition parties would do the opposite of that.

Budget Process (Written Agreements)

17:00

The Presiding Officer (Mr George Reid): The next item of business is consideration of motions S2M-3234 and S2M-3235, in the name of Des McNulty, on behalf of the Finance Committee, on written agreements in respect of the budget process.

Motions moved,

That the Parliament notes the two written agreements on the budgeting process between the Finance Committee and (a) the Scottish Parliamentary Corporate Body and (b) the Scottish Commission for Public Audit (SP Papers 399 and 400 respectively) and agrees their terms.

That the Parliament notes the three written agreements on the budgeting process between the Finance Committee and the Scottish Executive on the budgeting process (SP Paper 398) and agrees their terms.—[*Des McNulty.*]

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

Business Motion

17:00

The Presiding Officer (Mr George Reid): The next item of business is consideration of business motion S2M-3275, in the name of Margaret Curran, on behalf of the Parliamentary Bureau, setting out a business programme.

Motion moved,

That the Parliament agrees the following programme of business—

Wednesday 21 September 2005

2.30 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Environment and Rural Development Committee Debate: 5th Report, 2005, Inquiry into Climate Change

followed by Standards and Public Appointments Committee Debate: 6th Report, 2005, Draft Code of Practice for Ministerial Appointments to Public Bodies in Scotland

followed by Business Motion

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Thursday 22 September 2005

9.15 am Parliamentary Bureau Motions

followed by Scottish Green Party Business

11.40 am General Question Time

12 noon First Minister's Question Time

2.15 pm Themed Question Time—
Environment and Rural Development;
Health and Community Care

2.55 pm Executive Debate: Report of the Cultural Commission

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Wednesday 28 September 2005

2.30 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Executive Business

followed by Business Motion

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Thursday 29 September 2005

9.15 am Parliamentary Bureau Motions
followed by Justice 2 Committee Debate: 9th Report, 2005, Inquiry into Youth Justice
 11.40 am General Question Time
 12 noon First Minister's Question Time
 2.15 pm Themed Question Time—Justice and Law Officers; Enterprise, Transport and Lifelong Learning
 2.55 pm Executive Business
followed by Parliamentary Bureau Motions
 5.00 pm Decision Time
followed by Members' Business.—[*Ms Margaret Curran.*]

Motion agreed to.

Parliamentary Bureau Motions

17:01

The Presiding Officer (Mr George Reid): The next item of business is consideration of 15 Parliamentary Bureau motions. I ask Margaret Curran to move motions S2M-3255 to S2M-3259, on approval of Scottish statutory instruments; motions S2M-3260 to S2M-3267, on committee substitutes; and motions S2M-3268 to S2M-3269, on designations of lead committees.

Motions moved,

That the Parliament agrees that the Food Protection (Emergency Prohibitions) (Amnesic Shellfish Poisoning) (West Coast) (No. 5) (Scotland) Order 2005 (SSI 2005/379) be approved.

That the Parliament agrees that the Food Protection (Emergency Prohibitions) (Amnesic Shellfish Poisoning) (West Coast) (No. 6) (Scotland) Order 2005 (SSI 2005/384) be approved.

That the Parliament agrees that the Food Protection (Emergency Prohibitions) (Amnesic Shellfish Poisoning) (West Coast) (No. 7) (Scotland) Order 2005 (SSI 2005/391) be approved.

That the Parliament agrees that the Food Protection (Emergency Prohibitions) (Amnesic Shellfish Poisoning) (West Coast) (No. 8) (Scotland) Order 2005 (SSI 2005/410) be approved.

That the Parliament agrees that the Food Protection (Emergency Prohibitions) (Paralytic Shellfish Poisoning) (East Coast) (Scotland) Order 2005 (SSI 2005/415) be approved.

That the Parliament agrees that Mr David Davidson be appointed to replace Mr Ted Brocklebank as the Scottish Conservative and Unionist Party substitute on the Audit Committee.

That the Parliament agrees that Alex Johnstone be appointed to replace John Scott as the Scottish Conservative and Unionist Party substitute on the Communities Committee.

That the Parliament agrees that Bill Aitken be appointed as the Scottish Conservative and Unionist Party substitute on the Equal Opportunities Committee.

That the Parliament agrees that Derek Brownlee be appointed to replace Murdo Fraser as the Scottish Conservative and Unionist Party substitute on the European and External Relations Committee.

That the Parliament agrees that John Scott be appointed as the Scottish Conservative and Unionist Party substitute on the Finance Committee.

That the Parliament agrees that Murray Tosh be appointed as the Scottish Conservative and Unionist Party substitute on the Local Government and Transport Committee.

That the Parliament agrees that Murdo Fraser be appointed to replace Murray Tosh as the Scottish Conservative and Unionist Party substitute on the Procedures Committee.

That the Parliament agrees that Mr Ted Brocklebank be appointed to replace Alex Johnstone as the Scottish Conservative and Unionist Party substitute on the Subordinate Legislation Committee.

That the Parliament agrees that the Local Government and Transport Committee be designated as lead committee and that the Standards and Public Appointments Committee be designated as secondary committee in consideration of the draft Public Appointments and Public Bodies etc. (Scotland) Act 2003 (Amendment of Specified Authorities) Order 2005.

That the Parliament agrees that the Local Government and Transport Committee be designated as lead committee and that the Standards and Public Appointments Committee be designated as secondary committee in consideration of the draft Public Appointments and Public Bodies etc. (Scotland) Act 2003 (Treatment of Office or Body as Specified Authority) Order 2005.—[*Ms Margaret Curran.*]

The Presiding Officer: The question on the motions will be put at decision time, to which we now come.

Decision Time

17:01

The Presiding Officer (Mr George Reid):

There are nine questions to be put as a result of today's business. The first question is, that amendment S2M-3253.3, in the name of Fergus Ewing, which seeks to amend motion S2M-3253, in the name of Tavish Scott, on Clyde and Hebrides lifeline ferry services, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

Adam, Brian (Aberdeen North) (SNP)
 Baird, Shiona (North East Scotland) (Green)
 Ballance, Chris (South of Scotland) (Green)
 Ballard, Mark (Lothians) (Green)
 Byrne, Ms Rosemary (South of Scotland) (SSP)
 Canavan, Dennis (Falkirk West) (Ind)
 Cunningham, Roseanna (Perth) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Gibson, Rob (Highlands and Islands) (SNP)
 Grahame, Christine (South of Scotland) (SNP)
 Harper, Robin (Lothians) (Green)
 Harvie, Patrick (Glasgow) (Green)
 Hyslop, Fiona (Lothians) (SNP)
 Ingram, Mr Adam (South of Scotland) (SNP)
 Lochhead, Richard (North East Scotland) (SNP)
 MacAskill, Mr Kenny (Lothians) (SNP)
 MacDonald, Margo (Lothians) (Ind)
 Martin, Campbell (West of Scotland) (Ind)
 Marwick, Tricia (Mid Scotland and Fife) (SNP)
 Mather, Jim (Highlands and Islands) (SNP)
 Matheson, Michael (Central Scotland) (SNP)
 Maxwell, Mr Stewart (West of Scotland) (SNP)
 McFee, Mr Bruce (West of Scotland) (SNP)
 Morgan, Alasdair (South of Scotland) (SNP)
 Neil, Alex (Central Scotland) (SNP)
 Robison, Shona (Dundee East) (SNP)
 Ruskell, Mr Mark (Mid Scotland and Fife) (Green)
 Scott, Eleanor (Highlands and Islands) (Green)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinburne, John (Central Scotland) (SSCUP)
 Swinney, Mr John (North Tayside) (SNP)
 Turner, Dr Jean (Strathkelvin and Bearsden) (Ind)
 White, Ms Sandra (Glasgow) (SNP)

AGAINST

Alexander, Ms Wendy (Paisley North) (Lab)
 Arbuckle, Mr Andrew (Mid Scotland and Fife) (LD)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, Richard (North East Scotland) (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)

Eadie, Helen (Dunfermline East) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Gallie, Phil (South of Scotland) (Con)
 Gillon, Karen (Clydesdale) (Lab)
 Glen, Marlyn (North East Scotland) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Gorrie, Donald (Central Scotland) (LD)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (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)
 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)
 Maclean, Kate (Dundee West) (Lab)
 Macmillan, Maureen (Highlands and Islands) (Lab)
 Martin, Paul (Glasgow Springburn) (Lab)
 May, Christine (Central Fife) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)
 McMahon, 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)
 Murray, Dr Elaine (Dumfries) (Lab)
 Oldfather, Irene (Cunninghame South) (Lab)
 Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Pringle, Mike (Edinburgh South) (LD)
 Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)
 Radcliffe, Nora (Gordon) (LD)
 Robson, Euan (Roxburgh and Berwickshire) (LD)
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)
 Scott, Tavish (Shetland) (LD)
 Smith, Iain (North East Fife) (LD)
 Smith, Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Wallace, Mr Jim (Orkney) (LD)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

ABSTENTIONS

Aitken, Bill (Glasgow) (Con)
 Brocklebank, Mr Ted (Mid Scotland and Fife) (Con)
 Brownlee, Derek (South of Scotland) (Con)
 Davidson, Mr David (North East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Fergusson, Alex (Galloway and Upper Nithsdale) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Miss Annabel (West of Scotland) (Con)
 Johnstone, Alex (North East Scotland) (Con)
 McGrigor, Mr Jamie (Highlands and Islands) (Con)
 McLetchie, David (Edinburgh Pentlands) (Con)
 Milne, Mrs Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 Tosh, Murray (West of Scotland) (Con)

The Presiding Officer: The result of the division is: For 37, Against 64, Abstentions 16.

Amendment disagreed to.

The Presiding Officer: The second question is, that amendment S2M-3253.2, in the name of David Davidson, which seeks to amend motion S2M-3253, in the name of Tavish Scott, on Clyde and Hebrides lifeline ferry services, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

Aitken, Bill (Glasgow) (Con)
 Brocklebank, Mr Ted (Mid Scotland and Fife) (Con)
 Brownlee, Derek (South of Scotland) (Con)
 Davidson, Mr David (North East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Fergusson, Alex (Galloway and Upper Nithsdale) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gallie, Phil (South of Scotland) (Con)
 Goldie, Miss Annabel (West of Scotland) (Con)
 Johnstone, Alex (North East Scotland) (Con)
 McGrigor, Mr Jamie (Highlands and Islands) (Con)
 McLetchie, David (Edinburgh Pentlands) (Con)
 Milne, Mrs Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Scanlon, Mary (Highlands and Islands) (Con)
 Tosh, Murray (West of Scotland) (Con)

AGAINST

Adam, Brian (Aberdeen North) (SNP)
 Alexander, Ms Wendy (Paisley North) (Lab)
 Arbuckle, Mr Andrew (Mid Scotland and Fife) (LD)
 Baillie, Jackie (Dumbarton) (Lab)
 Baird, Shiona (North East Scotland) (Green)
 Baker, Richard (North East Scotland) (Lab)
 Ballance, Chris (South of Scotland) (Green)
 Ballard, Mark (Lothians) (Green)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Byrne, Ms Rosemary (South of Scotland) (SSP)
 Canavan, Dennis (Falkirk West) (Ind)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Cunningham, Roseanna (Perth) (SNP)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Eadie, Helen (Dunfermline East) (Lab)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Gibson, Rob (Highlands and Islands) (SNP)
 Gillon, Karen (Clydesdale) (Lab)
 Glen, Marlyn (North East Scotland) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Gorrie, Donald (Central Scotland) (LD)
 Grahame, Christine (South of Scotland) (SNP)
 Harper, Robin (Lothians) (Green)
 Harvie, Patrick (Glasgow) (Green)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (Lab)

Hyslop, Fiona (Lothians) (SNP)
 Ingram, Mr Adam (South of Scotland) (SNP)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lochhead, Richard (North East Scotland) (SNP)
 Lyon, George (Argyll and Bute) (LD)
 MacAskill, Mr Kenny (Lothians) (SNP)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 MacDonald, Margo (Lothians) (Ind)
 Macintosh, Mr Kenneth (Eastwood) (Lab)
 Maclean, Kate (Dundee West) (Lab)
 Macmillan, Maureen (Highlands and Islands) (Lab)
 Martin, Campbell (West of Scotland) (Ind)
 Martin, Paul (Glasgow Springburn) (Lab)
 Marwick, Tricia (Mid Scotland and Fife) (SNP)
 Mather, Jim (Highlands and Islands) (SNP)
 Matheson, Michael (Central Scotland) (SNP)
 Maxwell, Mr Stewart (West of Scotland) (SNP)
 May, Christine (Central Fife) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)
 McFee, Mr Bruce (West of Scotland) (SNP)
 McMahon, Michael (Hamilton North and Bellshill) (Lab)
 McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Morgan, Alasdair (South of Scotland) (SNP)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 Murray, Dr Elaine (Dumfries) (Lab)
 Neil, Alex (Central Scotland) (SNP)
 Oldfather, Irene (Cunninghame South) (Lab)
 Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Pringle, Mike (Edinburgh South) (LD)
 Purvis, Jeremy (Tweeddale, Etrick and Lauderdale) (LD)
 Radcliffe, Nora (Gordon) (LD)
 Robison, Shona (Dundee East) (SNP)
 Robson, Euan (Roxburgh and Berwickshire) (LD)
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)
 Ruskell, Mr Mark (Mid Scotland and Fife) (Green)
 Scott, Eleanor (Highlands and Islands) (Green)
 Scott, Tavish (Shetland) (LD)
 Sheridan, Tommy (Glasgow) (SSP)
 Smith, Iain (North East Fife) (LD)
 Smith, Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Wallace, Mr Jim (Orkney) (LD)
 White, Ms Sandra (Glasgow) (SNP)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

ABSTENTIONS

Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Swinburne, John (Central Scotland) (SSCUP)
 Turner, Dr Jean (Strathkelvin and Bearsden) (Ind)

The Presiding Officer: The result of the division is: For 16, Against 98, Abstentions 3.

Amendment disagreed to.

The Presiding Officer: The third question is, that amendment S2M-3253.1, in the name of Tommy Sheridan, which seeks to amend motion S2M-3253, in the name of Tavish Scott, on Clyde and Hebrides lifeline ferry services, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

Adam, Brian (Aberdeen North) (SNP)
 Baird, Shiona (North East Scotland) (Green)
 Ballance, Chris (South of Scotland) (Green)
 Ballard, Mark (Lothians) (Green)
 Byrne, Ms Rosemary (South of Scotland) (SSP)
 Canavan, Dennis (Falkirk West) (Ind)
 Cunningham, Roseanna (Perth) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Gibson, Rob (Highlands and Islands) (SNP)
 Grahame, Christine (South of Scotland) (SNP)
 Harper, Robin (Lothians) (Green)
 Harvie, Patrick (Glasgow) (Green)
 Hyslop, Fiona (Lothians) (SNP)
 Ingram, Mr Adam (South of Scotland) (SNP)
 Lochhead, Richard (North East Scotland) (SNP)
 MacAskill, Mr Kenny (Lothians) (SNP)
 MacDonald, Margo (Lothians) (Ind)
 Martin, Campbell (West of Scotland) (Ind)
 Marwick, Tricia (Mid Scotland and Fife) (SNP)
 Mather, Jim (Highlands and Islands) (SNP)
 Matheson, Michael (Central Scotland) (SNP)
 Maxwell, Mr Stewart (West of Scotland) (SNP)
 McFee, Mr Bruce (West of Scotland) (SNP)
 Morgan, Alasdair (South of Scotland) (SNP)
 Neil, Alex (Central Scotland) (SNP)
 Robison, Shona (Dundee East) (SNP)
 Ruskell, Mr Mark (Mid Scotland and Fife) (Green)
 Scott, Eleanor (Highlands and Islands) (Green)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinburne, John (Central Scotland) (SSCUP)
 Swinney, Mr John (North Tayside) (SNP)
 Turner, Dr Jean (Strathkelvin and Bearsden) (Ind)
 White, Ms Sandra (Glasgow) (SNP)

AGAINST

Aitken, Bill (Glasgow) (Con)
 Alexander, Ms Wendy (Paisley North) (Lab)
 Arbuckle, Mr Andrew (Mid Scotland and Fife) (LD)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brocklebank, Mr Ted (Mid Scotland and Fife) (Con)
 Brown, Robert (Glasgow) (LD)
 Brownlee, Derek (South of Scotland) (Con)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Davidson, Mr David (North East Scotland) (Con)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Eadie, Helen (Dunfermline East) (Lab)

Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Fergusson, Alex (Galloway and Upper Nithsdale) (Con)
 Finnie, Ross (West of Scotland) (LD)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gallie, Phil (South of Scotland) (Con)
 Gillon, Karen (Clydesdale) (Lab)
 Glen, Marlyn (North East Scotland) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Goldie, Miss Annabel (West of Scotland) (Con)
 Gorrie, Donald (Central Scotland) (LD)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (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)
 Johnstone, Alex (North East Scotland) (Con)
 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)
 Maclean, Kate (Dundee West) (Lab)
 Macmillan, Maureen (Highlands and Islands) (Lab)
 Martin, Paul (Glasgow Springburn) (Lab)
 May, Christine (Central Fife) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)
 McLetchie, David (Edinburgh Pentlands) (Con)
 McMahon, Michael (Hamilton North and Bellshill) (Lab)
 McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Milne, Mrs Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 Murray, Dr Elaine (Dumfries) (Lab)
 Oldfather, Irene (Cunninghame South) (Lab)
 Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Pringle, Mike (Edinburgh South) (LD)
 Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)
 Radcliffe, Nora (Gordon) (LD)
 Robson, Euan (Roxburgh and Berwickshire) (LD)
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, Tavish (Shetland) (LD)
 Smith, Iain (North East Fife) (LD)
 Smith, Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Tosh, Murray (West of Scotland) (Con)
 Wallace, Mr Jim (Orkney) (LD)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

ABSTENTIONS

Munro, John Farquhar (Ross, Skye and Inverness West) (LD)

The Presiding Officer: The result of the division is: For 37, Against 78, Abstentions 1.

Amendment disagreed to.

The Presiding Officer: The fourth question is, that motion S2M-3253, in the name of Tavish Scott, on Clyde and Hebrides lifeline ferry services, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

Alexander, Ms Wendy (Paisley North) (Lab)
 Arbuckle, Mr Andrew (Mid Scotland and Fife) (LD)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, Richard (North East Scotland) (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)
 Eadie, Helen (Dunfermline East) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Gillon, Karen (Clydesdale) (Lab)
 Glen, Marlyn (North East Scotland) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Gorrie, Donald (Central Scotland) (LD)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (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)
 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)
 Maclean, Kate (Dundee West) (Lab)
 Macmillan, Maureen (Highlands and Islands) (Lab)
 Martin, Paul (Glasgow Springburn) (Lab)
 May, Christine (Central Fife) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)
 McMahon, 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)
 Murray, Dr Elaine (Dumfries) (Lab)
 Oldfather, Irene (Cunninghame South) (Lab)
 Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Pringle, Mike (Edinburgh South) (LD)
 Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)
 Radcliffe, Nora (Gordon) (LD)
 Robson, Euan (Roxburgh and Berwickshire) (LD)
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)
 Scott, Tavish (Shetland) (LD)
 Smith, Iain (North East Fife) (LD)
 Smith, Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)

Wallace, Mr Jim (Orkney) (LD)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

AGAINST

Adam, Brian (Aberdeen North) (SNP)
 Aitken, Bill (Glasgow) (Con)
 Baird, Shiona (North East Scotland) (Green)
 Ballance, Chris (South of Scotland) (Green)
 Ballard, Mark (Lothians) (Green)
 Brocklebank, Mr Ted (Mid Scotland and Fife) (Con)
 Brownlee, Derek (South of Scotland) (Con)
 Byrne, Ms Rosemary (South of Scotland) (SSP)
 Canavan, Dennis (Falkirk West) (Ind)
 Cunningham, Roseanna (Perth) (SNP)
 Davidson, Mr David (North East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Fergusson, Alex (Galloway and Upper Nithsdale) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gallie, Phil (South of Scotland) (Con)
 Gibson, Rob (Highlands and Islands) (SNP)
 Goldie, Miss Annabel (West of Scotland) (Con)
 Grahame, Christine (South of Scotland) (SNP)
 Harper, Robin (Lothians) (Green)
 Harvie, Patrick (Glasgow) (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, Margo (Lothians) (Ind)
 Martin, Campbell (West of Scotland) (Ind)
 Marwick, Tricia (Mid Scotland and Fife) (SNP)
 Mather, Jim (Highlands and Islands) (SNP)
 Matheson, Michael (Central Scotland) (SNP)
 Maxwell, Mr Stewart (West of Scotland) (SNP)
 McFee, Mr Bruce (West of Scotland) (SNP)
 McGrigor, Mr Jamie (Highlands and Islands) (Con)
 McLetchie, David (Edinburgh Pentlands) (Con)
 Milne, Mrs Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Morgan, Alasdair (South of Scotland) (SNP)
 Neil, Alex (Central Scotland) (SNP)
 Robison, Shona (Dundee East) (SNP)
 Ruskell, Mr Mark (Mid Scotland and Fife) (Green)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, Eleanor (Highlands and Islands) (Green)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinburne, John (Central Scotland) (SSCUP)
 Swinney, Mr John (North Tayside) (SNP)
 Tosh, Murray (West of Scotland) (Con)
 Turner, Dr Jean (Strathkelvin and Bearsden) (Ind)
 White, Ms Sandra (Glasgow) (SNP)

ABSTENTIONS

Munro, John Farquhar (Ross, Skye and Inverness West) (LD)

The Presiding Officer: The result of the division is: For 63, Against 53, Abstentions 1.

Motion agreed to.

That the Parliament welcomes the Scottish Executive's further detailed consideration of the EU requirements relating to the Clyde and Hebrides lifeline ferry services; notes the serious consequences of these services not being compatible with the regulations; recognises the

Executive's commitment to secure the continued employment of the Caledonian MacBrayne workforce and the protection of their terms, conditions and pension rights, and acknowledges that the tendering of the Clyde and Hebrides lifeline ferry services is required to protect these vital services.

The Presiding Officer: The fifth question is, that motion S2M-3234, in the name of Des McNulty, on behalf of the Finance Committee, on the budget process written agreements, be agreed to.

Motion agreed to.

That the Parliament notes the two written agreements on the budgeting process between the Finance Committee and (a) the Scottish Parliamentary Corporate Body and (b) the Scottish Commission for Public Audit (SP Papers 399 and 400 respectively) and agrees their terms.

The Presiding Officer: The sixth question is, that motion S2M-3235, in the name of Des McNulty, on behalf of the Finance Committee, on the budget process written agreements, be agreed to.

Motion agreed to.

That the Parliament notes the three written agreements on the budgeting process between the Finance Committee and the Scottish Executive on the budgeting process (SP Paper 398) and agrees their terms.

The Presiding Officer: I propose to ask a single question on motions S2M-3255 to S2M-3259. The question is, that motions S2M-3255 to S2M-3259, in the name of Margaret Curran, on the approval of Scottish statutory instruments, be agreed to.

Motions agreed to.

That the Parliament agrees that the Food Protection (Emergency Prohibitions) (Amnesic Shellfish Poisoning) (West Coast) (No. 5) (Scotland) Order 2005 (SSI 2005/379) be approved.

That the Parliament agrees that the Food Protection (Emergency Prohibitions) (Amnesic Shellfish Poisoning) (West Coast) (No. 6) (Scotland) Order 2005 (SSI 2005/384) be approved.

That the Parliament agrees that the Food Protection (Emergency Prohibitions) (Amnesic Shellfish Poisoning) (West Coast) (No. 7) (Scotland) Order 2005 (SSI 2005/391) be approved.

That the Parliament agrees that the Food Protection (Emergency Prohibitions) (Amnesic Shellfish Poisoning) (West Coast) (No. 8) (Scotland) Order 2005 (SSI 2005/410) be approved.

That the Parliament agrees that the Food Protection (Emergency Prohibitions) (Paralytic Shellfish Poisoning) (East Coast) (Scotland) Order 2005 (SSI 2005/415) be approved.

The Presiding Officer: I propose to ask a single question on motions S2M-3260 to S2M-3267. The question is, that motions S2M-3260 to S2M-3267, in the name of Margaret Curran, on committee substitutes, be agreed to.

Motions agreed to.

That the Parliament agrees that Mr David Davidson be appointed to replace Mr Ted Brocklebank as the Scottish Conservative and Unionist Party substitute on the Audit Committee.

That the Parliament agrees that Alex Johnstone be appointed to replace John Scott as the Scottish Conservative and Unionist Party substitute on the Communities Committee.

That the Parliament agrees that Bill Aitken be appointed as the Scottish Conservative and Unionist Party substitute on the Equal Opportunities Committee.

That the Parliament agrees that Derek Brownlee be appointed to replace Murdo Fraser as the Scottish Conservative and Unionist Party substitute on the European and External Relations Committee.

That the Parliament agrees that John Scott be appointed as the Scottish Conservative and Unionist Party substitute on the Finance Committee.

That the Parliament agrees that Murray Tosh be appointed as the Scottish Conservative and Unionist Party substitute on the Local Government and Transport Committee.

That the Parliament agrees that Murdo Fraser be appointed to replace Murray Tosh as the Scottish Conservative and Unionist Party substitute on the Procedures Committee.

That the Parliament agrees that Mr Ted Brocklebank be appointed to replace Alex Johnstone as the Scottish Conservative and Unionist Party substitute on the Subordinate Legislation Committee.

The Presiding Officer: I propose to ask a single question on motions S2M-3268 to S2M-3269. The final question tonight is, that motions S2M-3268 to S2M-3269, in the name of Margaret Curran, on the designation of lead committees, be agreed to.

Motions agreed to.

That the Parliament agrees that the Local Government and Transport Committee be designated as lead committee and that the Standards and Public Appointments Committee be designated as secondary committee in consideration of the draft Public Appointments and Public Bodies etc. (Scotland) Act 2003 (Amendment of Specified Authorities) Order 2005.

That the Parliament agrees that the Local Government and Transport Committee be designated as lead committee and that the Standards and Public Appointments Committee be designated as secondary committee in consideration of the draft Public Appointments and Public Bodies etc. (Scotland) Act 2003 (Treatment of Office or Body as Specified Authority) Order 2005.

Future of Crofting

The Deputy Presiding Officer (Murray Tosh):

The final item of business this evening is a members' business debate on motion S2M-3219, in the name of John Farquhar Munro, on the future of crofting. The debate will be concluded without any question being put.

Motion debated,

That the Parliament recognises the importance of crofting to the social and economic life of the Highlands and Islands and wishes to see the continuation of sustainable crofting communities; shares the concerns of crofting communities, such as those in Skye and Lochalsh and throughout the crofting counties, regarding the threat to crofting communities from the lack of action by the Crofters Commission over the decrofting of land and sale of crofts, and from absentee crofters and dereliction; believes that crofting tenancies should not be sold on the open market which is currently allowing local people to be outbid by those with no understanding of, or long-term commitment to, crofting and the crofting community, and further believes that if this continues it will, in a generation, lead to the end of crofting in everything but name.

17:09

John Farquhar Munro (Ross, Skye and Inverness West) (LD): I am delighted that we have been able to get this debate in the Parliament. I thank everyone for coming and for waiting to hear what we have to say.

I lodged the motion because the draft Crofting Reform etc Bill does not seem to address the concerns of many crofters. The position is best summed up by the Scottish Crofting Foundation's submission to the Scottish Executive, which simply says:

"There is a perception in the crofting"

counties

"that there is a move to get rid of ... crofting"

by

"decreasing regulation ... and allowing market forces to become increasingly dominant ... in relation to the transfer of crofts ... This perception is not dispelled by this Bill, which in failing to address ... the ... issues ... is likely, perhaps as much by omission as action, to foster the gradual loss"

of crofting.

The draft bill has serious omissions. As members all know, crofting bills do not come round often, so we cannot let this one pass without taking the opportunity to address the threats that crofting faces. Croft tenancies are already being sold at market value. A 50-acre croft tenancy in my constituency was recently transferred for just short of £100,000, which was several times the unit's agricultural value. One does not have to be a rocket scientist to work out that, at that price, the

land is intended to be used for housing development and certainly not for crofting.

The problem arises from three factors. The first is the demand for housing, the second is the use of crofting as a proxy to deliver affordable housing because of planning system failures and the third is the Crofters Commission's unwillingness or inability to enforce basic crofting regulations. Croft land is traded at near market value only because the commission does not enforce the regulation of its tenure as it should.

For example, at Taynuilt in Argyll this year, an absentee crofter managed to decroft his land to create 10 housing sites. The Crofters Commission argued that because the croft had planning permission for housing, it had to allow the decrofting. That may be so—although it is questionable—but the main question remains: what did the commission do in previous years to ensure that the land was properly used? The answer is nothing. Because the crofter owned his land, the Crofters Commission did nothing when it could and should have imposed a tenant on him.

In the Taynuilt case, many in the crofting counties were angry that the commission was seen to have done nothing when it could at least have tried to challenge the situation at the Scottish Land Court. The similarity between that case and the Scottish Executive affair at Ferguson's shipyard springs to mind, because both the Executive and the commission rolled over and did nothing. Today, the same roll-over situation has happened with Caledonian MacBrayne.

It is strange that in many ways the Taynuilt case has been beneficial, because it has brought into sharp focus the existing system's shortcomings. It has made crofters think about what really needs to be done to secure crofting for the next century.

Many suggestions have been made to improve crofting legislation. At the top of everyone's list is that the Crofters Commission should start to do its job. It already has the teeth, but it must be given a duty to use them.

In the past few weeks, I have made detailed suggestions to ministers in writing, in which I included some of the following ideas. First, on all new croft assignments, crofters should be subject to a 10-year probationary period during which they cannot exercise the right to buy. They should also have to show that they are using the land for agricultural purposes. That would deter those who do not farm a croft.

Secondly, the time in which the previous landowner is entitled to half the value of land that is sold, decrofted or used for development—the five-year rule—should be increased to about 15 years, to prevent property speculation.

Thirdly, the Crofters Commission must have a duty to resume crofts that are not in active use, whether they are tenanted or owned, and to reassign new tenants to them. It must also actively resume crofts from absentees.

I and many others feel that the draft bill is an open door for people who are on the make and who try to exploit crofting land for housing and second homes. We require a system that ensures that crofting remains an agriculturally based community activity. We need a system that, while not discouraging development, firmly closes the door on so-called carpetbaggers. We need legislation that sustains crofting for future generations. That is what any new legislation must do, but I fear that the draft bill does not do that.

I urge the minister to sit down with crofters and their representatives to radically redraft the bill. Last week, I was encouraged to hear the First Minister suggest in his address to the Parliament on the Executive's legislative programme that the Executive would consult the crofting community extensively on the detail in the draft bill. I hope that he will honour his commitment to do that and I urge the minister to do likewise.

Any new legislation that will affect crofting should be seriously considered. I suggest that the legislation that has governed crofting for the past 120 years has served crofters well. It has retained crofting in the crofting communities and I see no reason to change it. If it is not broken, why try to fix it?

17:17

Mr Alasdair Morrison (Western Isles) (Lab): I begin by warmly congratulating John Farquhar Munro on securing this debate. Between us, we must represent the vast majority of Scotland's crofters. I also intimate that I am unable to remain for the whole debate due to a prior engagement, which was in my diary before the motion for tonight's debate was published. I will, of course, catch up with what other members said and, importantly, with what the Deputy Minister for Environment and Rural Development says in her response.

Shortly after the general election in 1997, the then Scottish Office published a paper that was to form the basis of how the Scottish Parliament was to progress reform of the iniquitous system of land ownership that had existed in Scotland for too long. Today, we have on the statute book an act of Parliament—the Land Reform (Scotland) Act 2003—that is a living, breathing memorial to the many people through the ages who fought for such legislation. Indeed, the minister who steered the act through the Parliament, Allan Wilson, is sitting beside me.

The post-1997 Labour Government ensured that the legislation was duly delivered. In my constituency, communities now proudly clutch the act and they are on the march; whether in South Uist, Galson or Pairc, crofting communities are at the advanced stages of ensuring that they take ownership of their land. The estates of North Harris and Bhaltois in Uig are already in the bag, and sitting serenely in the midst of all that legitimate agitation is the oldest publicly owned estate in Scotland, the Stornoway Trust.

That was, and is, the Land Reform (Scotland) Act 2003. We must now ensure that the Crofting Reform etc Bill complements it and does not in any way, shape or form detract from or dilute the philosophy that underpins that historic piece of legislation. I and my colleague Maureen Macmillan are members of the Parliament's Environment and Rural Development Committee, which will deal with the bill. Indeed, we intend to invite ministers—I think it will be Mr Finnie in the first instance—to discuss the contents of the draft bill with us early in November. That will afford the committee its first formal opportunity to discuss the draft bill and there will be many opportunities to effect change.

Although we all recognise that there are many areas of concern in the draft bill, I was encouraged and pleased to hear a crofters commissioner, Roddy Murray from Ness in Lewis, extolling the virtues of one of the proposals that it contains—that is, to make proper legislative provision to create more crofts in the crofting counties. He said that it is an overdue and necessary mechanism to help to address issues surrounding population decline and other related important socioeconomic matters.

We must all recognise that there are areas in the proposed legislation that must be greatly improved upon—either deleted or given some major parliamentary surgery—and, where necessary, the Executive must be prepared to introduce elements that do not currently feature in the draft bill. That is all possible. The Scottish Crofting Foundation has now recovered from the darkest hours of its existence; the shameful Ian Rideout era has now, thankfully, passed and the SCF is rejuvenated, focused and doing exactly what its members expect from it.

Let no one claim that the issue is simple or straightforward. A hurried discussion in the corner of a room in this institution will not produce the form of words that will transform the bill and make it fit for purpose. The formal parliamentary process will begin shortly and I am encouraged that both Ross Finnie and Rhona Brankin will engage constructively. I note from the *West Highland Free Press* that Rhona Brankin is already engaging with seasoned campaigners. No one understands the issues better than old land campaigners such as

our mutual friend, Brian Wilson, who was, incidentally, the chief architect of the 1997 Scottish Office paper that I referred to earlier.

I most sincerely hope that voices and views across Scotland will be listened to, and Rhona Brankin has already assured me informally that that will happen. The committee will also provide an important forum for that type of expression. If we take as our starting and finishing point the principle that the principal use of croft land must be land based, we will head in the right direction and will have an end point that is as constructive as the end point for what is now the Land Reform (Scotland) Act 2003.

17:21

Rob Gibson (Highlands and Islands) (SNP): I, too, welcome the debate and I thank John Farquhar Munro for having secured the chance to discuss the matter. This is a unique year in legislation—a year in which we are discussing a housing bill, a planning bill and a crofting bill. We have also discussed transport, which affects crofting, and I am afraid to say that we did not do that very well today. Each of those areas impinges on the others. Planning law changes need to be made. Planning law must begin to deal with the land that is in crofting townships and with the way in which common grazings are used. If there is a need to get land for housing, it must come not out of land for agricultural use but from the inby land. However, unless local plans start to reflect that, we will not be in a position to do anything about the demand for housing in many crofting areas, apart from within crofting families themselves.

The Housing (Scotland) Bill deals with the regulation of various aspects of private housing. We really need it to dovetail with the need to find housing in crofting areas, because the pressure is placed on the very land that we are trying to retain in crofting tenure.

When I made my submission on the draft Crofting Reform etc Bill, I stated that the SNP is committed to sustainable crofting communities and that the Executive faces a challenge to make the legislation fit for 2005 and beyond. We want to have a constructive dialogue that allows the potential of each area to come to the fore. There are many abuses in the existing system, and the situation is summed up by the argument that the Crofters Commission ought to be regulating and using its powers more strongly, as John Farquhar Munro mentioned.

Who asked the civil servants to draft the bill? When we do some pre-legislative scrutiny, with members of the Environment and Rural Development Committee asking ministers what they think about the consultation, perhaps we will

begin to tease out whether there are other things that we should be doing to meet the needs that I have talked about. The subject is huge.

When Rhona Brankin told Jamie Stone in a written answer that 53 people had responded to the consultation exercise in writing, I asked her how many responded by e-mail. In fact, 55 people responded by e-mail. I thank her for giving me that answer last night. There is wide interest in the matter, and the names of the respondents who have let their names be known show us that there is an abundance of ideas. We expect ministers to analyse the responses and to put them on the net so that they are available for others to do the same.

I have taken time to discuss those matters because so many issues will come up. The extension of crofting tenure is the logical extension of what we want to do to safeguard crofting and make it sustainable. The anomalies that are thrown up by the potential to create new crofts where landlords are unwilling for that to be done on the Isle of Arran and other places are something to which the bill will have to adjust because extending crofting outside the crofting areas was previously dismissed.

We then come to the idea of small agricultural tenants, such as the small landholders under the Small Landholders (Scotland) Act 1911, trying to use the crofting bill to find some redress for being missed out of previous landlord and tenant arrangements. We are presented with a great mix of issues.

Above all, there must be a commitment on the part of the Government to give a lead. As the landlord of many crofting estates, it could set an example to all landlords by drawing up modern maps of those estates and making another round of efforts to encourage people to become involved in the development of the estates, because so far such efforts have not worked.

17:26

Mr Jamie McGrigor (Highlands and Islands) (Con): I am sure that most members who will speak in the debate agree that crofting is a good thing and should be encouraged to continue. Crofting is a way of life that has stood the test of time. Through eras of extreme poverty and of comparative wealth, crofting has always been helped by the Conservatives when we have been in government. We feel that crofting must now be helped to ride the latest wave of trouble: a bill that, if wrongly drafted, could bring about crofting's demise.

In areas such as Stornoway, crofting has knit together town and country and has developed the skills that have enabled people to exist healthily

under extremely harsh conditions. Crofting must move with the times. Given that agriculture happens to be at a low ebb in every department and that we are experiencing a housing boom, it is easy for people to give up, take the money and run. That is understandable, but many crofters do not want to go down that road. It is essential that crofting land is still available for those people and for young, would-be crofters, but it cannot be available if many of the best bits are under concrete and brick buildings that are inhabited by people who have never fed a cow, never dipped a sheep and never dug a drain.

Although we certainly agree with the crofters' right to buy, I do not see why land that is owned by a crofter should be regulated differently from land that is rented by a crofter: it is still crofting land until it is decrofted. The inby land, at any rate, has been improved by endless hours of hard work over the centuries. The inby crofting land, where some crops can be grown, often fits in with environmental schemes that produce income. In places such as North Uist, the crops that are grown play a huge role in sustaining the richest stock of wild birds in Europe, which brings in tourists and attracts income—sometimes from Scottish Natural Heritage and RSPB Scotland. Income is important.

The inby land is the heart of the croft land. It is wrong to say that new crofts can be created out of apportionments of common grazings—that is an ignorant suggestion. The inby land is where grazing animals can be fattened to achieve increased income for the crofter. If a croft is created on the common grazing, where is the common grazing for that new croft? Common grazings are often inaccessible, but where there is some access or where new access can be built, that land, rather than the inby land, is the place for extra houses.

I know Taynuilt very well as I live close by. It is certainly a crofting community with different townships in the near vicinity but, above all, it is a crofting community. I was amazed by the decision of the Crofters Commission to decroft some of the best land in the middle of the village. The decision not only went against the view of the vast majority of the locals, but it stopped several young crofting applicants who would have been happy to take on the croft. That was a sad farce that I hope will not be repeated, but it could easily be repeated if the bill fails to protect existing crofting land. I cannot believe that the Crofters Commission, the remit of which, after all, is to defend the interests of crofters, has acted in crofters' interests in Taynuilt on this occasion, except perhaps in the interests of one absentee landlord crofter who stands to make an enormous profit.

I reiterate that the bill should protect land. Crofting land, or certainly inby crofting land, should not be available for planning purposes unless the land has first been decrofted or is for buildings that are relevant to the people who live on the croft or which are part of the crofting business. The process should be regulated by the Crofters Commission. It should check that crofts are kept in a fit state for agriculture, which it is meant to do in any case.

Minister Brankin has stated that the Crofters Commission is powerless to refuse a decrofting once the local authority has granted planning permission. If a decision has already been taken by a body with no real interest in crofting—in other words, the local planning authority—why do we have reports from Scottish Executive Environment and Rural Affairs Department officials and public Crofters Commission hearings?

17:31

Eleanor Scott (Highlands and Islands) (Green): I thank John Farquhar Munro for securing this important debate. I also thank all members of the cross-party group on crofting, especially those who travelled a great distance, for managing to get to the fairly hastily convened meeting this lunch time. Further, I thank the Deputy Minister for Environment and Rural Development for managing to come to the meeting, which was a useful information-sharing session.

I want to emphasise the positive value of crofting. I believe that, if we get it right, the proposed crofting bill could offer a huge opportunity to extend crofting and its benefits not only in the existing crofting areas but in other parts of Scotland.

Crofting is a cultural system that has common land, in the form of common grazings, at its heart. It involves sharing the land and its benefits and co-operating in its management. Instead of concentrating on individual property rights, more emphasis needs to be placed on those communal values and on strengthening support for crofting communities.

Sometimes, the Executive seems not to appreciate the communal values of crofting. Common grazings committees are not even entitled to apply for the latest system of agricultural subsidy, the land management contracts, so the vast bulk of crofting land is excluded from that support. Let us see more and not less support for land that is shared. Let us see support for township shepherds, cattle clubs and community-supported agriculture on the common land, for example. Such ideas have more to do with the way in which SEERAD deals with

agricultural subsidies, so I recognise that they are not likely to be part of the new bill, but they are worth flagging up nonetheless.

The sale of croft tenancies on the open market is a problem, but there may not be a direct way of prohibiting the practice. If the Executive were to regulate crofting properly and to ensure that those who take on a croft use it as a croft, it would at least eliminate those who want not a croft but a house. As members know only too well, affordable housing is a problem in the crofting counties, as it is everywhere else in Scotland. We also have a lot of empty and vacant land, but crofting land, particularly improved crofting land, should not be seen as a soft target for land for much-needed housing.

One way of taking the heat out of a market in which demand outstrips supply is to increase supply. I hope that the bill will be used to create literally thousands of new crofts throughout Scotland. I am thinking of woodland crofts on Forestry Commission lands and new crofting townships on land that belongs in the first instance to the Scottish Executive, which can show the way on the issue. I also believe that the right to buy should not be included for the new crofts that are to be created under the bill. A supply of tenanted crofts is needed to allow young people to enter into crofting.

I said that crofts must be used as crofts. Unusually, I echo the words of Alasdair Morrison on the subject. I agree with what he said about the use of crofts for land-based activities. Currently, when a croft assignment comes before it, the Crofters Commission can assess an applicant's business plan and how they will use the croft to see if they will be suitable tenants. However, the commission has no means of policing things thereafter. It has no power to check whether the plan is put into place.

I was glad to hear this lunch time that the commission is providing an aftercare service in some areas through which it helps people to put their management plans into place. That is excellent news and the service should be extended. Ultimately, a measure of enforcement is needed. A debate is needed on the subject. I would like to see local communities doing it. One point that emerged clearly from the meeting today is the need to join up crofting legislation with other bits of legislation, notably the forthcoming planning bill. It also needs to be joined up with the Executive's forward strategy for agriculture and its rural development strategy.

Another issue that was raised was the interface between crofting and planning. Other members have mentioned the subject and I will not go into it in any detail, particularly as I am short of time.

Crofting has many positive values including the potential to provide high-quality local food. Let us support it. The increase in crofting land values is a problem. However, it would be a tragedy if it were to lead to an erosion in crofting values such as local food production, self-sufficiency and the shared use of common ground. The crofting culture and its ethos are equally as important as crofting's undoubted environmental benefits.

17:35

Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): I, too, offer my warmest congratulations to John Farquhar Munro on securing the debate. What is the future strategy for crofting? That is the question at the heart of the debate. Like John Farquhar Munro, I feel that the draft Crofting Reform etc Bill does not, as it stands, make that clear, so I will outline what many of us believe that the Parliament should agree on as a future strategy.

I am convinced that the strategy should be about sustaining the local population that already lives on and works the land of our crofting townships. It should be about giving the children of those people a viable future in the historic land of their fathers and their forefathers. We should look at the matter this way: Scotland is a diamond, each facet different and special in its own way. The unique Highland way of life is one of those facets. We must protect and enhance it.

Our fragile environment in the Highlands depends on a sustainable method of agriculture—the Executive has done good work in that regard. Linked to the special way that people have managed the land for generations is a culture and a language. All those factors in turn create a unique way of life, which is a key support to tourism in the Highlands. That tourism is itself part and parcel of the viability of crofting, by which I am referring to the croft bed and breakfast and the croft tea shop. We can all think of similar businesses in the crofting counties.

The strategy that I commend to the Parliament is about sustainable land management combined with sustaining remote communities and their culture in a way that underpins and boosts tourism and our environment. However, as it stands, the draft bill will do nothing to restrain the wild, foreign beast of market forces. It will do nothing to restrain the whirlwind spiral in croft values that accelerates the sale of crofts and land only to those with the deepest of pockets—and there are few deep pockets in the Highlands.

Crofts, whether tenanted or owner occupied, are already changing hands at prices that practically no local can afford, as John Farquhar Munro said. I quote from a letter that I received yesterday from a constituent:

"Just last week a small croft here with a very poor house has just changed hands for around the £100,000 mark. This is causing resentment locally, and is leading to a considerable division within what used to be a wonderfully coherent society where we all used to work together."

There we have it. With the virtual disappearance of affordable housing in the Highlands, we can see the nature of the dagger that is pointed at all those who live in and love the Highlands.

However, John Farquhar Munro and others have pointed the way forward. The draft bill must be changed so that it will halt and reverse the damage, rather than accelerate it. It must impel the Crofters Commission to make full use of its powers. The bill must give the commission new powers, in particular a power regularly to inspect an owner-occupier's land management regime and, if that is inadequate, a power to impose a new tenant. That would create a big hole in the property speculation balloon.

Eleanor Scott rightly referred to another necessary change, but I will go further: the bill must firmly state that there should be a presumption against property development on good-quality agricultural land. Goodness knows, there is quite enough stony ground in the Highlands. In parallel, as Eleanor Scott said, the forthcoming planning bill must express the same sentiments in equally strong language. Those two pieces of legislation must say one and the same thing. To me and to all those who live in and love the Highlands, the issue is simply too important for anything else to happen. I support John Farquhar Munro's motion.

17:39

Maureen Macmillan (Highlands and Islands) (Lab): All of us in the chamber are grateful to John Farquhar Munro for lodging the motion. The consultation on the draft Crofting Reform etc Bill has raised a number of issues and worries in crofting communities, as he and others outlined.

John Farquhar Munro and Alasdair Morrison have an advantage over most of us, as they are the genuine article—they are genuine crofters. Like others, I am just an onlooker. However, I do not romanticise crofting; I know that some crofters do not work their land. I hate to see the crofts in some parts of the western Highlands where there are only nettles, thistles, rushes and rusting cars. I wonder what on earth can be done about that and why something is not being done. I do not want that to be the future of crofting, nor do I want the future of crofting to be what I saw in a solicitor's window in Dingwall recently: three crofting assignments up for sale, with upset prices of £50,000, £60,000 and £80,000. I wondered what the real price would be, who would get the crofts and what they would do with the land when they

got it. Would they just keep a pony or would they genuinely want to work the land?

We must have mechanisms to remedy the situation in which land that could be used for agriculture is neglected and the situation in which people with deep pockets can buy crofts and not too many questions are asked about what they do with them afterwards. There are two main concerns. The first is that the Crofters Commission should have sufficient powers to deal with crofters who do not use their land properly. The second is that there should be a way of regulating the housing market as it impinges on crofts. It is obvious from some high-profile cases—such as the case in Taynuilt that was mentioned and others in Shetland and Tiree—that the crofting community feels insufficiently consulted in the planning process. Local authorities make housing decisions that shock the local crofting community when they are put into practice.

We must get the balance right between the housing needs of the non-crofting community and the needs of crofting. We must reward retiring crofters and encourage incomers who are genuine crofting enthusiasts. One Shetland crofter has said that they do not care whether people come from Lithuania, Hungary or wherever, as long as they want to croft, because we need more crofters coming into our communities. However, we must be careful not to disadvantage young local people who are seeking their first croft. A balancing act is required.

No one solution will fit all the areas from Shetland to the Black Isle. We need to be aware of local circumstances, especially where housing pressure impinges on crofting. If we can deal with the pressured housing areas through housing legislation, surely we can, through the draft bill, protect crofting areas that are under similar pressure. At the cross-party group meeting today, the Crofters Commission hinted that it could perhaps consider that matter and find a way of dealing with specific problems in certain areas.

As others have said, the planners, the commission and the crofting communities must work together to ensure that crofting is not overwhelmed in areas where there is high housing pressure, but the crofting community must be prepared to co-operate in tackling housing needs, perhaps by releasing parts of common grazings, although that is not always appropriate.

17:43

Jim Mather (Highlands and Islands) (SNP): I, too, warmly commend John Farquhar Munro—a respected friend and sometime fellow traveller—for securing the debate. I also put on record the apologies of Fergus Ewing, who has to honour a

commitment to meet people who attended the CalMac debate earlier.

Crofting is all about the common good and the public interest in productive management of land and retention of an active population. The draft bill's stated objective is worthy: it aims to develop crofting legislation, not so much in the historic defensive sense, but more as a means of active development to ensure that crofting, crofters and the crofting communities continue and prosper.

However, as Jamie Stone said, the crofters would like that aim to be beefed up; they want the strengthening of sustainable crofting communities, with the Government sharing the concerns of those communities. I am delighted that that is in process tonight. Without that, the concerns of the Scottish Crofting Foundation will remain. It recently stated:

"There is a perception in the crofting community that there is a move to get rid of the crofting system through decreasing regulation for the system and allowing market forces to be increasingly dominant".

It also said that that "perception is not dispelled" by the bill, which

"is likely, perhaps as much by omission as action, to foster the gradual loss of this unique system."

No member wants that to happen.

The commercial world is leaning heavily on all parts of Scotland and there is a feeling that market forces are likely to erode the core principle of crofting law and the security of crofting tenants that that law provides. That has even led Brian Wilson to say in the *West Highland Free Press*:

"All history suggests that the new interventionist powers of the commission would be in the same category—a fig-leaf of protection for a system which would be totally ruled by money, to the widespread exclusion of the local population. That is the true logic of this Draft Bill."

I am confident that that will change and will be addressed.

Matters as they stand are exacerbated by the implicit risks in the new pensions legislation. I am looking for support for a parliamentary motion that I have lodged on new pension rules that are to be introduced in April 2006, which will allow people to put residential property on to their personal pensions. Essentially, that means that higher-rate taxpayers will be able to buy any property with up to 40 per cent discount, which would clearly be damaging for other local people. Awareness of that issue and what we are discussing, combined with support and action, are needed, because the combined effects of the new pensions legislation and the measures in the draft crofting bill could be absolutely catastrophic. We must take every step to avoid that catastrophe.

Steve McCombe, who is a crofter from Harris, has written that not protecting croft land from housing developments and allowing wind farms and the like to be built on croft land were attempts to solve Highlands and Islands-wide issues at the expense of crofting. Crofting is too big a baby to throw out with the bathwater—the bill needs to be redrafted and the legitimate and material concerns must be fully addressed. In that context, I warmly support John Farquhar Munro's motion.

17:47

Mr Ted Brocklebank (Mid Scotland and Fife)
(Con): I, too, congratulate John Farquhar Munro on securing this important debate.

"Clearance" is an emotive word in Scottish history. Between 1750 and 1880, more than a quarter of a million people left what are now the crofting counties. Many were economic migrants, but others were forcibly removed from their homes and land and decanted all over the globe. In the light of that sorry past, crofting and land ownership hold a justifiably special place in Scottish history.

Few could demur when crofters' right to buy was introduced in 1976. As long as the land was retained in perpetuity as crofting land, the right of ownership could not be denied, notwithstanding the fact that the crofters' actual tenure was already secure. The owner was not buying the croft—which was unsaleable—but landlords' rights over the croft. Scottish Tories have totally supported that principle.

The point of crofting law has always been that the agricultural and community interest should take precedence over money. As a natural capitalist, I am perhaps loth to buck market forces, but common and historical sense dictate that things cannot simply be left to the highest bidder with a matter that is as emotive as crofting land.

That is why I am confused by certain aspects of the draft crofting bill. On the one hand, the Deputy Minister for Environment and Rural Development claims that it contains no new freedoms in relation to buying or selling crofts, but on the other hand, the view of the Minister for Environment and Rural Development is that the Executive has no right to interfere in a free market of crofting land and that crofters should be allowed to

"cash in on their assets".

Who is right? Is crofting land held in custodianship or is it the property of the individual to do with as he or she decides?

The bill may well have merits in other respects, but it appears to do nothing to prevent a crofter from buying his holding from a landowner at a knock-down price in the knowledge that he can flog it five years down the road to a housing

developer—we have seen that in the Taynuilt case, in which the Crofters Commission was apparently used as a willing ally. Affordable housing is needed in the crofting counties, and I see no reason why a cash-strapped crofter should not be allowed to sell off a plot for a house on his croft. However, as we have heard, there is no shortage of land for housing in most crofting areas, although there may be planning constraints. The Scottish Crofting Foundation has made it crystal clear that crofts are for crofting and houses are for housing. Using quality inby land to build houses does not support the crofting system or begin to answer the demand for housing.

Anyone who has read anything of Highland history knows that the nation owes a special duty of care to crofting. I ask the minister again: is the intention of the bill that crofting land should be held in custodianship or is crofting land individual property? If it is the latter, the drafters of the bill should make that clear. Let us have an honest debate about the future of what is still the most successful system ever devised for keeping people in some of the remotest places in Europe.

17:50

The Deputy Minister for Environment and Rural Development (Rhona Brankin): Crofting is a unique and valuable part of Scotland's culture and the Scottish Executive is passionately committed to sustaining it. We are committed not just to sustaining or preserving the present crofting structure but to ensuring that crofting is strengthened and expanded to enable both crofters and aspiring crofters to make the most of the considerable opportunities now before them.

We believe that prospects for crofters and crofting have never been better than they are today. That is most apparent in places such as Skye, some parts of the Highland mainland and Shetland, where crofting can readily be combined with other sources of income. As a result, crofting communities that were not so long ago characterised by poverty, disadvantage and depopulation are becoming increasingly prosperous and are attracting new residents.

Our fundamental aim as we prepare the first crofting legislation ever to come before a Scottish Parliament is to build on that success. We are determined to provide a legislative, administrative and regulatory framework that will further boost those crofting communities that are doing comparatively well. We are equally determined to create circumstances that will enable less successful crofting communities to do much better.

At the same time, we would like to encourage constructive debate on how we might replicate in other parts of rural Scotland some of the most attractive and successful features of the crofting

system, notably its capacity to sustain relatively large populations in remote rural communities and to make small areas of land available for active cultivation.

In some crofting areas we already see local food initiatives, organic crofting and increased horticultural activity. All those constructive and creative uses of crofting land must be encouraged and developed. Indeed, Eleanor Scott referred to some of those uses.

Our approach to crofting legislation is in no way driven by negative perceptions and stereotypes of the sort that were common in the past. We regard crofting as neither a failed farming system nor a quaint, curious relic of a bygone age.

Mary Scanlon (Highlands and Islands) (Con):

Can the minister confirm that the pockets of crofting land to be allocated for housing will come under pre-legislative scrutiny and consultation and will be included in the up-to-date development plans proposed in the new planning bill?

Rhona Brankin: I cannot give a definitive answer today. At the moment, we are looking at the responses to the crofting bill. However, I hope to be able to answer that question soon.

We have no intention of weakening or undermining crofting, let alone abolishing it. It is important to say that to John Farquhar Munro. On the contrary, we think that crofting offers Scotland and its Government an excellent means of achieving—under one heading, as it were—many of the rural development objectives to which we all aspire. In that context it is important to stress how comfortably crofting sits in the wider rural policy framework to which the Scottish Executive, the United Kingdom Government and the European Union have signed up.

That was not always the case. In the 1950s, 1960s and 1970s the legislation that still governs crofting was put in place. Policy was driven then by a wholly understandable desire to do everything possible to maximise food production. Farms everywhere were mechanised and made bigger and more efficient in output. If thinking of that sort had prevailed in crofting, crofting would not have survived. The agricultural policies of those times meant that crofters and crofting had to rely on special pleading and on legislation to avoid mechanisation, amalgamation and the drive towards output efficiency.

The crofting legislation of those times quite explicitly set out to ensure that crofting was not exposed to trends and forces of the sort that were being unleashed elsewhere. Today, however, we need to break free of that protectionist mentality. We need to appreciate that crofting, far from being wholly out of line with wider policy objectives, is very much in accord with those objectives. We

want a well-populated countryside. We want an economically diversified countryside, where families can combine agriculture with all sorts of other activities. We want an environmentally rich and scenically attractive countryside, which appeals equally to residents and visitors. Crofting is tailor-made to meet all those requirements.

If crofting is fully to realise its potential, we have to equip the Crofters Commission, which administers and regulates crofting and which we are committed to retaining, with legislation that takes full account of present-day circumstances and possibilities. Existing legislation cannot do that. The Crofters Commission is increasingly assisting crofting communities that wish to see crofting and the crofting system work to sustain their people.

In recent years, that has meant that the commission has been working with crofting communities. For example, it has been working with the community on Lewis to plan the release of common grazing land for housing for local people in Knock and Swordale; with the community in Skye and Lochalsh to identify which croft land should be designated in the new local plan for development; and with the community on North Ronaldsay to secure organic status for the whole island. We need much more of that sort of creative development work from the commission, but the commission needs legislation that simplifies the regulatory processes and allows it to shift resources from pointless bureaucracy to development work that supports crofting communities.

The existing crofting legislation dates from different and more defensive times, when the Highlands and Islands economy was contracting year by year, when depopulation seemed unstoppable and hundreds of crofts lay vacant, and when, despite the fact that people could have had one of those crofts for the asking, there were no takers for them. Thankfully, things today are not like that. Now, the wider Highlands and Islands economy has expanded hugely. For the first time for centuries, far more people are moving into the Highlands and Islands than are moving out.

Mr Stone: Will the minister give way?

Rhona Brankin: If Jamie Stone does not mind, I would like to try to finish.

Crofts are now in big demand, with the inevitable result that crofts and croft tenancies, which were once worth next to nothing, are changing hands for large sums. There are of course downsides to that. One of those downsides is that, just as younger and more established residents in any increasingly buoyant rural area find it difficult to compete in the housing market, many aspiring crofters with no great wealth behind them find it increasingly difficult to get crofts.

How are we to tackle such problems? One suggestion is that we empower the Crofters Commission to place a monetary value on crofts that are being given up by their current occupiers. Even if that could be done—it is hard to see how it could be—I very much doubt whether outgoing crofters would appreciate being compelled, in a way that no one else in this country is, to deprive themselves of the market value of assets that they have created.

Surely the better solution is simply to do whatever we can to create more crofts, something that is already happening in a way that has not been seen for many decades. New crofts have been created in Jura, Eigg, Lochalsh, Colonsay and Islay, and are under consideration in many other communities.

Jim Mather: I hear what the minister is saying. In that context, does she agree that it would be reasonable if we were to keep a constant finger on the pulse through the measurement of the working-age population of the Highlands and Islands?

Rhona Brankin: I see no problem with that and I am happy to discuss the matter with the member. We need to have a clear view of what is happening in the Highlands and Islands economy.

One of the greatest attractions of new crofts is that they can be let only to people who will live in the community and who intend to work the croft. For that reason, new crofts are invariably let to local people as a base for a home and a business. However, some communities need new people with new skills, and such communities are deliberately creating new crofts to attract people with the skills that will help the community and the crofters to prosper.

There is limited scope under the current crofting legislation to create new crofts, although the Crofters Commission has been determined and creative in using what scope there is to assist communities.

Mr McGrigor: Will the minister take an intervention?

Rhona Brankin: If the member does not mind, I would like to draw to a conclusion now.

Mr McGrigor: It would be a very brief intervention.

The Deputy Presiding Officer: The minister is well over time now.

Rhona Brankin: Our crofting bill is designed to make the creation of new crofts easier and quicker and to make it easier for the Crofters Commission to assist the communities that recognise the potential of the crofting system to support their own development.

We are optimistic that public agencies such as the Forestry Commission will help us to achieve our ambitions for new crofts. The Forestry Commission, in partnership with the Crofters Commission and my department, will report on the potential for woodland or forest crofts in the next few months. That is only one example of initiatives that are under way to ensure that the crofting system is used to fullest advantage for those remote and fragile communities. I am confident that we can ensure that new crofts are available to exactly the sort of people who are finding it difficult to compete in the open market.

There will be other opportunities to elaborate on the detail of our crofting bill, but I have chosen to end by highlighting the bill's provisions on new crofts. Nearly 30 years ago, the last significant piece of crofting legislation was passed by Westminster. That legislation—the Crofting Reform (Scotland) Act 1976—took it for granted that the supply of crofts was fixed and that, although existing crofts might readily cease to be crofts, no new crofts would appear. Our approach is the opposite of that. We want there to be very many new crofts. That, surely, is a pointer to our crofting bill's intentions.

The Scottish Executive is not in the business of winding up crofting. Instead, we are committed to ensuring that crofting plays as big a part as possible in the new Highlands and Islands that we are proud to be helping to shape. It is a region that the Executive is committed to providing with a university; a region where, thanks in part to our investment in the Highlands and Islands Enterprise network, far more people are in work than ever before; and a region where, taking advantage of our commitment to land reform, more and more communities are taking on the ownership of the land on which they live.

Crofting, as we are all well aware, has been shaped more than most things by its history, but the crofting past, for all its many fascinations, ultimately matters far less than the crofting future. I am convinced that that can be a good one and I am equally convinced that our crofting bill can help us to secure it.

My friend John Farquhar Munro has suggested that crofting could be dead within a generation. Without our crofting bill, crofting will continue to be impeded by unnecessary rules and strangled by pointless bureaucracy. Without our crofting bill crofting could be dead within a generation. I look forward to discussing and developing the bill with my colleagues in committee and in Parliament and to continuing discussions with crofting stakeholders in different parts of Scotland. Let us work together constructively to give crofting a future.

Meeting closed at 18:02.

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