

MEETING OF THE PARLIAMENT

Thursday 31 May 2007

Session 3

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CONTENTS

Thursday 31 May 2007

Debates

Col.

RURAL DEVELOPMENT PROGRAMME	249
The Cabinet Secretary for Rural Affairs and the Environment (Richard Lochhead)	249
Rhona Brankin (Midlothian) (Lab).....	255
John Scott (Ayr) (Con).....	258
Mike Rumbles (West Aberdeenshire and Kincardine) (LD)	261
Rob Gibson (Highlands and Islands) (SNP).....	264
David Stewart (Highlands and Islands) (Lab).....	266
Jamie McGrigor (Highlands and Islands) (Con)	268
Christine Grahame (South of Scotland) (SNP).....	270
Rhoda Grant (Highlands and Islands) (Lab).....	273
Aileen Campbell (South of Scotland) (SNP).....	276
Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD).....	278
Peter Peacock (Highlands and Islands) (Lab).....	281
Kenneth Gibson (Cunninghame North) (SNP)	284
Elaine Murray (Dumfries) (Lab)	287
Jamie Hepburn (Central Scotland) (SNP)	289
Jim Hume (South of Scotland) (LD).....	291
Nanette Milne (North East Scotland) (Con).....	293
Sarah Boyack (Edinburgh Central) (Lab)	295
The Minister for Environment (Michael Russell).....	299
QUESTION TIME	304
FIRST MINISTER'S QUESTION TIME	312
UK ENERGY WHITE PAPER	324
<i>Statement—[Jim Mather].</i>	
The Minister for Enterprise, Energy and Tourism (Jim Mather)	324
BRIDGE TOLLS	340
<i>Motion moved—[Stewart Stevenson].</i>	
<i>Amendment moved—[Des McNulty].</i>	
The Minister for Transport, Infrastructure and Climate Change (Stewart Stevenson)	340
Des McNulty (Clydebank and Milngavie) (Lab)	343
Alex Johnstone (North East Scotland) (Con)	347
Alison McInnes (North East Scotland) (LD).....	349
Tricia Marwick (Central Fife) (SNP).....	352
Mary Mulligan (Linlithgow) (Lab)	354
Jim Tolson (Dunfermline West) (LD)	356
Nigel Don (North East Scotland) (SNP)	358
Robin Harper (Lothians) (Green).....	359
Charlie Gordon (Glasgow Cathcart) (Lab).....	360
Ted Brocklebank (Mid Scotland and Fife) (Con)	362
Stefan Tymkewycz (Lothians) (SNP).....	364
John Park (Mid Scotland and Fife) (Lab).....	366
Keith Brown (Ochil) (SNP).....	368
Iain Smith (North East Fife) (LD)	370
Murdo Fraser (Mid Scotland and Fife) (Con).....	373
Ms Wendy Alexander (Paisley North) (Lab)	375
The Cabinet Secretary for Finance and Sustainable Growth (John Swinney).....	377
POINTS OF ORDER	381
DECISION TIME	383

Oral Answers

	Col.
QUESTION TIME	
SCOTTISH EXECUTIVE	304
GENERAL QUESTIONS	304
Environment (Ministerial Responsibility)	304
Moving Water (Rescue Arrangements)	307
NHS Greater Glasgow and Clyde (Acute Services Review)	308
Non-domestic Rates	310
Reemploy.....	310
Roads (Haudagain Roundabout)	306
FIRST MINISTER'S QUESTION TIME	
Cabinet (Meetings)	312
Prime Minister (Meetings).....	315
Secretary of State for Scotland (Meetings)	316
Social Rented Housing	319
Tram Scheme (Edinburgh)	320
Wave and Tidal Energy Industry	321

Scottish Parliament

Thursday 31 May 2007

[THE PRESIDING OFFICER *opened the meeting at 09:15*]

Rural Development Programme

The Presiding Officer (Alex Fergusson): Good morning. The first item of business today is a debate on the rural development programme.

09:15

The Cabinet Secretary for Rural Affairs and the Environment (Richard Lochhead): I very much welcome the opportunity to open this debate—my first as cabinet secretary—on the new Scotland rural development programme for 2007 to 2013.

I have no doubt that developing and implementing the Scotland rural development programme will be challenging, but it will open up new and exciting opportunities for Scotland's rural communities. We have a chance to make a difference not only for the people who live and work in rural Scotland but for those of us who enjoy Scotland's spectacular natural beauty and cultural heritage. The Government hopes to build consensus around the programme and we aim to deliver on our manifesto commitments for rural Scotland on the back of sufficient parliamentary agreement.

As members will be aware, the debate will allow me to make announcements about the programme. I know that members and those with a key interest in rural affairs have been eagerly awaiting this information, but I will first reflect for a moment on how we got to this point.

The starting point for our deliberations over the past two weeks has been a draft programme that was produced by officials in consultation with rural stakeholders in the two years before we came to power. The cost of the draft programme has been determined by officials with stakeholder engagement. I have thought carefully about how it could be amended within the tight timescale that is available and my conclusion is that spending less than two weeks unravelling a programme that was developed over two years would be unwise and counterproductive. Although there may be a case for amendments, many of the measures in the programme are broadly supported in the chamber and throughout Scotland.

Clearly, the new Government would have preferred to have more time to consider this broad-ranging and complex programme.

Therefore, over the coming months, I propose to do that in consultation with stakeholders and members in order to develop further our ambitions for rural Scotland.

As members will be aware, the progress of the Scotland programme was stalled for some considerable time by delays in the passage through the European Parliament of the voluntary modulation regulation. A key issue for Scotland in the negotiation of that regulation was to ensure the flexibility to have regional rates of voluntary modulation. My predecessor, Ross Finnie, worked hard to achieve that flexibility. In doing so, he had cross-party support and the widespread support of our rural communities. It is only right that Scotland has the flexibility to make its own decisions on voluntary modulation rates.

Returning to the present, I believe that the new programme will offer wide-ranging opportunities to shape a rural Scotland that delivers business competitiveness as well as environmental and other public benefits. Support will be available for land managers, businesses and communities throughout rural Scotland. We believe that that support will deliver a vibrant rural economy and thriving rural communities over the next seven years.

The term "land management contracts" will be familiar to many members. However, in order to reflect better our wider goals for the next programme, we propose that the central delivery vehicle should be rural development contracts. That will mean that the programme will do what it says on the tin—it will deliver rural development in Scotland.

The new Government has had little flexibility over the programme, given the deadline for its submission to Europe. However, the one area in which we have flexibility is funding. My officials have costed the draft programme at approximately £1.6 billion over the next seven years. Of that total, just over £1.1 billion will come from the Scottish Government and £227 million will come from the European agricultural fund for rural development, which includes compulsory modulation. Some £47 million of residual moneys from the previous programme will also be used to part-fund existing commitments. The balance of £211 million will come from voluntary modulation receipts.

How we spend those resources is not purely a Scottish decision. The European rural development regulation dictates that spending under the programme must be spread over three broad themes, or axes. I will outline those axes and their minimum spends. Axis 1 is about improving the competitiveness of the agricultural and forestry sector, to which we must devote a minimum of 10 per cent of resources. Axis 2 is

about improving the environment and the countryside through land management, to which we must devote a minimum of 25 per cent of rural development expenditure. Axis 3 is about improving the quality of life in rural areas and encouraging the diversification of economic activity, to which we must devote a minimum of 10 per cent of expenditure. In addition, a minimum of 5 per cent of rural development expenditure must be delivered through the LEADER programme—a fourth, horizontal, axis that is designed to encourage local innovation in rural communities.

I recognise the concerns that have been expressed about the impact of voluntary modulation on farm businesses. The Government has taken into account the comments that were provided by the rural development programme stakeholder group, which ministers met last week. As we set out in our manifesto, we believe that rates of voluntary modulation must be kept as low as possible so as not to disadvantage farm businesses. We have agreed that voluntary modulation should not be a substitute for expenditure by the Government or the European Union but should be additional to those contributions where that is essential for rural Scotland. Farmers must have confidence that they can benefit from the schemes that are funded by modulation.

Balanced against that consideration, however, is the need to ensure that we encourage farmers and other land managers to restructure their businesses, to become profitable without subsidy and to play their part in delivering environmental and wider rural benefits.

Rhona Brankin (Midlothian) (Lab): The minister says that he wants to build consensus around the programme. Indeed, he is announcing the programme today in a subject debate, which is meant to be consultative. However, I have been given the figures only this morning. Can the minister confirm that there will be consultation on the figures? Will he reassure me that the use of a subject debate is not a way of steamrolling figures through the Parliament?

Richard Lochhead: I say to the member that the programme must be submitted to the United Kingdom Government in time for it to go to Europe. I will address the timescale for that shortly. There will be maximum consultation with members in the chamber and all our rural communities over the content and direction of the programme in the years ahead.

Members may be aware that compulsory modulation already sits at 5 per cent a year. Additional voluntary modulation is currently also 5 per cent. To deliver the programme's commitments, I propose that the voluntary modulation rate for 2007 remain at 5 per cent,

rising by 3 per cent next year, to 8 per cent, and reaching 9 per cent in 2010 to 2012—4 per cent above today's rate.

Mike Rumbles (West Aberdeenshire and Kincardine) (LD): You are almost doubling the rate of voluntary modulation. With compulsory modulation, that takes the rate to almost 14 per cent, yet you said in your manifesto for the recent election that it would not be used to disadvantage Scotland's farmers. Alyn Smith, the Scottish National Party MEP, has said:

"I can see absolutely no need for voluntary modulation in Scotland".

This is a double whammy for our farmers. Is it the case that you have not got the money from Mr Swinney?

The Presiding Officer: Before the minister answers, I remind members to address all remarks through the chair.

Richard Lochhead: For the reasons that I am laying out, I do not believe that this will disadvantage Scotland's farmers. That is a bit rich coming from Mike Rumbles, whose party, as part of the previous Administration, proposed that modulation rates should treble.

In summary, voluntary modulation will be 5 per cent in 2007; 8 per cent in 2008; 8.5 per cent in 2009; and 9 per cent in each year from 2010 to 2012. We must notify those rates to the UK Government tomorrow, so that it can notify them to Brussels by 12 June.

John Scott (Ayr) (Con): Will the minister take an intervention?

Richard Lochhead: I am sorry, but I must move on.

Following formal notification, the rural development regulation does not allow for variation in the rates. Although I am uncomfortable with that, we expect the whole issue of modulation to be examined closely during the forthcoming common agricultural policy health check, which is expected to review modulation rates. It is important to note that existing regulations allow member states to reduce voluntary modulation rates should the EU decide to impose an increase in the compulsory element in the years ahead.

We are well aware that some stakeholders have asked for significantly higher rates of voluntary modulation, but I have been able to address their concerns without recourse to higher rates. To do that, the Government proposes to invest a further £10 million each year over the life of the programme—£70 million in total. That significant extra investment in our rural communities will allow the programme to be funded without undermining confidence in agriculture or

jeopardising the sector's viability. As members will be aware, many farmers have faced significant financial pressures in recent years and, following the recent reform of the common agricultural policy, any further change must be handled carefully.

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

Richard Lochhead: I am sorry, but I have taken two already and I want to move on.

I also announce that I have added a new measure to the programme that will deliver a significant commitment in our manifesto. The Government has included a new measure valued at £10 million to fund a new entrants scheme for farmers. The industry needs new blood and Scotland's vital farming skills are in danger of dying out if we do nothing, given that farmers in Scotland are on average in their mid-50s and about half say that they wish to retire. We recognise that a package of measures will be required in the years ahead and I plan to meet representatives of the tenant farming forum to discuss the content of the new entrants scheme. I also intend to canvass the views of members in the chamber on the way forward.

I want to spend a few moments considering the other benefits that will derive from the programme. We believe that the programme will contribute to the delivery of the Scottish Government's strategic outcomes in a number of ways.

It is essential for the delivery of all other benefits that Scotland's primary land industries of farming and forestry are viable and that we deliver on our promise of a wealthier and fairer Scotland for groups in those industries, too. For that reason, our plans include, in addition to the new entrants scheme, a £31 million budget to aid the restructuring of agricultural businesses and £18 million for the creation and development of microenterprises. In addition, where profitability is not a viable or chosen option, £18 million will be available for diversification into new activities. We want those who are engaged in primary production to gain a share of the value that is added to their products. To that end, I have allocated £70 million in the programme for the processing and marketing of agricultural and forestry products.

A healthier Scotland means high-quality food and access to green spaces for leisure and recreation. The programme will offer £3.5 million for membership of quality assurance schemes and more than £30 million for animal health and welfare. It incorporates a challenge fund of £10.5 million to develop woods in and around our towns and a further £3.5 million for the forests for people challenge fund. The programme will support the provision of leisure, recreation and sporting

facilities with up to £32 million and provide a further £12 million for the provision of tourism facilities, including accommodation. Improving access to the countryside for people is an important element of delivering a healthier Scotland, so the programme will provide more than £60 million to create and maintain access to rural Scotland.

We also want a safer and stronger Scotland. To achieve that, we aim to encourage co-operation—£16 million will be allocated to that objective. We want to ensure that those who are farming in Scotland's less favoured areas are compensated for the permanent disadvantage that they are at compared with those who farm in other areas of Europe. The considerable sum of £427 million will be allocated to less favoured area support.

I am confident that the LEADER initiative will build the capacity of and strengthen our rural communities. I am therefore allocating £36 million to that initiative, which will allow innovation in our communities around Scotland to be built from the bottom up. For rural Scotland to be smarter, we need to ensure continuing skills development and there are many measures in the programme to achieve that as well.

We have allocated a total of £404 million for agri-environment payments, including £45 million for organic production. That means that we have allocated £233 million for new commitments compared with £94 million in the previous programme. Some have said that Scotland's agri-environment programme is the worst funded in Europe. However, we need to compare like with like. Scotland has a great deal of extensive livestock production on poor land and 85 per cent of our agricultural land is classified as less favoured. Our payment of £427 million for less favoured area support must be taken into account.

I believe that the moneys allocated for agri-environment, along with less favoured area support and the significant other resources that are going into farm businesses and forestry to deliver improvements in our water environment, for example through support for slurry storage and treatment, and to tackle climate change, through such measures as afforestation and support for renewable energy, will contribute enormously to a greener Scotland over the next seven years. All in all, there will be a contribution of more than £700 million for a greener Scotland.

I am sure that members are impressed with the benefits that will accrue from the programme. We must do our best to minimise any delay in implementing it that may emanate from Europe in the months ahead.

In this debate a number of members representing rural communities are set to make

their first speeches since their election- or re-election. I look forward to hearing their contributions and to working with them and others in the years ahead to improve the quality of life in rural Scotland, to safeguard our environment and to generate greater prosperity for rural Scotland and our nation. I commend the programme to Parliament.

09:29

Rhona Brankin (Midlothian) (Lab): I welcome the opportunity to debate Scotland's rural development programme. Frankly, however, I am disgusted this morning because we are having only a subject debate, with no opportunity to take a vote. Over the next seven years, the rural development programme will be the most important tool for making decisions and delivering a new era for rural development. The Scottish National Party has the cheek to call itself consensual yet it is bringing to the Parliament for debate a detailed document that it has given us only this morning.

Richard Lochhead: Will the member give way?

Rhona Brankin: I will absolutely not give way. I intend to get into my stride.

If we had done to the SNP and other Opposition parties as the SNP has done, they would have hung us from the rooftops—it is arrant hypocrisy.

Of course, there was an extensive period of consultation on the programme and engagement with many individuals and organisations representing rural Scotland. Indeed, a stakeholder group was involved in the consultation for over two years. Frankly, it is an insult to them for the programme to come to the chamber with no opportunity to have a vote.

As members will know, the previous Executive led the way in Britain and Europe with land management contracts. We built in animal health improvement measures, included payments to encourage access and supported accreditation membership. The approach was, rightly, a distinctively Scottish one.

Farmers, crofters and other land managers showed huge interest. We have all seen the figures for the huge increase in the number of applications. For the rural stewardship scheme alone, the number of applications increased from 485 in 2001 to 2,917 in 2005. However, we who were in government at the time were only too aware that many had been disappointed.

I will give the case study of a farmer whose application to one of the schemes was unsuccessful. He runs a farm of almost 500 hectares in the Borders. He has a small beef herd, but his main produce is winter cereals and oil-seed

rape. He is already in the countryside premium scheme, for which he planted hedges and manages species-rich grassland, mown grass for birds and water margins. Through the land management contract menu scheme, he is funded to grow wild bird cover, manage ditches and carry out animal welfare measures. He is already interested in conservation and the crossover with social measures. He runs a tourism business promoting wildlife, for which he received a national award. On top of that, he has an interest in water management.

The farmer applied to the rural stewardship scheme to get funding to plant more wild bird cover and to put in hedges and managed grass margins. The application cost £2,000, but it missed the cut-off by just a point. He has a strong interest in conservation management and an extremely productive commercial farm. He will take land out of production to introduce agri-environment measures only if he is funded to do so. He is one example of the many farmers in Scotland who are keen and willing to carry out measures to benefit the environment where the funding allows it. There are thousands like him.

In the organic sector, Scottish produce can now meet 70 per cent of the demand for indigenous organic produce, which is double the percentage before the previous Executive's organic action plan existed. When we were in government, we significantly increased the amount of finance available to enable conversion to organic. A record £11.7 million was committed in 2006, which was double the amount that had been committed the previous year. However, we knew that we had to do much more. For example, demand for organic milk outstrips supply. The annual growth in the consumption of organic food across the UK rose to 30 per cent in 2005. Indeed, the Soil Association Scotland calculated that a growth rate of 20 per cent a year is realistic. Again, many more applicants apply for funding than are successful, despite the doubling of the funding.

Many farmers and land managers were unable to access the forestry support schemes. I was only too well aware of that when I was previously the minister responsible for forestry. We face big challenges in meeting the social, economic and environmental objectives of the rural development programme. We also face big challenges in meeting the expectations of farmers, land managers and crofters who want to make that step change and we must not let them down.

I will concentrate on some of the environmental objectives that are contained in the programme. Many of them relate to international or European obligations to which Scotland is signed up. They include halting the loss of biodiversity by 2010, achieving the aims of the water framework

directive and the Kyoto protocol on climate change and managing our Natura sites, which have been designated for their environmental importance. If Mr Russell replies to the debate on behalf of the new Executive, I would be interested to get some answers from him on some of those important environmental objectives, given his designation as Minister for Environment.

What the incoming Government has provided today simply fails to face up to the challenge of fulfilling the objectives, which is a big one. Many thousands of farmers, crofters and land managers are desperate to play their part in environmental improvements.

Richard Lochhead: Will Rhona Brankin explain why she thinks that the new Government is failing when the plan that we announced today was put together by her Administration?

Rhona Brankin: Absolutely, I am happy to explain. The reason is the level of voluntary modulation that Richard Lochhead has announced today, which is woefully low if it is to make a difference.

The final decision on the rate of voluntary modulation had not been taken, so we needed bold, decisive action from the Government. This is a defining moment for the new cabinet secretary. It is an opportunity to make an historic shift towards achieving our environmental objectives, making a real difference to Scotland's countryside, wildlife, habitats and carbon footprint and rewarding farmers who are interested in innovation and change. That is exactly what Labour pledged to do in its manifesto. What we have heard today is an abject failure to do that. The total budget of £1,598 million is not even enough to maintain the status quo in entry to land management schemes. There is a shortfall of £173 million even to do that, but Richard Lochhead maintains that he has found an additional £70 million of funding that has helped to keep voluntary modulation down.

I will ask Richard Lochhead and his deputy questions on two areas. First, where has the extra money come from? Has it come from within the department? If so, what other environmental objectives within the department will suffer. The cabinet secretary must answer that. Secondly, how on earth will he address the environmental objectives of the SRDP that were agreed by the stakeholder group, which includes industry representatives, over two years? How will he fulfil Scotland's commitments on improving water quality, tackling climate change and halting the loss of biodiversity? Does he accept that they are real commitments and that they must be fulfilled? If the SRDP does not do it, funds will have to come from somewhere, so where will they come from?

To be frank, I am disgusted. The SRDP is a disgrace. Stakeholders worked constructively with the previous Executive over the past two years. They were led to believe that there was likely to be a staged increase of up to 15 per cent in voluntary modulation, but they have been let down badly. I quote from Richard Lochhead's press release from last week:

"I was keen to bring together all the key interests at the earliest opportunity to discuss these vitally important issues. This will be a hallmark of the new approach this Government is taking."

The hallmark of the Government's approach to the matter is a failure to take tough decisions on our environment and countryside—decisions that many crofters, farmers and land managers want it to take. The hallmark of its approach seems to be to brief tough on the environment but fail to deliver.

The Scottish rural development programme is the biggest opportunity to make a lasting difference to rural areas in Scotland and fulfil our environmental obligations, but the Government has failed at the first hurdle.

I hope that there is somebody from the Scottish Green Party in the chamber to hear this—

Sarah Boyack: No, there is not.

Rhona Brankin: Well, to be frank, if the Scottish Green Party supports the programme, its members should hang their heads in shame.

09:40

John Scott (Ayr) (Con): I declare an interest as a farmer and a member of NFU Scotland.

Before I turn to rural development funding—the key element in the debate—I will state the Conservatives' priorities for rural Scotland in the next few years, as the minister has done for the SNP. In a nutshell, we want to maintain and develop rural Scotland's primary industries, including farming, fishing, forestry and tourism, as they have historically been the main drivers of our rural economy and will remain so in future. We want to encourage new entrants into farming and create a one-stop shop to bring new blood into the industry. We share that manifesto commitment with the SNP and therefore welcome the minister's announcement on that. We want to relax planning guidelines in rural areas and support farmers, particularly through co-operation, to become price makers rather than price takers. We want to strengthen the supermarket code of conduct and introduce meaningful labelling, particularly to identify home-produced Scottish food. We want more national, regional and local control over fishing and, above all, we need to reduce the

burden of red tape in all those industries—if we can.

In addition, we must further develop the delivery of local food to schools—as happens in East Ayrshire and Perthshire—hospitals and prisons. That would deliver health benefits, environmental benefits—by reducing our carbon footprint—and benefits to our local food producers.

The main subject under discussion today is funding for Scotland's rural development programme, and I acknowledge the way in which Richard Lochhead has approached the future funding of the programme, even if I share Rhona Brankin's disappointment that he was unable to produce the draft programme until 8.45 this morning. Although it may be the minister's first major decision on the future of Scottish agriculture, it is probably the most important one that he will make for many years to come—that is, assuming he keeps the job for several years.

I will take a minute to set the scene from an historical perspective. Rural development programmes were first introduced by the EU in an attempt to start to deliver multiple benefits from land-based industries other than by encouraging food production. However, those pillar 2 schemes have regrettably been underfunded in the UK, and modulation was introduced to top-slice money from direct farm support to make up the funding gap in rural development measures. In other words, money was initially taken from farmers' headage and arable aid payments to make up the shortfall in funding caused by Government parsimony, thereby immediately putting Scottish and UK farmers at a competitive disadvantage with EU farmers. First, 5 per cent compulsory modulation was introduced. Thereafter, because funding did not match Government plans and ambitions, a further option of voluntary modulation was introduced, which is set this year at 5 per cent.

Currently, we have a total of a 10 per cent reduction in support for Scottish farmers through modulation. However, the minister has decided to increase modulation, and he will have borne in mind the fact that the more he increases the level of voluntary modulation, the more he reduces the profitability of Scottish farmers. Indeed, the NFUS has calculated that every 5 per cent increase in modulation reduces net farm incomes by 20 per cent and, with net farm income averaging only £10,100 in 2005-06, there is a real danger that the most likely effect of significant increases in voluntary modulation will be to put farmers' businesses under further threat.

According to the Government's figures, 6,000 people have left full-time employment in farming in Scotland since 1999 and one dairy farmer in four has gone out of business in the past four years.

Farming is not an industry in robust financial health, but it appears that, in the face of that evidence, the Scottish Executive Environment and Rural Affairs Department argued for a 16 per cent rate of voluntary modulation, which could have been disastrous and would have reduced farm income by a further 44 per cent to just over £5,600. That would not have been sustainable.

Today's announcement, however, will bring about an increase of, effectively, 5 per cent in voluntary modulation, which will reduce net farm incomes by 20 per cent, bringing them down to just over £8,000. That is still too great an increase in voluntary modulation.

We all want to have a thriving, beautiful, dynamic, environmentally enhanced countryside; we all want to give ramblers the right to roam and wildlife enthusiasts the opportunity to observe the species of their choice; and we all want to support our growing tourism industry. The findings of the two public consultations on Scotland's rural development programme emphasise those demands and the need to consider ways of rolling out and developing the existing plans.

Richard Lochhead: I welcome the member's constructive contribution to the debate, which is in sharp contrast to some previous contributions.

The member will, I am sure, be willing to work closely with the Government in the months and years ahead to ensure that farmers are able to apply successfully for much of the £1.6 billion programme, to ensure that they are increasing their profitability.

John Scott: The Conservatives will work constructively with anybody on an issue-by-issue basis and will have regard to the merits of the arguments that are put forward by the Government at the time.

A thriving countryside can be achieved only if farmers and land managers are able to farm and make a living at the same time as delivering environmental enhancement. If it comes to a choice between putting food on the family's table or creating a water margin, we all know what the decision will be. That is the reality that farmers are contemplating.

Today, the minister has exercised his hard-won right, recognised by Europe, to set a rate of voluntary modulation, which, in conjunction with the existing SEERAD budgets, will deliver adequately funded agri-environment schemes and support for less favoured areas and meaningful business development measures.

An overall budget of £1.46 billion for the period 2007 to 2012 would have provided 80 per cent more funding than the previous SRDP and would sustain our rural areas rather than damage them, which is what I think the minister risks doing today.

In its election manifesto, the SNP said that modulation would not be used to disadvantage Scottish farmers and that, prior to any decision, an SNP Government would first cost any proposed scheme following consultation with the sector. However, we have not seen much of that today—certainly not in the Parliament.

We were also told that voluntary modulation will be used only when projects cannot be funded from EU and Scottish Government sources. However, today, Richard Lochhead has set voluntary modulation at levels that, although they are not as high as the ones that were trailed, are still too high. In reality, from 2014, modulation levels will be 14 per cent. Further, as I understand it, Herr Fischler intends to increase compulsory modulation by another 1 per cent, which means that the level of modulation in 2010, 2011 and 2012 will be 15 per cent, which will reduce farm incomes significantly. The levels that have been announced are still too high.

09:48

Mike Rumbles (West Aberdeenshire and Kincardine) (LD): The Scottish rural development programme for the next six years is hugely important to our farming community, our environment and our entire rural economy. I thank the minister for the 30 minutes' advance notice of his plans.

There is a huge expectation that the reform of the common agricultural policy will enable us to deliver multiple benefits across the rural economy, and the rural development programme is the basis on which those benefits are to be delivered.

Ross Finnie launched an extensive consultation on the strategic plan for the programme. That consultation ended in March last year, and a further consultation on the implementation of the strategy closed in June 2006. We have now seen the report on the consultation and, yesterday, we had the Government's response to it. The consultation process was good and the response to it was comprehensive—so far, so good.

However, today, the minister has announced the levels of modulation—or, in layman's terms, cuts—for the direct payments to our farmers that help to fund that programme. Those cuts take the level of modulation from 5 per cent to nearly double that—9 per cent—in three years' time. This is a hugely controversial issue. Indeed, it is so controversial that the SNP MEP Alyn Smith said:

"I can see absolutely no need for voluntary modulation in Scotland."

Many environmental organisations such as the RSPB have suggested that, rather than the Government's £1.6 billion, at least £1.77 billion is needed to fulfil the basic objectives of the

programme and that, without that budget, crucial commitments to tackling the effects of climate change, improving water quality and addressing biodiversity issues will not be met.

Richard Lochhead: I welcome the member to his new portfolio. Will he explain why he is attacking the Government for increasing voluntary modulation by 4 per cent over seven years when his party wanted to treble it?

Mike Rumbles: That is simply not true. As the minister knows very well, we held it at 5 per cent.

The minister says that he has listened to the rural community. That is true, but he has not acted on what people said to him.

The RSPB argues that anything less than £1.77 billion for the programme will starve Scotland's land management schemes of funding and put at risk Scotland's ability to achieve the important environmental objectives that the programme contains.

It is clear that the cabinet secretary's announcement has not achieved the objectives of many of our environmental organisations. It is also clear to me that he has decided nearly to double modulation levels, bringing them to what many people believe are unacceptable levels. He has ignored the advice that was given to him by many in the industry to leave the rate alone. I am disappointed that he has so obviously failed to persuade his Cabinet colleagues to come up with the necessary funding to achieve our environmental objectives and that he has now moved to obtain that money from the direct payments to our farmers.

What happened to the promise in the SNP's manifesto that an SNP Government would force deductions through voluntary modulation only when cash for the programme could not be found from other sources? Has Richard Lochhead hit the farming community because John Swinney has not given him enough cash?

I have not been impressed by the methods that the minister has chosen to use to trail his announcement. Last Saturday, that great north-east newspaper *The Press and Journal* reported that the minister had let his civil servants loose to start some rather useful hares running—the metaphor is a good one to use in an agriculture debate, I think. *The Press and Journal* said that the Scottish Executive's senior policy adviser had revealed proposals for compulsory cuts of up to 22 per cent on payments to our farmers to help fund the £1.5 billion rural development programme.

That is rather an old con trick if ever there was one. To suggest that our farming community would be hit by massive cuts in their direct payments to fund environmental schemes hits well below the

belt. Did the minister expect that threatening a modulation level of up to 22 per cent would cause the farming community to welcome a ministerial announcement of a modulation level of 14 per cent? If he thinks that no one would notice that tactic, he must think that everyone's head buttons up the back.

Richard Lochhead: In the interests of accuracy, will the member recognise that the information that was in the public domain concerned the proposals in the plans of the previous Administration, of which the Liberal Democrats were a part?

Mike Rumbles: No, that is not the case at all. It is quite clear either that the minister should not have allowed his civil servants to give the impression that was conveyed to *The Press and Journal* or that he does not control his department. Either way, it is bad news for rural Scotland. What is worse for our farming community is that the cabinet secretary has clearly failed to obtain the necessary funds for his programme from the rest of his Cabinet colleagues. I only wish that John Swinney were in the chamber to listen to the debate.

It is the job of the Government to govern. It is the job of the Government to be confident enough in its proposals to bring them forward for debate in the chamber and to put them to a vote. In that regard, I heartily agree with Labour members. The minister is feart to have a vote on his proposals. He could easily have decided to have a vote in order to see whether there is support in the chamber for his proposals, but the Government is afraid of putting the matter to a vote because it feels that it would lose. I am disappointed that the cabinet secretary has been too afraid to put his proposals to the vote this evening and that, instead, we are having this subject debate. That is no way in which to conduct our affairs in relation to this important matter.

I trust that the minister will ensure that we have an opportunity to vote on his plans in the near future, although I am not sure how he will do that, as he has to get his proposals to the UK Government and then to Europe. We should have a vote on his plans. We could have had one this afternoon, but the minister did not want that. Perhaps that is because the consensus politics that the minister and his Cabinet colleagues talk about are reserved to occasions when the SNP believes it can win a vote in the Parliament. That is how it seems to me. The SNP Government is frit of the issue.

The job of the Opposition is to hold the Government to account and that is what we are doing. On such an important issue, a subject debate without a vote is not enough. I repeat that it is the Government's job to put its proposals for the government of Scotland to the Parliament for a

vote, but it has failed miserably to take that opportunity.

09:55

Rob Gibson (Highlands and Islands) (SNP): On behalf of back-bench members, I welcome the cabinet secretary's ability to produce a programme with the extra cash that he talked about. That £70 million will be welcomed throughout the country, because, based on the figures from the previous Government, everyone was predicting 21 per cent modulation. At least the present Government, unlike others, has the courtesy to come to the Parliament with the detail of the proposals, at very short notice. Some members have such short memories that they cannot remember that they never came to the Parliament to present such information.

Karen Gillon (Clydesdale) (Lab): Will the member take an intervention?

Rob Gibson: No. I want to continue to develop some arguments.

Jim McLaren of the NFUS, who was worried about the way in which farmers would be treated under the rural development programme, has said that 20 per cent modulation would remove 80 per cent of the viability of many farms. However, in Scotland there is a wide variety of farming and, at present, many farms have virtually no profitability. That is not because of the inadequacy of the rural development programme, but because of other factors, which a Scottish Government with a direct voice in Europe would be able to argue about.

I will mention a particular issue and then make some general points about the less favoured area support scheme. We have many excellent producers of high-quality produce who require ferries to carry their produce to the mainland. This afternoon, we will talk about scrapping tolls on the Forth and Tay bridges. I hope that that will happen, but there is a toll for all people who live on islands, which inhibits production in places such as Orkney that are otherwise highly profitable and produce excellent produce. If we do not deal with certain issues that are outside the responsibilities of the Cabinet Secretary for Rural Affairs and the Environment, the rural economy will not prosper.

John Scott: Notwithstanding the member's comments, does he accept that the near doubling of voluntary modulation to 9 per cent will reduce the already meagre profit levels of hill farmers, including those in the member's area, by up to 20 per cent?

Rob Gibson: I accept that the general calculations are such that that is what we would expect with a modulation system, but the idea is to

put money back in through the rural development fund for people to innovate and to come up with processes that will make their farms more environmentally friendly. John Scott said that if people have to choose between putting food in their mouth and installing a water drainage scheme, they must choose putting food in their mouth. The idea of the rural development programme is to move beyond that. We argue that, by putting extra money into the programme, it should be easier for people to put food in their mouth as well as think about some of the schemes that Mr Lochhead talked about.

Rhona Brankin: Will the member take an intervention?

Rob Gibson: No, not at the moment.

We have inherited agri-environment schemes that are deemed by some non-governmental organisations to be among the worst-funded rural development programmes in the entire EU. We are having to climb out of a ditch to get on to the field to try to get our agriculture sector into a state where it is possible for us to make progress. That is our inheritance from the coalition Government that preceded the present Government and it is the issue that we must address today.

I should declare an interest as a member of the Scottish Crofting Foundation. As I alluded to earlier, we must consider carefully the way in which the LFASS works. A large amount of money is associated with the scheme, which will be reviewed in the period up to 2010. It is essential that the least favoured areas that I mentioned, such as the islands and the remote Highlands, which have a huge potential for production, for generating environmental benefit and for nature-friendly farming, are considered in and benefit from the review. I hope that the cabinet secretary, when he consults the farming and crofting communities, will find ways in which he can take those areas into account. It is essential to understand that the agriculture funds that are at our disposal include convergence funds from Europe, from which the least favoured areas in the Highlands and Islands can benefit. If possible, I would like to hear that the ministers will consider how the convergence funds can help agricultural production. That is an area in which we could make a big difference to the future of crofters and farmers in our least favoured areas.

The single farm payment system, which was, I presume, created so that we can eventually move away from having any subsidy for farming by the middle of the next decade, is already biting in relation to the production of cattle and, in particular, sheep. In areas such as Sutherland, where there are a large number of excellent sheep producers, fewer and fewer sheep are being produced under the system. That is a whole group

of farmers who are losing out, and we have heard about problems for other groups, such as the dairy farmers. In the arguments about the rural development programme, we must ensure that the programme works for every part of the country—the First Minister said that the Government will take into account all parts of the country—and that we introduce means to support sheep farming in those areas.

We have not had much discussion of forestry. The national forest land scheme, which the previous Administration introduced and which we supported, must deliver woodland and forest crofts. We need more people to live in the countryside. As there is a demand for land in the countryside, we must free up that land. I hope that the Government will be able to do that under the rural development programme. The LEADER programme is a bit bureaucratic, but it involves local groups deciding on the best projects. The programme can help to free up land and so create a bigger market for farmers by having more people living locally.

I thank the ministers for creating a situation in which, at last, we can have a debate in Parliament on the issues before we go to Europe, although it is unfortunate that it is taking place only a day or so before. We have a great argument to put to Europe that Scotland is a special case and I have every faith that Richard Lochhead will lead the team that puts that argument.

10:03

David Stewart (Highlands and Islands) (Lab):

As a new member, it is an honour and a privilege to make my first speech in Parliament. As a highlander who has also lived in rural Dumfriesshire, it is opportune that I am speaking in a debate about rural development. Before I proceed, I pay tribute to the former member of the Scottish Parliament for the Highlands and Islands, Maureen Macmillan, who, as members know, retired before the recent election. She was dedicated and hard working and I am sure that members would like to pay tribute to her work, not just in the Highlands and Islands, but in the Parliament. *[Applause.]*

I add a belated welcome to the new Cabinet Secretary for Rural Affairs and the Environment, who is clearly an individual with dynamism and energy. I wish him well in his new role. I hope that those remarks do not damage his political career.

Richard Lochhead: Or the member's.

David Stewart: Indeed—or mine. Give me a chance—I am in only my second minute.

Before I turn to rural development in the Highlands and Islands, on which I will focus, I want

to say something about the Organisation for Economic Co-operation and Development conference last year in Edinburgh, which I attended and at which I met the Mexican minister for rural development, who told me about his work to help the poor in rural areas in Mexico. The Government there built and shipped in hundreds of greenhouses to develop agriculture. However, the community learned that the most productive method of state intervention was not the direct provision of greenhouses, but the development of a market for greenhouses—their construction, distribution, marketing and sales—in Mexico and the whole of South America.

If that story has a moral for the cabinet secretary, it is that he must listen to rural communities and should not assume that he knows all the answers. Even if the rural community does not know the difference between voluntary modulation and the planet Zog, it will know about dualling the A9; it will know about rolling out broadband; and it will know about ensuring full university status for the UHI Millennium Institute. I should declare an interest, as my wife works for that fine institution. I am sure that the cabinet secretary will join me in campaigning for all three of those initiatives.

Throughout Europe and, indeed, the world, rural policy is evolving. The OECD has described a “new rural paradigm”, in which policies and strategies are based on place rather than sector. Policies work with local communities to identify their priorities and integrate them into a regional and national strategy, and public money is invested in ways that deliver the greatest public good in those areas. In recent years, Scotland’s environmental organisations have become a formidable campaigning force. I commend RSPB Scotland, Scottish Environment LINK and others for getting their voices clearly heard in the rural debate. However, the social dimension of Scotland’s rural communities has perhaps been underrepresented in the debate. I hope that the minister will reach out to those hundreds or even thousands of citizens whose work and lives are so important to sustaining vibrant and successful rural communities.

In my previous post at the Scottish Council for Voluntary Organisations, I was privileged to meet hundreds of people in the voluntary sector throughout rural Scotland. The work that they do—some of it paid, some of it unpaid—is the very lifeblood of rural Scotland, delivering services locally and building the social capital that sustains real rural communities. That does not happen by chance. It is not an inevitable by-product of economic success. The work that those people do in their communities needs to be recognised, valued and, most important, given the funding to make it sustainable.

I am sure that many people would ask, “What did the Labour Party ever do for rural development?” I would take them back to the 1940s, when Tom Johnston, the Labour Secretary of State for Scotland, nationalised hydro power, giving electricity to poor highlanders for the first time. I would take them back to 1965, when Willie Ross, the Secretary of State for Scotland, created the Highlands and Islands Development Board and turned around a massive population decline in the Highlands and Islands. I would take them back to 1999, when Tony Blair created the first national minimum wage. It was my privilege to vote for that legislation. The votes continued all night and I left at 9 am, happy that the bill had finally been passed. I have to confess that, unwashed and unshaved, crossing Westminster bridge, I was happy, although not in a self-serving, party-political way; I was glad to protect the waiter in Fort William, the bar staff in Galashiels and the security guard in Inverness.

We all know the rural development challenges that we face in rural areas: distance; remoteness; peripherality; low population density; lack of access to services; and low gross domestic product. My great personal concern is the loss of young people from remote and rural areas.

However, there are great opportunities. It is better to light one candle than forever to face the darkness. Let us build on the comparative advantage of the culture and the environment. Yes, the hills and the glens are important, but this is more about the character of the people. Rural development needs the intelligence and individuality of the people, but we need to develop the life sciences; create green jobs; build clusters of renewables; stimulate research and development; and link industry with higher education. We need to aim for more headquarters in the Highlands and Islands for enterprises that have Scotland, UK and world reach, such as Tulloch Homes and Orion Engineering Services.

The acid test of the new Scottish rural development programme will be how it delivers for our most fragile and remote rural areas and for the young, the disadvantaged and the dispossessed. They deserve the spirit of leadership and vision that led to the creation of the HIBD and the minimum wage. Our communities look to the Parliament for action. Let us give them progress, not procrastination.

10:10

Jamie McGrigor (Highlands and Islands (Con)): I refer to my membership of NFU Scotland, the Scottish Rural Property and Business Association and the Scottish Crofting Foundation, as well as to my farming interest in the register of members’ interests. It is thanks to that interest that

I have an acute knowledge of the despair that has faced the farming industry for the past few years. I hope that the new Executive will bring about an improvement. I welcome this opportunity to debate the rural development programme, the shape of which is vital to sustaining our farming sector throughout Scotland, but particularly farmers and crofters in the more remote parts of Scotland, such as my region, the Highlands and Islands, from Campbeltown to Shetland, which I am delighted and grateful to represent again.

We need to get the rural development programme funding right so that our farming communities can survive and can help to provide a basis for employment and income for rural communities. So many things depend on farming. I hope that the new Executive will realise the importance of hill farming, particularly in sustaining rural livelihoods and the open landscape that is so important to walkers and ramblers. In "The Final Farewell to the Bens", Duncan Ban MacIntyre described that landscape as "wondrous hill country", saying:

"As these are the parts of which I've taken leave, my thousand blessings aye be theirs".

As my colleagues have mentioned, the Scottish Conservatives support the vast majority of farmers and crofters in believing that the level of voluntary modulation should be no higher than 5 per cent. Furthermore, I make the point that this is not voluntary modulation; for those who pay it, it is a compulsory clawback of the single farm payment, which constitutes more than 50 per cent of many farmers' incomes. When the minister says that he hopes that farmers will benefit from agri-environment schemes, can he guarantee that his Executive, unlike the previous one, will make it possible for farmers to get into those schemes? A great many were unable to get into schemes under what I can only refer to as the last lot. A modulation level of 5 per cent, which amounts to £1,464.9 million over the period 2007 to 2012, could provide adequate funding for a meaningful Scottish rural development programme, but at 8 or 9 per cent it will threaten the basic financial viability of many farms and crofts.

The Scottish Executive's own figures show that the average net farm income in 2005-06 was £10,100. LFA specialist sheep farms and LFA mixed cattle and sheep farms saw their incomes fall particularly sharply. Only a rise in sheep and cattle prices at markets will save the day in farming, but an 8 or 9 per cent clawback tax, which rises to 14 per cent when we take the European element as well, could mean a fall of about 60 per cent in those tiny incomes. That will be too much.

The Scottish Conservatives have long supported agri-environment schemes, as we recognise that

farmers and crofters are the guardians of the countryside, but any further increases in voluntary modulation will simply increase the great financial pressure on them.

Rhona Brankin: Will the member take an intervention?

Jamie McGrigor: Not at the moment—I do not have time.

Will the minister address a number of specific points that have been raised with me by farming and crofting constituents who want a much better and more effective SRDP than has been the case until now? How many new entrants were there for the rural stewardship scheme this year? What assessment has the Executive made of the effectiveness of the rural stewardship scheme, and what plans does it have to reduce the bureaucracy of the scheme? Why have there been no new land management contracts this year? What happened to the money previously allocated for them, and, for that matter, the money that normally would have gone into environmental grants? Will environmentally sensitive area scheme members continue to be automatically entered into the RSS or the equivalent scheme, which they have had in the past, after 10 years?

The SNP has talked a lot about the need to get young people into farming—the Conservatives agree with that absolutely. I wonder whether the minister has any specific proposals for working with the industry to widen the training opportunities for young people in agriculture. It is vital that we not only attract young people into agriculture but ensure that they are well trained. The pool of trained young farm workers became desperately shallow under the previous Executive. How will the minister refill that pool?

I welcome some of what the minister said, and in particular the fact that the voluntary modulation rate is at least not going up to 15 per cent. I continue to think that 5 per cent is high enough, however, and I hope that the minister might review the rate and make it lower than the 8 or 9 per cent that he is suggesting.

10:15

Christine Grahame (South of Scotland) (SNP): I recognise the expertise of the many farmers in the chamber, and I will let others bandy about the detailed arithmetic. I commend the cabinet secretary for making the best of the bad ingredients that he has inherited. He has been in government for only a few weeks, not eight years.

Mike Rumbles was bleating about consultation. This subject is indeed about consultation, not coalition—Mike seems still to be in a coalition with the Labour Party. I remind Rhona Brankin that

Labour lost the election. She should accept that with at least a modicum of grace, which was not evident in the tone of her speech, unlike that of her colleague, Mr David Stewart. There—that was the consensual beginning to my speech.

“Voluntary modulation” is not an expression to trip easily off the tongue. I asked Robin Harper for a definition of it, and what he said was imaginative, but unrepeatably. It is, however, a serious issue for farmers.

I will now address what Mike Rumbles said—it is so handy that he is sitting just in front of me. Naughty Mr Rumbles took only little bits out of our manifesto when he was talking about voluntary modulation. In fact, we start by saying:

“Voluntary modulation will not be used to disadvantage Scotland’s farmers.”

As I understand the issue, we are moving away from giving subsidies directly to farmers and are putting the funds into a pot of other money that is accessible by farmers for rural development. We are not endeavouring to disadvantage farmers; we are shifting the emphasis.

Mike Rumbles: Will Christine Grahame take an intervention?

Christine Grahame: The bait has struck.

Mike Rumbles: Christine Grahame shows ignorance in her understanding of the system. As Jamie McGrigor rightly pointed out, it is about direct payments to farmers, and only some farmers will be able to take advantage of the agri-environment schemes.

Christine Grahame: The member is arrogant as usual. I certainly understand the principle that is in operation. I will let others argue about the percentages, but the principle is that the money remains in the sector.

What bothers me is that today’s farmers must not just be experts in their profession, but also accountants and economists. They need rigour not just for winter winds and spring storms, but for all the jargon and technospeak and for the blizzard of EU regulations. I will therefore broaden my speech into that area, whereas other members have kept to the narrow focus of voluntary modulation.

There is the mire of planning regulations, and there is the might of the supermarket sweep. Our manifesto contains programmes to deliver a shift of emphasis, with lighter effective regulation. That does not mean regulations for regulations’ sake, but cutting red tape. For every regulation that comes in, another one must get thrown in the shredder. To achieve that, we in the Parliament have to work to give Scotland a stronger voice in Europe. We must not be left outside the door when fishing and farming are being discussed. We

should have our ministers inside, making representations for the industries on which so many communities throughout the South of Scotland region depend, ranging from East Lothian vegetable growers, Eyemouth prawn fishermen and Borders hill farmers to Galloway dairy farmers.

Local planning regulations often work against farmers who wish to develop their farms. Many cases cross my desk in which local development is being inhibited. There are good things that we can do under planning regulations, however. For instance, if a supermarket wants to come into an area, we can include in the regulations a requirement for the supermarket to purchase locally; otherwise, they do not get to build. That is one direct intervention that could help our farmers.

I recognise the efforts that John Scott and other members have made on buying local, fresh Scottish produce. We have raised that issue in the chamber before in Executive debates and in members’ business debates, and we made representations on the matter to the Scottish Parliamentary Corporate Body. Apparently, we cannot have Scottish food in the Scottish Parliament, because the contracts are drawn up in such a way that the cheapest source must be used, and the cost of food miles works out cheapest.

However, it is possible to draw up other sorts of contract that do not breach EU regulations. That is called creative contracting. It is about sustainability. That has been achieved in Orkney, which was mentioned earlier. Orkney Islands Council contracts locally because that sustains local communities. The National Assembly for Wales has the Welsh national health service buying Welsh produce. Ironically, Welsh produce is being brought up to Scottish hospitals. What have we been doing in here for eight years? We have been sitting on our hands, allowing that to happen.

Sarah Boyack: Will the member take an intervention on that point?

Christine Grahame: No, thank you. The Parliament could set a similar example. We should extend farmers’ markets. I have visited John Scott’s stall, and he produces wonderful lamb—there is a plug for him. Farmers markets are an excellent initiative, but they do not go far enough.

I have already talked about the possibility of granting planning permission to the big boys—the supermarkets—only on a certain basis. Labelling is also extremely important. People think that, if they buy a chicken with “Produced in Scotland” on the packaging, it is a Scottish chicken, whereas it is not in fact a Scottish chicken. It could be a Pakistani or Indian chicken that has been

processed in Scotland. That is what is wrong. We need labelling that is clear to people so that, when they buy something labelled as Scottish produce, they know that it was on the hoof in Scotland. I am glad that I am making members smile.

I listened to Jamie McGrigor's romantic description of the landscape. How true it was.

Brian Adam (Aberdeen North) (SNP): Does the member agree that the minister ought to consider the example of a scheme that currently runs in Ireland, whereby one of the big supermarket chains displays shamrocks against all the items that are sourced in Ireland? Could we not do the same here, with saltires?

Christine Grahame: Yes. I also commend the SNP's campaign of about 20 years ago to buy Scottish produce. We led the way in that.

As I was saying, Jamie McGrigor was correct to suggest that it is farmers who create our landscape, whether it is the bleak, dramatic mountains, the green sweep of the Borders hills or the black and white dappling of the herds in the Galloway fields. Farmers make those areas brilliant tourist destinations, and we should assist them.

On a final, consensual note, I think that Rhona Brankin and I must know the same Borders farmer. He got a grant to do up his two old cottages through European funding, and he used local joiners, who provided a high-quality finish. The cottages are now open 365 days a year for bird-watching, and that brings money into the community and the farm. Let us have more such examples. There—I thought that I would be consensual at the end.

10:22

Rhoda Grant (Highlands and Islands) (Lab): I congratulate Richard Lochhead and welcome him to his new post.

I will concentrate on how we support communities in remote and rural areas. Crofting and small-scale farming are essential in underpinning many rural communities in the Highlands and Islands. I cannot speak about crofting without first paying tribute to the work that was done by Maureen Macmillan and Alasdair Morrison. They both worked hard for their crofting constituents. They ensured that their views were heard in the Parliament and acted on under the Crofting Reform etc Act 2007. They were both committed to land reform and were instrumental in pushing forward that progressive agenda.

The reason why those two members were passionate about crofting is that it has helped to sustain communities in the Highlands and Islands. Before discussing how we can continue to support

crofting and farming at the edge, I will highlight the benefits of doing so. Crofting assures a supply of affordable housing for the crofters. In remote and rural areas, providing affordable housing is a challenge. In more urban areas, the system of planning consents can ensure that developers provide 25 per cent of developments as affordable housing. That is not an option in rural areas.

The crofters building grants and loans scheme gives crofters access to affordable homes. It is instrumental in getting people to stay in their communities. We need to consider new and imaginative ways to continue to tackle the lack of affordable housing, but we cannot ignore the contribution that crofting makes in rural areas. We must also consider new planning guidelines to make it easier for farming families to build homes on their farmland. That enables farmers' children to take over farms so that their parents can retire, but remain in the family home.

By keeping people in farming communities, we sustain local services. Children attend the local schools and provide the critical mass necessary to keep those schools open. The same applies to other public services, so general practices, libraries and bin collections will all be available as close as possible to communities. By keeping people in those communities, we support local shops and businesses, and that leads to more sustainable employment.

We all gain from vibrant rural communities. We assume that rural areas are natural wildernesses, but that is not the case, because such areas have been managed by farmers and crofters for generations. The roads and services that are provided for those communities ensure that the area is open for those of us who dwell in towns and cities to visit and appreciate. As I travel around the Highlands and Islands, I am frequently awestruck by the beauty of the area; it is a huge privilege to represent the most beautiful area in the country. That scenery attracts tourism, which also sustains the communities.

Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): On the issue of the heart of our communities, the member was correct to mention schools. Does she also agree that the Assynt centre and Caladh Sona in Sutherland, which are centres for the elderly, should be kept open and that we should encourage Highland Council to ensure that that happens?

Rhoda Grant: Indeed we should. I am sure that Jamie Stone is aware that the Labour Party took a stand and was the only party that was united in fighting the closures that Highland Council proposed.

The areas that I represent are the lungs of our country and are important to the global climate.

Farming and forestry in particular have a role to play.

We need to consider how we use agricultural subsidies. I have always found it obscene that owners of large farms with good land and access to markets receive the same support as farmers and crofters working in difficult conditions who are remote from markets. The less favoured area support scheme has proportionately benefited larger producers. Although I welcome the fact that that has been rectified to an extent, we have a long way to go. I am hugely disappointed that, although Richard Lochhead said that 85 per cent of Scotland is classified as a less favoured area, he did not say how he will use the funding available to look after small communities in remote and rural areas.

Large farming businesses should receive the same business support as businesses in other industries unless they are providing community good. Those producing at the edge should receive recognition for the social and environmental benefits that they provide.

The rural development plan needs to use modulation to address the following points. It needs to provide an incentive to promote environmental benefits. We need a new environmentally sensitive area scheme. That scheme was hugely popular, especially in Shetland, and led to better practice and headage reduction.

We need to fund expertise to help small producers find local markets. A good example of that is the good for Ewe project in Wester Loch Ewe. Such projects, which bring together small producers, have environmental, health and economic benefits.

We need to consider how services are delivered in these communities. I mentioned housing, but we have to identify ways to ensure that all services are provided.

We need to consider ways to encourage the production of biomass and biofuels, which offer huge untapped benefits in areas where farming is less productive. For example, it is easier to get a hazel harvest from less productive land. We need to explore all the possibilities.

We must encourage diversification in farming, but in doing so we must acknowledge the contribution made by crofting and farming in remote and rural communities to our wider environment. We must ensure that the support that we provide brings wider benefits and that it ensures the survival of our remote and rural communities.

10:28

Aileen Campbell (South of Scotland) (SNP): I congratulate the cabinet secretary on engaging promptly with stakeholders who are concerned about the future and current state of our rural communities. I hope that that listening approach of taking on board concerns and opinions will continue to be the hallmark of the way in which the Executive proceeds. I particularly welcome the comments on the new entrants scheme and the commitment to bringing new blood into the industry.

The reason that I have chosen to make my maiden speech in this debate is that rural issues and agriculture are close to my heart. I am the daughter of a tenant farmer and represent the largely rural South of Scotland. I will take great notice of today's words and future action.

Farming is not an easy occupation. Indeed, to call it simply an occupation does a disservice to that valuable way of life, which is being eroded by mounting bureaucracy, paperwork, red tape and legislation.

Members who represent rural constituencies and regions will no doubt be aware of the NFU manifesto, which noted that 2,281 pieces of European Community legislation covering agriculture were in force, with a further 568 pieces of legislation on the environment. On top of us are rules covering food hygiene, employment law and animal safety.

In addition to those rules, quangos hold a Big Brother-like control over the industry. Agencies such as the Scottish Environment Protection Agency have grown in authority, placing another noose around agriculture's neck. I hope that the minister's actions echo the words of John Swinney and that he looks to rein in the power of such bodies as part of the useful process of slimming down government.

We must remember that farmers are primarily food producers. We are a country blessed with the finest food and products and possess a worldwide reputation for quality. It is unbelievable that we do not use that in our best interests, as Christine Grahame was right to note. Our schools and hospitals are providing food that is purchased cheaply to save costs, but the reality is that those decisions cost us dearly.

We need to be more aware of the impact that our decision to buy strawberries in winter has on the environment. I am not suggesting that we completely remove consumer choice, but we need to raise awareness of what we produce in Scotland and how foods are produced. As part of a joined-up approach to addressing the health and well-being of our nation, we have to raise

awareness of how locally produced foods can help our nation become healthier.

We need look only to our neighbours in Finland, who reversed their appalling health trends by using the rich source of nutritious berries growing right on their doorstep. That example of how a small country can affect positively the health of the nation using local produce should not escape the attention of our new Executive. We are in real need of action on this, because there have only ever been warm words.

I went to a rural primary school surrounded by fields of potatoes, but we were served potato waffles and frozen chips. The situation has changed little. I trust that in 2007 we will finally take action to reverse years of neglecting our local producers in favour of the cheapest option. That is why I urge the Executive to examine the possibility of using what is on our doorstep and helping our farmers by using their produce to feed the mouths of the next generation of consumers.

It is up to us as parliamentarians to set an example and promote, where possible, producers in our constituencies and regions. I plug the Clyde valley, the garden of Scotland, which produces the finest tomatoes. In that case—and, I am sure, in many others—the label “Grown in Scotland” truly is the mark of quality.

I am sure that the Executive will be interested in a conversation that I had with a Clydesdale farmer I met at the Lesmahagow show. He is involved with the Royal Highland Education Trust and he is keen to see the expansion of many of its initiatives, such as farmers visiting schools and school pupils visiting farms. I agree that if such initiatives were expanded they could be a useful tool in educating youngsters about where their food comes from.

Furthermore, I hope that the Executive shares my thoughts about placing Scotland on the international stage. Scotland’s food has an excellent reputation and its quality shines through. In my opinion, the marketing of it has let the industry down. We should follow the Irish example, as Brian Adam suggested. Ireland markets its produce well and participates in international conferences and exhibitions much more prominently than Scotland does. I am confident that the new cabinet secretary and minister will be more than capable of releasing that untapped potential.

There is more to rural development than farming and food. I hope that the announcements made today and the future course that the new rural team takes will kick-start a rural renaissance that values local over global and acknowledges that co-operation in all areas, strands and avenues is the way to take our rural communities forward.

One example of co-operation in progress is the Biggar eco forum, which is making an ambitious attempt to make Biggar the first carbon-neutral community in Scotland. I visited the forum in May and was impressed by its emphasis on raising environmental issues, highlighting ways to reduce CO₂ output and attempting to create a viable, sustainable rural economy with the support of local businesses, schools and churches. I hope that the minister will join me in congratulating those responsible for the initiative and perhaps even pay the forum a visit.

We all understand that a multifaceted approach to the development of the rural economy is needed to ensure its viability. I have concentrated on farming, food and local issues that have been raised with me, but I could have spoken about so much more. I am pleased about the proactive way in which the new Executive is setting about tackling these issues and look forward to assessing its progress and actions in future.

10:34

Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): I congratulate the cabinet secretary on his appointment and the previous speaker on an elegant contribution, which is perhaps a taste of what we shall hear in the future.

For the majority of the 20th century, the Highlands and the Highland way of life ailed from that most debilitating of diseases: depopulation. Decade after decade, our young were forced to leave the hills where they were raised, which was our great grief in the Highlands.

However, in my constituency, the building of the UK Government’s first fast reactor at Dounreay in the 1950s was a change of epic proportions. Suddenly there was high-quality, long-term employment in one of Scotland’s most remote areas. For the first time in hundreds of years, local people could stay and work in their beloved homeland. Today, for instance, if one drives the length of Strath Halladale from Forsinard to the north coast, one cannot help but notice the number of working crofts and the amount of healthy livestock. That is in contrast to the gaunt ruins of long-abandoned croft houses in other straths further from Dounreay.

It was and is Dounreay that underpins that most happy of combinations in the Highland economy—the mixture of quality, paid employment in steady jobs and sustainable agriculture that benefits both the people and the environment. Dounreay has underpinned a way of life in the north that no previous employer or industry ever did. Dounreay kept the lights on, not least at the cheery window of human habitation.

As members know, however, we face a less certain future in the north. As decommissioning at Dounreay accelerates, the jobs that once seemed safe look far less certain. If there was one big issue in the north of my constituency during the election, that was it. People are worried about their futures and their children's futures. The issue of replacement quality employment based on existing skills is crucial.

Work has been done by the socioeconomic forum, the Nuclear Decommissioning Authority has funding in place, and the previous Scottish Executive pledged financial assistance both directly and via the enterprise network. In my first speech in this session of Parliament, I urge the new Scottish Government and the Cabinet Secretary for Rural Affairs and the Environment to show the same commitment as their predecessors to the far north and its challenges and opportunities as decommissioning proceeds. Let us not mince our words in this debate. If we get this wrong, we could once again face the evil spectre of depopulation. I ask the new Scottish Government to honour the previous commitments and work with—not against—the UK Government in doing what must be done to offer my constituents hope and a future in the north.

A first test for the cabinet secretary and the new Scottish Government is this: will the new Scottish Government honour the pledge that was made by the then minister, Allan Wilson, in my members' business debate last year? He said that there would be direct involvement by civil servants in the socioeconomic forum's future deliberations and work. That is on the record in the *Official Report*. We know that that promise was made. We need to know that the Government will keep that promise. We in the north Highlands are watching and waiting.

I turn to another issue of rural development, which has the same underpinning of quality employment and agriculture. We need to know what the new Scottish Government is saying about the southern end of my constituency, and in particular what it is saying about the impasse that prevails at Nigg. I wrote to Jim Mather about that last week. Members who were here in the previous session of Parliament will be only too familiar with the issue. The time has come for the new Scottish Government to become directly involved in sorting out this ludicrous situation. It is as simple as that.

One man—Mr John Nightingale of Cromarty house in Cromarty—owns part of the Nigg yard, including the graving dock, which is one of the deepest, finest and best-equipped in Europe and possibly in the world. The present owners want to sell it, but all potential sales are being stymied by the sheer intransigence of Mr John Nightingale.

The dock and the yard have proved their great worth in the past. Like Dounreay, the yard has provided vital local employment since the 1970s. It, too, has underpinned a Highland way of life and, one could argue, a rural and agricultural way of life. It can offer work in the future, not least in maintenance work, the decommissioning of oil structures, and renewables fabrication. However, it is evident that the present logjam is precluding possible contracts. The soon-to-happen decommissioning of the BP Miller production platform, which was built at Nigg, is an example. Nigg would be the preferred location for the decommissioning work. For the work not to happen there for the reasons that I outlined would be a national disgrace. It is time for the Scottish Government to become directly involved, almost certainly by facilitating compulsory purchase.

Rob Gibson: Will the member take an intervention?

Mr Stone: I am in my last minute.

The Deputy Presiding Officer (Trish Godman): Mr Stone, you can take the intervention if you like.

Mr Stone: I think that I am within my last minute.

The Deputy Presiding Officer: I will let you take the intervention if you want.

Mr Stone: Certainly.

Rob Gibson: Does the member agree that, during the past eight years, the coalition Government did nothing about the situation at Nigg? Although it is a priority, it is the case that the minister gave an answer towards the end of the previous session of Parliament by saying that he would start to take an interest. It is all very well for the member to stand up and say that the matter is a priority, but he should tell us why he did not say that before.

Mr Stone: It is a pity that the member was not here in the first session of Parliament and was not listening in the second session. As members know, I have raised the issue repeatedly. Was I not on my feet in the chamber years ago saying, "Why doesn't the Ministry of Defence give the yard some naval contracts?" Other members remember that—of course they do.

It is entirely unacceptable that, in the 21st century, one unco-operative landowner can hold the future employment of so many to ransom. Could he even be party to summoning back the spectre that I mentioned?

The role of Government in rural development is crucial. It should be the same, whether one lives in Perthshire, Banff and Buchan or the far north. I have repeatedly raised the issue of the Nigg yard over the years—colleagues who have been with

me in previous sessions of Parliament know that only too well—and I make no apology for the fact that I shall continue to raise it.

10:41

Peter Peacock (Highlands and Islands) (Lab):

I begin my contribution to the new session of Parliament by reflecting back on the 35 years for which I have lived in the Highlands and Islands. I have seen dramatic changes in the circumstances of the region during that period. Of course, the Highlands and Islands form the largest single rural area not just in Scotland but in the United Kingdom. I will look forward briefly to some of the challenges and opportunities that face the region in the future.

In those 35 years—for 25 of which, I hate to say, I have been in elected office in that part of the world—I have seen truly remarkable changes and a reshaping of the way in which rural life in the Highlands and Islands operates. It is only in the past 35 years that we have seen the Highlands and Islands emerge from 200 years of continuous decline. David Stewart, Rhona Brankin and Jamie Stone mentioned that.

In 1965, an enlightened Labour Government—we have had many of those in this country—created the Highlands and Islands Development Board because at that time it was not certain that the Highlands and Islands were not in terminal decline. If we look back at the records from that time, we see that it was very much an open question whether the Highlands and Islands would exist as an economy in the future. The Labour Government took the great opportunity and created the Highlands and Islands Development Board.

As Jamie Stone said, the 200 years of decline saw huge out-migration of people from the region. Economic prospects contracted year on year rather than expanding. The area was characterised by poverty wages, appalling housing conditions, and a debilitating land ownership system that kept people down. Many people lost their confidence and their entrepreneurial spirit as a consequence. Crofting was seen as a basic subsistence existence in poverty. There were chronically poor internal and external communications both within the region and between the region and other parts of Scotland, the UK, and indeed the wider Europe. There was little local appreciation of the value of the magnificent natural environment that the Highlands and Islands possess.

The landscape was exploited by Victorian owners at one point, but that continued into modern times for the purposes of shooting. Huge tracts of land were turned over to monoculture as

new forests grew on otherwise unused land. Perhaps most debilitating of all, there was virtually no respect in the Highlands and Islands for the indigenous culture and language of the region. Indeed, Gaelic was seen to hold people back in that part of the world rather than to help them to get on. Not so long ago, if a child spoke Gaelic in their primary or secondary school, they were belted for having done so.

Only 40 years ago, the Highlands and Islands were still seen as a place to get out of in order to get on, and yet just 40 years later the region has become the place to be in Scotland, in the UK and perhaps in the rest of Europe. The population is growing significantly not just in Inverness, which is booming, but in many other communities. The population of Skye is growing for the fourth decade in a row. There is virtually full employment in the Highlands and Islands, which was unheard of in the past. There is a rapidly expanding economy.

Jamie McGrigor: I understand the picture that the member is trying to paint. I agree with it to a certain extent in the area surrounding Inverness, but does he agree that in other parts of the Highlands and Islands—the more far-flung areas—the picture is not the same?

Peter Peacock: We should not underestimate the population growth in many communities throughout the Highlands and Islands, but when I discuss the challenges that remain, I will deal with Jamie McGrigor's point.

The Highlands and Islands are experiencing a housing boom such as we have never seen before. Housing conditions are dramatically improved on those in the past. Far from being seen as a basic and poor subsistence form of existence, crofting is now seen as the potential cornerstone of achieving greater biodiversity and a sustainable agriculture in the future. We have new bridges and causeways, new ferry services and new air routes, which are opening up the region and improving internal and external communications.

We have a natural environment that the local population and the rest of Scotland's population value highly and which is a prime driver for economic activity.

Mr Stone: Will the member take an intervention?

Peter Peacock: I will happily take Jamie Stone's intervention if the Presiding Officer will indulge me at the end of my time.

Mr Stone: The member mentioned crofting. Does he agree that the minister will have to tackle the raw market forces that prevail in the sale of crofts, which are pricing out ordinary local people?

Peter Peacock: There are challenges. The previous Administration established a committee of inquiry to look into aspects of crofting, including that dimension.

As I said, the natural environment in the Highlands and Islands is hugely valued and is a prime driver of economic activity. We have new colleges throughout the Highlands and Islands that are part of the UHI network, which allows young people to stay in our region like never before. Community after community now owns and is taking control of its land, which results in new economic opportunities. I could go on—the transformation is huge.

Young people are now taught through the medium of their indigenous language, Gaelic, not belted for speaking it. A new pride is being expressed in culture—in music, dance and literature. The cultural sector is vibrant. The year 2007 is the Scottish year of Highland culture. In 40 years, the Highlands and Islands have turned from a basket-case into a showcase of what can be done in rural development. The HIDB and all its efforts have sat at the heart of that over the years. Investment has been sustained.

That story of transformation is by no means over. Many challenges of the sort that Jamie McGrigor mentioned have still to be overcome. Challenges remain in housing and with low wages. In all the ways in which we progress, the environment and environmental management will be the key to the success of the Highlands and Islands. In that context, the new rural development programme has a huge role to play in continuing the momentum.

In the background, CAP reform is driving some change but, as we all know, CAP reform moves at a glacial pace. It needs to move faster. The cabinet secretary had an opportunity to accelerate the pace of that change, to increase the available funding significantly and to give new impetus to diversification in the rural economy. That would continue the transformation and the transition from subsidised production to such matters as greater biodiversity; more environmentally sustainable agriculture; supporting high nature value farming, crofting and forestry; increasing countryside access, interpretation, leisure and tourism opportunities; and managing Natura sites more effectively.

Many opportunities that are arising could have been taken to bring about more economic cohesion in the Highlands and Islands and between that region and the rest of the UK but, far from having achieved greater acceleration, the cabinet secretary has betrayed many of our rural development and environmental needs. From what Mike Rumbles and John Scott said, we know that farmers will feel cheated by today's

announcement. The cabinet secretary has managed to fall between two stools: he has not achieved the absolute necessity of meeting new environmental and rural development objectives and he has not supported farmers sufficiently.

The absent Greens have aided and abetted in that betrayal. Where are they? They could not even bother to turn up to one of the most important debates of the four-year session of Parliament about the future of environmental support and the countryside.

The Deputy Presiding Officer: You should finish now, Mr Peacock.

Peter Peacock: The SNP has duped the Greens, who have been taken in and spat out at a moment's convenience for the SNP.

Richard Lochhead does not have a good track record on environmental issues. He had a great chance today to show that—

The Deputy Presiding Officer: Mr Peacock, you really should be finished.

Peter Peacock: I will finish. Richard Lochhead's record of siding with producers over environmental and scientific interests has been reconfirmed today. That is a disappointing start and rural Scotland will be deeply offended by what has happened.

10:49

Kenneth Gibson (Cunninghame North) (SNP): Having represented the region of Glasgow in a former life, I have never before spoken in a debate with a rural dimension. It therefore gives me great pleasure to do so today.

The recently liberated constituency of Cunninghame North has many small mainland rural communities, from Meigle to Gateside, and other rural communities are on the islands of Arran and the Cumbraes. It also includes small towns of varying character, such as Beith and Dalry. Perhaps they do not fit the Scottish Executive definition of what is rural, but they nevertheless face many of the same challenges as do rural communities.

I welcome the cabinet secretary's introduction of the debate and the positive speeches by many members throughout the chamber—particularly that of David Stewart, which was in marked contrast to that of his front-bench colleague Rhona Brankin and the latter part of his Highland colleague Peter Peacock's speech. Unlike Peter Peacock, I think that the cabinet secretary did exceptionally well to cover the ground that he did in the time that was available. I am convinced, as I am sure everyone else is, that he will later cover all the points that he could not cover in the allotted

time today. I also welcome Aileen Campbell's highlighting of the SNP's commitment to reduce the burden of regulation and bureaucracy on rural Scotland.

Of course, many aspects have not been covered, and I will touch on them. The cabinet secretary mentioned in passing tourism, which is fundamental to rural Scotland's economic development. Scotland's beauty and splendour are unmatched. In my constituency, Arran, which is called Scotland in miniature, is a sight to behold. I am pleased that the cabinet secretary has visited Arran several times.

The Parliament must do more to enhance tourism, which can be seen as a double-edged sword. Jobs in tourism are often low paid, low skilled and seasonal, despite the amount of money that tourism generates for the Scottish economy. We need to work more on bringing more people to our beautiful country.

Affordable housing is of great importance to members of all political persuasions and I am pleased that it came to prominence in the election campaign. On Monday, I will meet the Housing Initiative for Arran Residents, which highlights the fact that Arran has the highest level of homelessness per capita in Scotland. That is because housing in Arran is exceptionally expensive, so local people who have low wages cannot compete with people from other parts of Scotland and further afield to purchase property. We must work seriously throughout the Parliament to find ways to make housing much more available to people—otherwise, as several members have said, our young people will continue to leach out of our rural communities.

Several members, including Rob Gibson, touched on transport, which is fundamental. It is difficult for profitable farms to compete when one considers the level of road, rail and ferry charges. I look forward to finding out whether the road-equivalent tariff will make a significant difference to that.

Viability is vital throughout rural Scotland, which is why the Parliament should not take its eye off post offices. I was pleased to hear John Swinney's statement about post offices, but we must do everything that we can to ensure that we do not lose the universal service obligation. A post office in my constituency at Kilmory in Arran closed earlier this year and I understand that 16 of the 23 post offices in my constituency are under long-term threat.

Several members have mentioned renewable energy. We should think about not just biomass and biofuels, but solar and geothermic energy. I am pleased that the Executive will support non-

land-based renewable energy to the tune of some £10 million. That is welcome.

Clyde Muirshiel regional park is one of the most beautiful areas of my constituency. It touches on several constituencies, including that of the Deputy Presiding Officer. The last thing that I want is industrial development in an area of such beauty when other parts of Scotland and my constituency offer the opportunity for renewable energy development.

Emergency medical services are important to Scotland. The emergency medical retrieval service on the west coast has been run for three years—it was supposed to form a 12-month pilot project—and provides life-saving assistance voluntarily to people in island and rural communities. We must enhance the £1 million a year that is required to continue that service.

I welcome David Stewart's comments about the voluntary sector. In small communities, it is difficult not only to provide the diversity of the voluntary sector but to have a voluntary sector. We must look into that. The Local Government Committee looked into the matter in the first session of the Parliament, but it is time to move on.

The £18 million support for the creation and development of microenterprises is extremely welcome, as is the support for diversification out of agriculture or forestry. Obviously, people from a farming tradition want to continue to work in that tradition, but we must, if possible, allow them to have opportunities to move into other areas.

I want to touch on farm incomes, which have been discussed. In the financial years 2004-05 to 2005-06, net farm incomes fell by 27 per cent, from £13,840 to £10,110—two Conservative members have already mentioned that figure. Dairy farming incomes fell by 20 per cent, income from specialist sheep farming in LFAs fell by 53 per cent, and income from lowland cattle and sheep farming fell by 54.2 per cent in a single year. One could argue that that is an indictment of the previous Executive, but the figures also mean that the increase in voluntary modulation, which has been kept to 4 per cent, is much more welcome than it would have been if it had been much higher.

Mike Rumbles: The member highlighted the real problem that farmers face and then welcomed the announcement that has been made, which means, according to the NFUS, that 20 per cent of farmers' incomes will be cut. Does the member welcome that?

Kenneth Gibson: Mr Rumbles should have waited until I had finished. I was trying to say that I welcome the fact that the reduction has been kept to 4 per cent as opposed to the increase that he and colleagues in his party would have liked. I also

welcome the £70 million of new money that the cabinet secretary has announced and the £10 million for the entrants scheme for farmers.

Labour members have presented a dichotomy. They have asked where the £70 million will come from, but also argued that an extra £173 million should be injected into the sector. Rural development is a difficult issue for the new Executive, given the figures that the previous Executive has handed to it, but it is doing a sterling job so far. Long may that work continue.

10:57

Elaine Murray (Dumfries) (Lab): I, too, congratulate Richard Lochhead and Michael Russell on their appointments to their new posts. Like other members, I thought that we would have a wide-ranging subject debate on rural development; I did not realise that the debate would be a Trojan horse for an Executive announcement on the SRDP. I intend to continue in the same vein as many colleagues and consider particular issues.

How we can maintain sustainable and vibrant rural communities is an extremely important issue for many rural industries in the south of Scotland, such as farming, forestry and tourism. Peter Peacock referred to the problems of the Highlands and Islands 40 years ago. Unfortunately, rural areas in the south of Scotland, such as Dumfries and Galloway, still have similar problems. We are still struggling with a number of challenges. We still have a declining population, an older demographic profile and difficulties with retaining indigenous young people and attracting other younger people to live and work in the region. Sometimes, we have difficulties with recruiting people with particular skills or from particular professions; we have problems with filling vacancies in teaching, social work and certain health professions. However, rather than simply complain about the Highlands and Islands getting everything, as people in the south of Scotland sometimes do, I want to learn from what has happened there and find out how we can apply lessons in the south of Scotland to build up our rural communities.

I want to concentrate on thriving rural communities, which is the fifth key outcome to be identified in the Scottish Executive rural development programme. It is not clear how thriving rural communities are to be achieved through the SRDP, but several factors can, of course, contribute.

Towns and villages are central to the success of the economy of all rural areas. The role of cities as dynamos that drive the economies of their surrounding regions has been widely recognised;

indeed, their role was part of Scottish Enterprise's city regions strategy. However, we must recognise that, on a smaller scale, county towns such as Dumfries and smaller towns and villages drive their local economies and that any strategy that is aimed at promoting sustainable rural development must promote sustainable towns and villages in rural areas. That is why the regeneration of rural towns and villages is extremely important.

We need a strategy that assists and empowers communities to regenerate town and village centres. In a debate last week, I referred to Labour's manifesto proposal that the Scottish Executive establish town centre trusts that will bring together national agencies and local interests, and will have powers of compulsory purchase and be able to set up business improvement districts. I also referred to the proposal to set up a town centre turnaround fund to help to finance schemes that the trusts propose. I urge the Executive to consider those proposals because, other than extending the previous Executive's small business rates relief scheme, the current Administration seems to have no proposals to help communities to participate in the renovation of their towns and villages. Other parties have made proposals for regenerating town centres. We must have a debate about how that should be done.

I do not think that there will be any problem with achieving consensus and getting agreement from the Cabinet Secretary for Rural Affairs and the Environment on the second issue. To help young people stay in rural communities and bring others into them, there must be access to further and higher education opportunities, not just for the young, but for older people who wish to refresh their skills or develop new skills. That is why the Crichton campus in Dumfries has been a trail-blazer. As well as celebrating the university of the west of Scotland's commitment to expanding its provision in Dumfries and welcoming the relocation of Dumfries and Galloway College to a new building on the same site, we must persevere with trying to change the University of Glasgow's decision to suspend its intake of undergraduates. The commitment to the liberal arts course must be maintained. Jim Hume has lodged a motion on the issue. We must continue to work across the parties to change the mind of the funding council and the University of Glasgow, to reverse the decision that has been taken.

The Crichton is home to the centre for research into regional development, which is a collaborative three-year project that involves the University of Glasgow and the University of Paisley. It undertakes research into the four key sectors in the south of Scotland—agriculture and food, tourism and heritage, forestry, and renewable energy. Development of the Crichton, additional

full-time undergraduate places and support for research are an essential part of creating thriving rural businesses and communities well beyond the town of Dumfries.

Finally, I want to address the availability of affordable private and rented housing in rural areas, which is as pressing an issue in rural communities as it is in urban areas. Around 5,000 people in Dumfries and Galloway are on the housing associations' waiting lists. They are trying to get rented accommodation not only in towns such as Dumfries, but in smaller communities. Affordable housing in our rural and urban communities is essential. The Administration wants to abolish Communities Scotland, but Communities Scotland has been instrumental in providing considerable funding—£13 million was provided to Dumfries and Galloway last year. If the Administration gets rid of Communities Scotland, how does it intend to address the important issue of affordable housing in rural communities?

11:03

Jamie Hepburn (Central Scotland) (SNP):

Given that I was born and bred in Glasgow, it may seem odd that I have chosen to make my first speech in the chamber in a debate on rural development. I cannot boast that I come from the same rural background that my friend and colleague Aileen Campbell and many other members come from or that I have had the same idyllic upbringing, but I have been given the honour of representing Central Scotland. Most people think of that region as a fairly urbanised part of the world, but there are many rural communities in it. I will draw on local examples on which the new Government can focus its efforts to assist rural development.

First, however, I congratulate Richard Lochhead and Mike Russell on being appointed to their respective Government posts. I also congratulate our new Government on making rural development one of the first issues to be considered and debated in the chamber.

There is much to commend in the cabinet secretary's speech and in the policies that the SNP presented at the election. Rural communities are important to Scotland, and they will welcome this debate and the broad plans that the cabinet secretary set out in his speech. In particular, they will welcome the £1.6 billion investment that has been committed to the rural development programme and the commitments to assist the rural economy. Only yesterday we had a debate about making Scotland a wealthier and fairer place. Part of our commitment to doing that must be that our rural communities will be part of the process. The less favoured area support scheme and rural development contracts will go some way

towards achieving that, as will the scheme to assist new entrants into farming.

Improving rural transport links is an important part of the process. I am sure that everyone in the chamber shares my eagerness to hear an early announcement on the upgrading of the A9, which is a vital artery for all Scotland. Dualling the A9 will bring tremendous social and economic benefits to the nation; in particular, it will give a great boost to those rural communities along the road's route in mid and Highland Scotland.

Although I would welcome improvements to the A9, we must also pay attention to local roads, which are equally important to rural Scotland. I am aware that roads are not the specific responsibility of the Cabinet Secretary for Rural Affairs and the Environment—indeed, local roads are not even the responsibility of the Executive; they are the responsibility of our local authorities— but I wonder what steps the new Government might take to encourage our local authorities to improve our rural roads network.

For example, the A803, which stretches from Glasgow through Kilsyth to Falkirk, is a vital artery for many rural communities in Central Scotland. People who live on that route have to contend with a volume of traffic for which the road was not designed. I have heard of many accidents on that road in Queenzieburn, outside Kilsyth, which is a small village of about 300 people. That is one example of a rural road that is not fit for purpose and I look for guidance from ministers on how they envisage making improvements, not just through flagship schemes such as the A9 upgrade, which are all good and welcome, but to the likes of the A803.

I have heard many complaints about public transport in rural Central Scotland. One particular bone of contention has been the poor bus services in rural communities. For instance, Kilsyth is badly served by buses to the Monklands hospital. As do all those who campaigned against the closure of the accident and emergency department at that hospital, I look forward to next week's statement by the Cabinet Secretary for Health and Wellbeing. However, the expected and welcome decision to save Monklands A and E will serve only to highlight how vital it will be for the rural communities that are served by the hospital to be adequately linked to it. I seek the minister's guidance on how the new Government intends to encourage improvements to rural Scotland's public transport network.

Rural development is a matter of national urgency and I welcome the new SNP Government's commitment to treating it as such.

11:08

Jim Hume (South of Scotland) (LD): First, I have to declare an interest, as I am also a farmer and a member of the NFUS. I also congratulate Mr Lochhead and Mr Russell on their recent appointments.

This is my maiden speech, so I assume that members will be gentle with me—although probably not for too long. It is my new duty to shadow the Minister for Environment, Mike Russell, and I look forward to it with great pleasure. Mike Russell's shadow is certainly very impressive.

Christine Grahame: I do not know what that means.

Jim Hume: I am sure that Christine Grahame will work it out.

I concur with Elaine Murray on the importance of the Crichton campus to the rural area of South of Scotland, and I will work hard to persuade the University of Glasgow to continue its partnership work there. I know that that will have cross-party support.

I wonder at the absence of the Greens today; perhaps they have given up altogether.

I was a bit surprised to hear Rhona Brankin say that she is totally disgusted with the level of finance that is being put into the rural development programme, because Labour wanted more money taken away from the pillar 2 agri-environment budget in December 2005, when Mr Blair gave away £60 million from the Scottish budget and got nothing in return. Perhaps Mr Brown will reverse that decision when he bargains for the benefit of the environment in Scotland in future.

I welcome the new entrants scheme, which I hope is not a populist scheme. I want to see how it will make a difference to new entrants coming into agriculture.

I would like to think that the Government will consider assessing and regionalising funds, which my party proposed just before the election. That would ensure that there was no great movement of funds from one area to another.

I also welcome the recognition of the importance of the LFASS, given Scotland's difficult geography, topography and climate. LFASS payments are preventing upland clearances the like of which we have not seen since the Highland clearances and, as the Deputy Presiding Officer knows, the less-well-documented Galloway clearances. I would like a guarantee that modulated funds will be recycled within farming to deliver the rural development plan, as promised in the SNP manifesto.

Delivery will have to be quick, as Mr Lochhead knows, but I hope that it will not be rushed. I plead with the Government not to gamble with the rural industries, which are often bundled together as if they are only one industry. Our central belt MSPs do not talk about urban industry in the singular, so we should recognise the amount of different work that is done in the countryside. The result of that work often ends up on members' plates or in their glasses of whisky in the plush members' bar—I am not looking at anyone in particular, although I hope that that whisky was distilled from Scottish malting barley and that the Scotch Whisky Association is listening.

Some members have talked about the importance of good environmental delivery for Scotland as if it is separate from traditional agriculture and rural economic activities. Ever since the last ice age crept north from our shores—I am sorry that John Farquhar Munro is not here to concur—Scotland's land has been well managed by farmers to produce food. The landscape has also been managed: no hedge or tree would exist in Scotland, and neither would the most biodiverse pasture land in Europe, without the careful management of our land. Those would not exist if people did not deliver them.

I know that not all members have experienced hands-on work in the countryside in our variable climate and terrain, or have even come into direct contact with farming activity. I have, and I know that we live in an environment not of subsistence farming but of economic farming. We live in a capitalist world and, as there are no members of the Scottish Socialist Party in the chamber, I say as a warning to all that we must have profitable farming and economic activity in the countryside to deliver the kind of countryside that we are used to having and that we want in the future. It does not happen by itself.

Kenneth Gibson: The member talked about the profitability of the rural sector and how he wants to develop rural Scotland. Which parts of the rural development programme would he cut to reduce expenditure by the £150 million by which his party would like to reduce it?

Jim Hume: I thank the member very much for intervening on my maiden speech. As we received the programme only 15 minutes before we came into the chamber, it is difficult to go into detail.

We need people on the ground who are making money and delivering our environmental agenda. We need a countryside that can help to deliver the climate change agenda through new crops to replace traditional fossil fuels, and a countryside that can support rural communities, give good free access and feed our nation. Perhaps in the near future the Government will support the use of local

fresh foods by our public agencies instead of simply buying the absolute cheapest, as many members have said with regard to the East Ayrshire Council project.

I worry when I hear members presuming that agricultural funds will disappear during the next round. I hope that, in the near future, Mr Lochhead will negotiate well for us at EU level to ensure that Scotland gets its fair share of EU funds in the coming mid-term review of the CAP. I also hope that he will join our campaigns to review the unfair restrictions on the size of farmers' co-operatives and to establish a private sector-led Scottish food and drink marketing and promotion body to put the Scottish food and drink industries at the forefront of competitive valued-added produce not just in Europe but in the world.

I look forward to this Government delivering the rural agenda for farming, the environment and the future sustainability of Scotland and our planet.

11:14

Nanette Milne (North East Scotland) (Con): I rise with some trepidation to make my first speech in a debate on rural affairs and the environment. For most of my adult life, I have been involved with medical matters. For the past four years in the Parliament, I held the all-absorbing health portfolio, so I am now well out of my comfort zone and am faced with learning the complexities of agriculture and the language that goes with it. I know about the SEERAD, and I am familiar with LFAs. I know the issues that face nitrate vulnerable zones. LEADER is more complicated. LMCs are no longer local medical committees, or even local management councils. If I were to hazard a guess about what LAGs are, I know that I would be wrong. Despite frequent contact with farmers in the north-east, I still have a lot to learn about the intricacies of agriculture, but I can already see that, when it comes to bureaucracy, the national health service does not get a look-in.

I congratulate the cabinet secretary on his new position. I am looking forward to shadowing the Minister for Environment, once I know the details of his role. I will co-operate with him where possible, and agree to differ where not. I got to know the Cabinet Secretary for Rural Affairs and the Environment during my first three years in the Parliament, as a fellow list member for North East Scotland, before he won the Moray by-election. I must now watch what I say to him, as my niece is one of his constituents; not only that, she is also his next-door neighbour. I am not sure whether that constitutes an interest, but it is worth flagging up.

My colleague John Scott spelled out our priorities for rural Scotland in the next few years

and indicated the importance that we attach to maintaining and developing its primary industries of farming, fishing, forestry and tourism. He stressed the importance of attracting new blood into farming and the need to reduce, where possible, the burden of red tape that is increasingly crippling the industry and driving people away from it. He also dealt with the detail of funding for the rural development programme.

I reiterate that the cabinet secretary faces a crucial decision in the next couple of weeks, when he sets the voluntary modulation rate for Scotland. The levels that he has proposed today, which involve a gradual increase from 5 to 9 per cent over three years, will be an enormous disappointment to the farming community, much of which is already struggling to make ends meet. If he had kept voluntary modulation low—at the current 5 per cent level, which many consider to be enough to sustain our rural areas—he would have had the Conservatives' full support. However, as John Scott said, we welcome his scheme for new entrants to the industry.

I will dwell for a few moments on the importance of sustaining our indigenous food production—an issue on which John Scott touched. In the past few years, there have been enormous pressures on dairy farming in particular, with milk production running at an unsustainable loss while supermarkets increase their profits from its sale. Every week we hear of farmers selling their dairy herds, and before long we may depend on imported milk for our breakfast cereal and cups of tea. I worry that something similar may happen in other sectors, as farms amalgamate and diversify and farmers retire or leave the industry. When I first carried out a survey of Gordon farmers, in 2002, I wrote to more than 800 people. By 2006, that number had almost halved, to 450. That happened at a time when it was recognised that food production locally not only benefits producers but is good for our health and the environment. I heartily endorse the words of Aileen Campbell, who focused on that issue in her excellent maiden speech.

Freshly produced food that is not processed or full of chemicals to preserve it and extend its shelf-life is of known benefit to health. We know the importance to our health of eating plentiful fruit and vegetables and we know how much better they taste when eaten fresh. We live in an age of serious health problems resulting from obesity that is due to bad eating habits. Type 2 diabetes is affecting more and more people at a young age and increasingly is costing the health service dear, as it faces the consequences. It has never been more important to get more local food into our schools and other institutions, such as hospitals, and even prisons, and to instil good eating habits in our children and young people.

From an environmental standpoint, food grown locally means less transportation. Local produce that is eaten in season means fewer of the air miles that come from importing food, which helps to combat climate change and, at the same time, helps the local economy.

Although everyone recognises the importance of indigenous food production and the benefits of providing local food for our children and other sections of society, there is no co-ordinated plan to deliver that agenda. It is not part of the health or education remits and it is not covered by rural affairs. I suggest to ministers that joined-up thinking is needed. The Government should have responsibility for local food delivery, to bring all-round benefits to our health, the environment and our local economy. We are willing to sit down with ministers to discuss how to take forward that agenda and co-operate in trying to find a way to deliver local produce locally.

The debate has had to cover many complex issues. I for one would have benefited from having significantly more time than we were given to absorb the detail of the Government's proposals. On the whole, we have had a good debate on the rural development programme. There has been a good airing of the many issues that face our already hard-pressed farming communities, which are crucial to our rural economy and our health and well-being. I wish the new cabinet secretary and his team well in making the difficult decisions that they will have to make, but sadly I am not convinced that today's decision on voluntary modulation reflects the SNP's rural manifesto commitment to make it possible for farmers to make a living at the same time as delivering environmental enhancement by using voluntary modulation only

"where programmes cannot be funded from EU and Scottish government sources."

11:20

Sarah Boyack (Edinburgh Central) (Lab): I welcome the new front-bench team. We have crossed swords in the past and I look forward to our doing so in the future. I welcome the fact that the cabinet secretary picked this issue as one of the first to be debated by his team in the new session. It is clear that we need to find a way forward for Scotland's rural communities. There has been consultation on the rural development plan. As the cabinet secretary made clear, the SNP does not start with a blank sheet. A lot of work has been done and communities have expectations.

It is crucial that, over the next few years, the rural development plan is funded properly, so that the different types of rural communities and industries—land managers, people involved in the

agri-environment and the forestry community—are given proper support. More support is needed for the organic sector and crofting. Neither the documentation that was presented to us first thing this morning nor the cabinet secretary's speech convinced us that enough money is on the table to deliver on people's aspirations. We estimate that the Executive is at least £170 million short. We would like to know where the further £70 million that has been announced will come from—is it new or is it recycled from somewhere else in the department?

Last week, there was a great deal of spinning, so we had low expectations of this debate. I would like Mike Russell in his concluding remarks to indicate how the cabinet secretary gained such a clear expectation of where the previous Administration intended to go in the future, given that the Liberal Democrat manifesto made no reference to voluntary modulation levels and the Labour manifesto made absolutely clear that we would move levels up towards 15 per cent over time. I would like to know where the cabinet secretary got the detail of his remarks.

If the Government is not prepared to make the right decisions on modulation and new investment, our rural communities will face a problem. That is why we made absolutely clear in our manifesto where the money would come from and how we would spend it to support rural communities. We need to ensure that there is economic development and job creation and that there are good wages across our rural communities. That is why Scottish Enterprise and Highlands and Islands Enterprise have a crucial role in supporting sustainable economic development in those communities.

We support rural diversification, with strong rural communities.

Kenneth Gibson: Will the member give way?

Sarah Boyack: Not yet.

We have talked about Scotland's landscape, which needs to be looked after. The First Minister spoke about the issue last week. Our environment exists not by accident, but because of the historical work of farmers, land managers, crofters and rural communities. The test for today is whether money will be available to enable them to do that work in the future.

We believe that today is a missed opportunity. In the past two weeks there has been a huge amount of talk about consensus. I remind the new ministerial team that one of the last debates in the previous session was on organic farming. We managed to achieve almost universal agreement on the need for a more radical approach and for more support for the organic action plan. There is already huge consumer support and a huge

market for organics. Although progress has been made, we need to make more, as there is much more for us to do. I was particularly disappointed by the fact that the cabinet secretary's opening speech contained hardly a mention of organics, given his strong support for them in the previous session. The Soil Association briefing that we have received exposes the inadequacies in the current system. Some farmers who want to move to agri-environment schemes, to contribute and to enjoy the economic success that will come from that, compete with no expectation of success and lose out totally, whereas others are guaranteed support because of historical production. Today was our chance to change those ground rules and to get better ones for Scotland, but ministers have failed that test at their first attempt.

In the previous session of Parliament, there was consistent support for increased organic support. The Scottish rural development plan offered the chance to give better and new support to meet the needs of Scotland's rural communities and our environment. Today's statement was unambitious and light on detail and missed the opportunity to shift investment significantly.

There were other gaps in the cabinet secretary's speech.

Kenneth Gibson: Will the member—I almost called her the minister—take an intervention?

Sarah Boyack: If it is brief.

Kenneth Gibson: The member talked about the extra £173 million that she feels should go into the rural development budget. Will she tell us from which budgets she would take that £173 million?

Sarah Boyack: That is the whole point about voluntary modulation.

The cabinet secretary's speech missed an opportunity.

John Scott: Will the member give way?

Sarah Boyack: No, I want to move on.

Several members have spoken passionately and correctly about the need to direct public sector procurement to support our farming communities. There was no reference to that by the cabinet secretary, although it was one of the key areas of debate in the run-up to this new session of Parliament. If we are to support rural development, we have to go beyond the historical patterns of Government subsidy. We have to use Government expenditure, not just in the rural and environment budgets but throughout Government, to take a more radical approach to supporting our farming industries and rural communities, so that schools, hospitals, local authorities and the whole public sector spend their money on fresh, local produce.

We need to hear from the Executive how it will make that happen. We heard lots of rhetoric before the election. If we read all the manifestos, we find that we all support that idea, but there was not a word about it today from the cabinet secretary. I would like to hear in Mike Russell's winding-up speech how the Executive will do that. What support is there for farmers co-ops, which are one of the key ways of enabling small farming sectors to compete fairly on a level playing field? I am deeply disappointed that that was not mentioned. We know from the East Ayrshire project what can be done to meet European Union rules. Why was that not in the opening statement? It is a big missed opportunity, given the huge cross-party support for the policy.

Members have heard from the Labour benches our clear support for rural communities, as well as an acknowledgement of the need for diverse investment. We heard from David Stewart about a vision of vibrant and strong rural economies and from Rhoda Grant about the crucial importance of maintaining and increasing support to some of our most fragile island and crofting communities, which need grants to support and maintain their population and to manage their land in an environmentally friendly way.

I was deeply disappointed that there were few references to our crofting communities, given that today offered a big chance to set a new way forward on the basis of past SNP support. That point was reinforced by Peter Peacock, who made a powerful argument about the need to continue to accelerate support for agri-environment schemes, not to call a halt to them and miss an opportunity.

Elaine Murray spoke about the importance of higher education infrastructure and training, which I suspect the whole chamber supports, but, again, it was absent from the cabinet secretary's speech. The Crichton campus, UHI Millennium Institute and all the further education colleges are crucial if we are to have the jobs that we need in our rural communities in the next few years.

Today, we have seen the Liberal Democrats retreat on the rural environment. There was a lack of support for the use of increased voluntary modulation and new support for environmental schemes for agriculture. As the Liberal Democrat manifesto faced both ways, perhaps that is not surprising.

Also disappointing was the continued lack of appearance of the Green party—

Mike Rumbles: Will the member take an intervention?

Sarah Boyack: No, I have moved on to talk about the Green party, although I have in front of me the Liberal Democrat manifesto, which lacks the detail to which I refer.

The Greens played a constructive role in the previous session of Parliament, both in the chamber and in committee. Perhaps they are absent because they are simply embarrassed to be associated with today's ministerial speech and the missed opportunity for Scotland's rural environment. We heard a speech that was light on detail—there was ludicrous spinning in advance of today's debate—and the SNP has avoided at all costs any vote in the chamber on its plans. That is not acceptable for the future. There is not even a small motion that we could amend to set a tone or policy context for today's debate. The only reason we knew what today's debate was about was because of spinning by the minister through the media. We would like ministers to treat this Parliament with a little more respect.

We on the Labour benches commit that over the coming months and years we will hound the Government on the detail of its policies. We want to know where its £70 million comes from, how the £170 million gap will be filled and what parts of the agri-environment process will suffer. We want to hear from the SNP a commitment to ensure that all our rural communities will be properly supported, including our fragile crofting communities in the rural parts of Scotland that will not be helped by today's announcement.

An opportunity has been missed to offer integrated support to rural Scotland. We need support for all our rural communities. We need more support for the industries that were absent from the cabinet secretary's speech, such as forestry and woodland industries, which are crucial to biomass development, our construction industry and climate change. There has not been enough detail from the minister today. In the coming months, we will chase him in the chamber and committee to find out that detail.

11:30

The Minister for Environment (Michael Russell): I start by thanking those members who wished Richard Lochhead and me every good fortune in our new roles. Most speakers did so, albeit briefly, but we take what we can get and I am grateful to them all.

I point out to the Presiding Officer that this is my maiden speech in this chamber. However, having spoken in the Scottish Parliament before, I cannot describe this speech as a maiden, so perhaps I will have to describe it and the speeches of Rhoda Grant and Kenny Gibson as dowager speeches in this place.

Today's debate has been good in parts. I welcome the strong and positive speeches and I hope to work closely with Jim Hume, Nanette Milne and Sarah Boyack to work on the issues that

can and will unite us. I am happy to make that pledge now, and I will continue to make it. I hope that it will be taken up and that we will work together on it. However, I will address some of the more unfortunate contributions to the debate before I go on to the good parts.

I start with Mike Rumbles. I was slightly surprised by his speech—

Mike Rumbles: No, he was not.

Michael Russell: Yes, I was. I am a person of great optimism—I thought that he might have changed. Then I realised that he was indeed the old Mike Rumbles. He was against the Government when he was in the Government and he is still against the Government even though he is not now in it, so I do not take his speech seriously and I never will take him seriously on the basis of today's performance.

I must address in more detail the contribution of somebody I now know as Disgusted of Midlothian, who is sitting beside Disappointed of Central Edinburgh. Indeed, she is Doubly Disgusted of Midlothian, because when our team comes to the chamber with a programme worth £1.6 billion that offers an enormous amount—I will speak about the programme in a moment—do we hear a word of welcome from Disgusted of Midlothian? We do not. Do we hear any appreciation of the programme that she was involved in drawing up? We do not. She is simply disgusted—that was her first and last word in a deeply disappointing speech.

Not even Richard Lochhead—I go further; not even John Swinney—could have drawn up the programme in a fortnight. This programme that I hold in my hand is Rhona Brankin's and Ross Finnie's programme. We had to work solidly on the programme in the past fortnight to ensure that we could talk about it in the chamber and then send it to Europe, not in a week or a fortnight, but tomorrow. The chamber should congratulate Richard Lochhead on his work on the programme. Bizarrely—politics is clearly still a bizarre world in Scotland—the person who drew up, costed and set the budget for the programme now complains that all three are deeply defective. What a strange, bizarre attitude to take.

Rhona Brankin: Will the minister give way?

Michael Russell: No, I will not at this moment.

Another reality is that not a single thing has been cut out of the programme and not a single penny has been taken away.

Mike Rumbles: Will the minister take an intervention?

Michael Russell: No, I will not.

I was about to say that it is unalloyed good news that nothing has come out of the programme; in fact, we have added to it. The new entrants scheme has been added and the resources have been increased. It is unfortunate that every word we heard from Rhona Brankin was based on something that was not true. That is to be regretted deeply, and it is not the way in which we should go forward in the chamber—and we have to go forward.

Rhona Brankin: The minister makes a very serious allegation. Does Mike Russell accept that the levels of voluntary modulation were not set finally by the previous Executive? We would have set a voluntary modulation level that made a real difference to the environment, which the minister has yet to mention.

Michael Russell: As Ms Brankin knows, the truth of the matter is that the rural development programme was complete and costed—there was no proposal for her to add a single penny to it. The programme that we are discussing is the programme that she would have brought to the Parliament, so to say anything else is nonsensical.

We have unalloyed good news about the programme and about the level of voluntary modulation, which should be welcomed. If the Opposition spokespeople were less curmudgeonly, they would welcome it.

Mike Rumbles: Will the minister take an intervention?

Michael Russell: I will not—I am sorry.

Before I focus on that unalloyed good news and on how we will move forward, I congratulate those members who have made maiden speeches in the debate. It is obvious that the SNP's new entrants scheme is working exceptionally well. I am happy to accept the invitation to go to Biggar. It is obvious, too, that some members of Labour's new entrants scheme are also working well. In particular, I commend David Stewart for a thoughtful and intriguing speech. Mr Peacock's speech would have been intriguing, had he not fallen into his old ministerial ways towards the end of it.

I want to focus on the environment and the rural development programme. Mr Lochhead was clear in laying out his commitment across his wide-ranging responsibilities. As the Minister for Environment, I reiterate that commitment and, indeed, go further. Later today, I will have my first formal meeting with Scottish Environment LINK. From now on, I hope to meet as many as possible of the organisations and individuals who are passionate about our country, its land, its landscape and its people, and who devote themselves, day in and day out, to ensuring that that land—that small part of our planet—has a

sustainable, environmentally sound and ecologically rich future.

Rhoda Grant: Will the minister give way?

Michael Russell: Not at the moment, thank you.

I intend to learn from them, to work with them and to support them. I want to have a productive dialogue with them, and I will do everything I can to address their concerns, for their concerns are my concerns, this Government's concerns and the Parliament's concerns. We have a duty and a responsibility to ensure that we in Scotland answer the urgent demands of climate change, environmental degradation and the daily threat to Scottish biodiversity. The rural development programme contains part of the solution.

We will answer the demands that are made of us as people—as human beings who inhabit our landscape. There has been a common theme to the debate: our landscape is inhabited by people, and we must work with, engage with, inspire, encourage and inform them so that they can be part of the solutions to the problems that we face. Our theme will be people and place in harmony.

Of course, we have a big opportunity, because now is a good time for a fresh start. In modern times, it has been the fate of Scotland for its future, its prosperity and its environmental needs to be constantly in thrall to political forces beyond its borders. The creation of the Scottish Parliament was an attempt, at least in part, to address the frustrations of the democratic deficit and to meet the aspirations of the Scottish people.

If the electorate said a single thing to the Parliament in the recent election, it was that we must do better. There is a desire for us to push forward towards bigger and better horizons. The people of Scotland are hungry for change. In this country, we are witnessing a resurgence of national pride. It is not triumphalist—it is a calm and relaxed national self-belief that is underpinned by a belief in our land and landscape and in people and place.

There are practical reasons for optimism. The rural development programme is strong and progressive, even if it still needs some fine tuning by a new Government.

Mike Rumbles: Will the minister take an intervention?

Michael Russell: No—I must finish.

The programme directly addresses issues that relate to all of us, but which relate, in particular, to the 21 per cent of the Scottish population who live outwith our towns and cities. Those rural communities are a vital part of our national life and identity. We must all work together to help them to thrive. They can do so only if they have the right

services, the right economy and the right infrastructure. The Government's five strategic outcomes all apply to rural areas just as much as they apply to urban areas, and all of them will benefit rural Scotland as much as they will benefit any other part of Scotland.

The new rural development programme will give us the opportunity to direct resources in line with our key priorities and outcomes, which will affect and enhance the lives of people in Scotland. Whether through social and economic benefits that will help to maintain our rural communities or through environmental measures to mitigate climate change, the programme is an opportunity that we need to grasp and build on. We will do precisely that—we will build on good practice and bring in new ideas. I commend ideas that are already in the pipeline, such as the Forestry Commission's efforts to make land available for sustainable housing.

Today's debate is both an end and a beginning: it is an end to a process to which we as a Government were not party, but on which we have had the resolve to consult, ponder and conclude; and it is a beginning, because it is the first step in meeting our objectives of having a flourishing agriculture sector, successful forest industries, a strong business base in rural Scotland, a comprehensive agri-environment strategy, a protected and renewed Scottish environment, vibrant rural communities, rejuvenated crofting, and a partnership with every interested organisation and individual. Our invitation today is that we want every member of the Parliament to be part of that partnership.

Question Time

SCOTTISH EXECUTIVE

General Questions

11:40

Environment (Ministerial Responsibility)

1. James Kelly (Glasgow Rutherglen) (Lab):

To ask the Scottish Executive how reducing carbon emissions to protect Scotland's environment can be achieved when responsibilities for climate change and the environment have been allocated to separate ministerial portfolios. (S30-52)

The Cabinet Secretary for Finance and Sustainable Growth (John Swinney): The finance and sustainable growth portfolio covers the policy areas responsible for most—some 75 per cent—of Scotland's emissions. Bringing together climate change, energy, transport, infrastructure, business, planning and building standards, as the portfolio does, will help to join up efforts to reduce emissions in those key areas and to move Scotland towards a low-carbon economy.

Climate change is clearly of major environmental significance—in fact, it represents the most significant threat to the world's environment—but for Scotland to demonstrate its commitment to tackling that threat, every ministerial portfolio needs to take action. By considering climate change alongside the core building blocks of our economy, we will drive that action.

James Kelly: It is clear that one of the Executive's main challenges is to identify and implement production from energy sources that will bridge the 40 per cent gap in our energy supply that is currently filled by nuclear power. The Hunterston station alone currently produces 8TWh of energy. Once it ceases production, the equivalent of thousands of onshore wind farms throughout Scotland will be required to fill the resulting energy gap.

The Presiding Officer (Alex Fergusson): Ask a question, please.

James Kelly: The Scottish National Party manifesto included a commitment on community energy plans. Does the cabinet secretary accept that that will slow down the implementation of wind farms, which are required to secure Scotland's future energy supply?

John Swinney: I think that Mr Kelly has convinced himself of something that is not the case. As Mr Mather will adequately demonstrate in this afternoon's ministerial statement on energy,

there is no prospect of an energy gap in Scotland. Mr Kelly would be well advised to listen carefully to what Mr Mather says about how the Government intends to deal with forward planning on energy matters.

There is a planning process that must be gone through to determine the outcome of wind farm applications and it would be inappropriate of me to comment on individual elements of that process, but, in general, the Government is absolutely determined to pursue a broadly based energy strategy that will involve encouragement for a wide range of energy sources. Mr Mather will have many interesting and substantial things to say about that this afternoon.

Patrick Harvie (Glasgow) (Green): We might just as well ask ourselves how the previous Executive thought it could tackle climate change by separating responsibility for transport from responsibility for emissions. Now that responsibility for transport and responsibility for climate change have been joined up, does the cabinet secretary remain committed to the SNP policy of carbon offsetting for transport infrastructure projects? Does he accept the limitations of many commercial offset schemes? If he is to pursue a policy of carbon offsetting, does he agree that offset schemes, as well as infrastructure, should be independently assessed for carbon emissions?

John Swinney: Mr Harvie is aware that the Government has made a commitment to introduce a climate change bill, which will include ambitious targets for carbon reduction by 2050—the targets will be more ambitious than those of the previous Administration. We must take a range of measures to ensure that we can achieve those objectives, which is why, as I made clear in my answer to Mr Kelly, we have brought together a number of policy areas in which difficulties are created—I am thinking in particular of transport's relationship with climate change. The Government will put forward a programme, which will include an approach to carbon offset and a range of other measures, to ensure that we can achieve our objectives.

The Government is committed to independent verification of its approach to carbon reduction. Independent verification will feature in announcements that are made in the context of the proposed climate change bill.

Tricia Marwick (Central Fife) (SNP): Does the cabinet secretary agree that the Tullis Russell biomass project in my constituency will reduce Scotland's carbon emissions by 20 per cent and contribute 6 per cent towards Scotland's renewable energy targets? Is he aware that the previous Liberal-Labour Executive refused to support the project? Will he encourage the First Minister and ministers who will meet Tullis Russell

today to give the company the financial support it needs to help the environment and save 550 jobs?

John Swinney: It is a particular pleasure to respond to a question from Tricia Marwick in her capacity as the member for Central Fife in the governing party's seats. I wish her well and congratulate her on her achievement in the election.

The Government supports initiatives such as the one that Tullis Russell has developed. There is enormous capacity in Scotland for the development of biomass activity. In my constituency I have experience of the pace of such developments under the previous Administration, and I reassure Tricia Marwick that the Government will give priority to biomass initiatives.

Tricia Marwick knows that I am a prudent and careful man when it comes to spending public money. Decisions on finance will be taken appropriately by the Government, and the Parliament will be kept informed of such matters.

Roads (Haudagain Roundabout)

2. Richard Baker (North East Scotland) (Lab):

To ask the Scottish Executive when it will make improvements at the Haudagain roundabout in Aberdeen to reduce traffic congestion. (S30-33)

The Minister for Transport, Infrastructure and Climate Change (Stewart Stevenson): The north-east Scotland transport partnership is working with Transport Scotland and Aberdeen City Council on a second, more detailed, appraisal through Scottish transport appraisal guidance—STAG—to identify improvements to the A90 and A96 Haudagain junction. The work is closely linked to the regeneration of Middlefield and will include in-depth economic and environmental assessment of options. The aim is to produce a full business case, to enable Transport Scotland—the trunk roads authority—to make a decision on implementation. We expect the appraisal to be complete by the autumn.

Richard Baker: I am sure that the minister is aware that I and other members pressed his predecessor on the urgent need for improvements at the Haudagain roundabout. The proposals for improvements to reduce the severe congestion in the area are welcome, but does he agree that we need a timetable for their implementation? Might further options for improvement be considered? Given that time is crucial, when can we expect the improvements to be in place?

Stewart Stevenson: The second STAG appraisal is going on and disruption of that activity might lead to further delays, which the member's question makes clear he is anxious to avoid. The Haudagain roundabout in Aberdeen is important and represents a major constriction on traffic flows

in the city, so we are anxious to make best speed in resolving the problem. We must address the issue well in advance of the coming into operation of the Aberdeen western peripheral route.

Moving Water (Rescue Arrangements)

3. Roseanna Cunningham (Perth) (SNP): To ask the Scottish Executive whether consideration will be given to reviewing the current arrangements for the rescue of persons from moving water. (S3O-3)

The Minister for Community Safety (Fergus Ewing): Responsibility for the co-ordination of land-based and inland water search and rescue rests with the police, given their duty to protect life and property. That responsibility is undertaken in partnership with others, such as the fire and rescue services and the Maritime and Coastguard Agency.

Roseanna Cunningham: The situation that the minister describes is not borne out in practice. The phrase, "persons trapped in moving water" is used by the fire service to describe drowning incidents, of which there are an increasing number, including in the River Tay at Perth.

Is the minister aware that no emergency service is specifically charged with the duty to carry out such rescues, which has resulted in inconsistent practice in Scotland and the threat of disciplinary action against officers who carry out rescues? In the circumstances, will he agree that that situation cannot continue, for the sake of community and individual safety, and in fairness to fire officers who carry out those rescues?

Fergus Ewing: The police are ultimately responsible for search and rescue activity and work with fire and rescue services. The Fire (Additional Function) (Scotland) Order 2005 passed to fire and rescue services responsibility for serious flooding incidents.

I think that Roseanna Cunningham's question was triggered by an act of bravery by a firefighter who rescued a 20-year-old woman from drowning in the River Tay. We want to record the courage of Tam Brown, who put his life at risk and rescued the young lady, saving her life. However, from my experience as a former mountain rescue team member, I know that it is ultimately the responsibility of everyone involved in rescue activity first to consider their personal safety.

I am pleased to report that £550,000 has been allocated to the provision of equipment that firefighters need to secure their personal safety when carrying out rescues in water.

NHS Greater Glasgow and Clyde (Acute Services Review)

4. Ross Finnie (West of Scotland) (LD): To ask the Scottish Executive whether it agrees with NHS Greater Glasgow and Clyde's review group that anaesthetic and unscheduled medical care services should be withdrawn from the Vale of Leven hospital and instead provided at the Royal Alexandra hospital in Paisley. (S3O-24)

The Deputy First Minister and Cabinet Secretary for Health and Wellbeing (Nicola Sturgeon): As Ross Finnie knows, NHS Greater Glasgow and Clyde has made a commitment to review service needs throughout the Clyde area. He also knows that no decision has been taken on what services should be provided in future at the Vale of Leven hospital. The board is pursuing a programme of work that will lead to formal proposals for the future delivery of health services to the people in West Dunbartonshire. If the proposals imply material changes to existing services, they will need to be subject to full public consultation. In addition, I have made it clear that I will insist on independent scrutiny of the proposals. I am considering the form that such independent scrutiny will take and I will make an announcement on the matter soon.

If, after public consultation, an NHS board makes proposals for significant service change, the proposals will come to me for a final decision. I have made it clear that in considering such proposals I will operate a presumption against centralisation of services. That does not mean that there will be no changes to health services; it means that NHS boards that propose changes will have to persuade me that their case is robust and that they have considered all possible alternatives and given due weight to patient need and public opinion.

Ross Finnie: That answer might loosely be interpreted as a maybe.

I accept that independent scrutiny could play a role in designing the type of service to be provided, but no independent scrutiny seems required to reach the conclusion that a proposal to move services to Paisley would be in any way acceptable to people in the Vale of Leven, given the geography of the area and the lack of public transport.

Will the cabinet secretary give a commitment to rule out any suggestion that the Royal Alexandra hospital in Paisley is an alternative location for services to the Vale of Leven? Will she also assure us that she will insist that NHS Greater Glasgow and Clyde's consideration include proposals for a north-of-the-river solution for the provision of scheduled services in the Vale of Leven, as members of all parties have requested?

Nicola Sturgeon: I am tempted to say that it is amazing how the transition to opposition has changed the member's mind. I am mindful of my formal role in the process: the final decision will be mine, so I will not comment in detail at this stage on what the board's final proposals might be. I can and absolutely will make clear what tests I expect any board to pass before I will approve proposals for significant service changes. Those tests are full and meaningful public consultation, independent scrutiny and a clear presumption against centralisation. Such a course is in the interests of patients and the wider public, and I think that it is the right one to take.

Jackie Baillie (Dumbarton) (Lab): I welcome all converts to a north-of-the-river solution. The cabinet secretary will be aware of the community engagement group that has been formed by NHS Greater Glasgow and Clyde and tasked with considering the future of services at the Vale of Leven hospital. Is she aware that the group believes that it was not allowed to participate fully, that its views were ignored and that information was deliberately withheld from it? Does she agree that that is an appalling example of community engagement, and will she ensure that that forms part of her process of independent scrutiny of the health board's proposals?

Nicola Sturgeon: I thank Jackie Baillie for her question and look forward to meeting her next month to discuss the issues in more detail. I assure her absolutely that I will take the quality of community engagement and the quality of public consultation into account in reaching a final decision on any board proposal for health service change.

Jackson Carlaw (West of Scotland) (Con): Does the cabinet secretary accept that, given the plethora of SNP literature with which the Vale of Leven hospital community was awash during the election campaign—all of it positively brimming with pledges to reverse any damaging decisions that were reached—this all seems a bit thin? People locally are looking for a more robust response. Will she give a commitment that NHS Greater Glasgow and Clyde will be directed now to retain these key services locally?

Nicola Sturgeon: I understand and appreciate the strength of feeling about the issue in West Dunbartonshire. I pay great tribute to my colleagues—particularly those who now lead the council in that area—for standing up for services there. I say again that I will operate a presumption against centralisation. It would be irresponsible for any minister to rule out any change to health services in any circumstances, but any board that comes to me for approval for significant service changes will have to pass very strict tests, and I have laid out today what those tests are.

Non-domestic Rates

5. Gavin Brown (Lothians) (Con): To ask the Scottish Executive when it will instigate a tiered reduction in non-domestic rates. (S3O-11)

The Minister for Enterprise, Energy and Tourism (Jim Mather): We will make clear our proposals for removing and reducing business rates for small businesses in Scotland following the comprehensive spending review.

Gavin Brown: If the target that the cabinet secretary set out yesterday is not met—let us say that the process takes longer to implement than we were advised yesterday—will the minister commit to backdating the rate reductions?

Jim Mather: We go forward with optimism. Backdating proposals when systems are in place is unlikely. We will bring forward the proposals and seek consensus. The chamber must recognise the importance of building consensus here, as there is consensus in the business world that this measure should be implemented. It is important for Scotland. UK interest rates are heading towards 6 per cent and beyond, and the impact that that will have on consumer spending could be grave. The rate of growth here has been perennially low, so I am looking to members to help us give the boost that is needed, conscious of the need to level the playing field and put Scotland in a more competitive place.

The Presiding Officer: If we can have a brief answer, we have just got time for question 7.

Remploy

7. Lewis Macdonald (Aberdeen Central) (Lab): To ask the Scottish Executive what discussions it has had with management and unions at Remploy regarding the company's future plans in Aberdeen and elsewhere in Scotland. (S3O-60)

The Minister for Enterprise, Energy and Tourism (Jim Mather): Remploy and its future plans are a matter for the UK Government, which has lead responsibility for the employment of disabled people.

Lewis Macdonald: I understand the nature of that answer and do not dispute the point that Jim Mather correctly makes, but the Scottish ministers and the agencies that are accountable to them place a significant number of contracts for the type of work that is undertaken by Remploy factories. I urge the minister to agree that ministers will meet the management and unions at Remploy to discuss what the agencies that are accountable to the Scottish ministers can do to keep open the option for disabled people of access to supported, as well as mainstream, employment.

Jim Mather: I share the member's concern, but it would be wrong to buffet the Parliament for the fact that the employment of disabled people is reserved to the UK Government. The Department for Work and Pensions has particular responsibility for the issue.

However, Scottish Enterprise, acting on behalf of ministers, has agreed to meet Remploy's Scottish restructuring project manager to offer advice and assistance, as appropriate.

The Presiding Officer: Before we begin First Minister's question time, I am sure the whole Parliament will join me in expressing our sadness at the death of the first lady of Malawi, Mrs Ethel Mutharika, who died last Monday. With the Parliament's permission, I intend to write to President Mutharika to offer our condolences.

First Minister's Question Time

12:00

Cabinet (Meetings)

1. Jack McConnell (Motherwell and Wishaw) (Lab): To ask the First Minister when the Cabinet will next meet. (S3F-1)

The First Minister (Alex Salmond): I thank Jack McConnell for not asking me when I last met the Prime Minister. The Cabinet will meet next Tuesday and every Tuesday until further notice.

Jack McConnell: I say to the First Minister that it is time—it is time for clarity. This afternoon, Parliament will vote to continue the new railway development that will link Edinburgh's airport with the rest of Scotland. Will the First Minister accept that decision and proceed with the airport rail link with no further prevarication? Yes or no?

The First Minister: We are not convinced by the Edinburgh airport rail link project and we will bring a full financial assessment of it to Parliament at an early opportunity.

Jack McConnell will know that

"As part of"

the

"perfectly normal constitutional arrangements, except in certain circumstances, the Scottish Executive is not necessarily bound by resolutions or motions passed by the Scottish Parliament."

Members: Oh!

The Presiding Officer (Alex Fergusson): Order.

The First Minister: I was quoting directly the late Donald Dewar from 4 October 1999.

Jack McConnell: With all due respect, the First Minister did not answer the question. I am happy to try another.

This afternoon, Parliament will also vote to continue the introduction of a 21st century public transport system for our capital city. Will the First Minister accept that decision and proceed with the capital city's trams without further delay? Yes or no?

The First Minister: We think that there are better ways to fulfil this capital city's need for a 21st century transport system. We are concerned about cost overrun in capital projects, which is why we will bring forward assessments for Parliament.

We have not completed the assessment of the tram system yet. However, for the chamber's information, we have completed one on the Alloa railway link, which is a very important project that

was first announced by Jack McConnell's Government and was estimated to cost £35 million. The last estimate, given to Parliament on 16 March 2006, was of a maximum cost of £70 million. Our latest estimate—as of today—with the project almost completed, means that we are working on the assumption of a cost of £83 million.

I point out to Jack McConnell that TIE Ltd, which is the organisation in charge of delivering the Edinburgh trams, is, of course, also in charge of delivering the Stirling-Alloa-Kincardine railway line.

Jack McConnell: The First Minister will learn not to blame his civil servants and other organisations when he cannot answer questions. I ask these questions for a reason. The Scottish National Party said earlier in May:

“Our view is as a government, if we decide not to fund it, that would be that. It's simply a matter of government deciding how to spend the money. It doesn't have to come back to parliament for approval.”

After nearly 200 hours of parliamentary time, two years of parliamentary scrutiny and a firm decision of this Parliament when the First Minister was elsewhere, that is not good enough.

We have had a week of spinning from the SNP. Last Wednesday, we were told that there would be a ban on ship-to-ship oil transfers, but by Thursday morning it was not so sure. At the weekend, we heard about a freeze on council tax, but on Monday Mr Swinney was not so sure. On Tuesday, the SNP was going to dual the A9, but on Wednesday it was not so sure. On Wednesday, it was going to cancel the rail link from the airport to the rest of Scotland and cancel the trams in Edinburgh, but today it is—again—not so sure. We used to think that the SNP had a plan for its first 100 days, but now we know that it is not so sure.

I say to the First Minister that delays cost money, will put off investment and will damage not only Edinburgh but the whole of Scotland. It is time—

The Presiding Officer: Ask a question, please.

Jack McConnell: Will the First Minister promise to respect Scotland's Parliament and to put Scotland first? Will he promise to build the railway and the trams?

The First Minister: Goodness—Jack's questions are longer than his answers used to be. I saw a quotation from him a couple of days ago saying that we had not done much in the month that I have been in power. As I was elected by the Parliament only two weeks ago, I am hoping to achieve a lot in the next two weeks. However, I remind Jack McConnell that, in the past two weeks, we have introduced proposals—which were supported by the Labour Party mid-statement, if I remember rightly—to abolish tolls on the Tay and Forth bridges.

As the Cabinet Secretary for Health and Wellbeing has said, we are working on proposals to save the accident and emergency units at Monklands and Ayr; I hope for support from the Labour Party when those proposals come to Parliament.

We are introducing and working on new measures for tackling sex crime in Scotland, and I know that we will get support from the Conservative party on those measures. We are determined to freeze the discredited council tax in Scotland and are working with local authorities to do so. We have, with the support of the Scottish Green Party, ruled out new nuclear power stations in Scotland and have ruled in clean coal generation in Scotland. We are also working very hard to save the revolutionary Peterhead project from the indecision of the Department of Trade and Industry. All in all, that is not bad for the first two weeks.

The Presiding Officer: Jack McConnell can have one more question, if he is as brief as possible.

Jack McConnell: I was not planning to ask more than three questions, but I must ask the question again because the First Minister has not answered it. The issue today is funding of trains from Edinburgh airport to the rest of Scotland and the trams for our capital city. Will the First Minister promise to respect the will of Parliament, accept its decisions and build a transport infrastructure for the 21st century?

The First Minister: I say gently to Jack that, if he wanted that to be the issue, he should not have started talking about all the other things, as well.

I read a quotation from the late Donald Dewar, which sets out the constitutional position. I will also say something serious to Jack McConnell about who is responsible for the financial competence and delivery of projects. We have delivery organisations of one kind or another but, ultimately, the Government and, in this situation, Parliament are responsible for infrastructure projects being delivered on time and on budget. That has not been this Parliament's experience.

In the Parliament's first four years, the overruns of the major infrastructure project that we are currently occupying probably caused more damage to Parliament's reputation than anything else that could be imagined. As First Minister, I am determined that that will not happen with other infrastructure projects, which is why we will bring to Parliament a proper financial assessment.

Prime Minister (Meetings)

2. Annabel Goldie (West of Scotland) (Con):

To ask the First Minister when he will next meet the Prime Minister and what issues they will discuss. (S3F-2)

The First Minister (Alex Salmond): He never phones, he never writes.

However, I have been congratulated by a variety of other people, ranging from Her Majesty the Queen to the Rev Ian Paisley. I will have to be satisfied with that. I also had a friendly and constructive phone call from David Cameron. He was phoning from Greece, so I have not yet returned the call as I am trying to save the Government money.

Annabel Goldie: I understand that it takes two to tango and that the First Minister's Downing Street dance partner is nothing if not coquettish. However, most people are astonished that, although Her Majesty the Queen can travel to Edinburgh to meet Mr Salmond, Mr Blair is not big enough to even acknowledge the democratically elected First Minister of Scotland.

One thistle that needs to be grasped is the question of local government finance. I am aware that the First Minister wants to inflict a national tax increase on Scottish earners that, apart from being a burden on families and a nightmare for employers, will drive a coach and horses through the idea of local autonomy and local democracy. Furthermore, let us not forget that a £1 billion shortfall will hit our councils every year. Can he tell me when, even approximately—in the unlikely event that the First Minister gets that proposal through Parliament—the new system will hit Scotland?

The First Minister: I understand that the issue of local income tax is not one on which we have policies in common, but I hope that that will not affect our ability to work on other policy areas on which we have common views.

The case for a local income tax is that it is based intrinsically on ability to pay—the central feature of justification for any taxation system. Annabel Goldie would acknowledge that that is not necessarily the case with the council tax. I suspect that the difference between us is that she believes that we can amend the current unjust and iniquitous system, whereas I believe that we need a new, fairer and better system called the local income tax.

Annabel Goldie: I thought that the new politics would mean that the new First Minister would, unlike his predecessor, actually answer the questions that he was asked, but already there has been a bit of a disappointing wobble.

I asked him when his new system would hit us. Let us face it: it is obviously four or five years away, at best. In the meantime, many of our older citizens are being clobbered each month by the current levels of council tax.

Does the First Minister agree that the Conservative party's proposal to cut in half the council tax bills for households whose occupants are aged 65 and over will bring immediate and welcome relief to those pensioners? Is he prepared, like his colleague, Alex Neil, to look favourably on that proposal?

The First Minister: Legislation will come in the first half of this parliamentary session and implementation of that legislation will, according to the will of Parliament, come in the second half of the session.

I agree that we need immediate action, which is why we are working on the council tax freeze, which will bring relief to all council tax payers. The difficulty that I have with the Conservatives' suggestion is that it would not differentiate between rich pensioners—some of whom have quite substantial incomes—and poorer pensioners. There would be no differentiation in terms of their bills apart from in respect of the housing component which—as we know—is not necessarily related to ability to pay. For example, I am quite certain that Her Majesty the Queen, whom we mentioned earlier, would not want 50 per cent relief on Balmoral, but would think that there are more deserving cases around the country in terms of basing taxation on the ability to pay.

Secretary of State for Scotland (Meetings)

3. Nicol Stephen (Aberdeen South) (LD): To ask the First Minister when he will next meet the Secretary of State for Scotland and what issues he intends to discuss. (S3F-3)

The First Minister (Alex Salmond): I have had a telephone call from the Secretary of State for Scotland. It was a cordial call of congratulations, during which he offered co-operation on a range of issues. I hope to contact him soon to talk about the elections in Scotland, the procedures and how best we can have a more thorough and independent inquiry into that matter.

Nicol Stephen: I do not often quote Stewart Stevenson, but I wonder whether the First Minister heard him on the BBC this morning describing the policy of dualling the A9 as

“a long-term objective, without any price commitment on it”.

So—a policy that was announced on Tuesday has become a long-term objective by Thursday. Is that to be true of other Scottish National Party policies?

I can think of no issue more important for Scotland's future than education. The Liberal Democrats are committed to reducing class sizes in Scotland, with fully costed and detailed proposals to recruit 1,000 extra teachers and to build 250 new schools. What is the SNP's target date for delivering on its pledge to reduce class sizes in Scotland? How many extra teachers will the Executive recruit and how many new classrooms will be needed?

The First Minister: An announcement on that subject will be made in Parliament on 20 June. I remind Nicol Stephen of the range of policy initiatives on education that the SNP intends to introduce. He rightly draws attention to the reduction of class sizes to a maximum of 18 in primaries 1 to 3, which is a hugely important policy on which I hope we can work together, given the overwhelming international evidence that early intervention has fantastic results for children's development.

We should also consider the 50 per cent increase in free nursery education for three and four-year-olds, the commitment to provide a fully qualified nursery teacher for every nursery child in Scotland and the additional fund of £10 million to help those who have particular learning challenges, such as autism and dyslexia. That funding is particularly important. I hope that we can work together on that range of vital initiatives for the Scottish education system.

Nicol Stephen: I am prepared to work with any of the parties in Parliament to deliver action on those issues. It is time for urgent action to reduce school class sizes by, for example, increasing the number of teachers in our schools and the number of teachers in training. We already have the answer to my earlier question in the joint analysis of the party manifestos—including the SNP's—by the University of Strathclyde and the University of Glasgow. That analysis confirms what we knew from the SNP manifesto, which is that it has no figure for extra teachers, no plans for extra classrooms and no date for delivery of smaller class sizes in Scotland. Will the First Minister give us the figures now, or is that another of his policies that turns out on Thursday to be just a long-term objective?

The First Minister: In the tradition of friendliness and co-operation, I point out that the analysis that Nicol Stephen mentions is not the best place for him to rest because—if my memory serves me correctly—it allocated to the Liberal Democrats 20 or 30 more uncoded commitments than it allocated to the Scottish National Party. However, rather than re-fight the arguments that we had during the election campaign, let us take the opportunity to say in Parliament right now that, on a range of policies—early intervention in

education, reduction of class sizes, consideration of how to help children with real learning difficulties—there is not all that much between the Scottish National Party and the Scottish Liberal Democrats. For one reason or another, in coalition in the previous Government, Nicol Stephen and his colleagues could not deliver on those aspirations and, for one reason or another, we are not in coalition now. However, in this consensus Parliament, we can still work together to deliver on the commitments that we have in common.

The Presiding Officer: There are two constituency questions.

Angela Constance (Livingston) (SNP): Does the First Minister share my concern about the lorry drivers at the Tesco distribution centre in my constituency of Livingston, who are disputing the downgrading of their terms and conditions of employment? With the announcement that 70 of the drivers will be sacked, widespread industrial action is now likely. Will the First Minister advise what may be done to encourage a negotiated settlement to avert further hardship to the Tesco lorry drivers and their families, and to avoid further industrial disruption?

The First Minister: Parliament does not control industrial disputes, but Angela Constance's question and my answer will represent the views of the overwhelming majority of members. I deprecate the sacking of people during an industrial dispute and I am sure that members will agree that it is far, far better for the parties in the industrial dispute to get back round the table to settle their differences without the element of confrontation and bitterness that is developing in the Tesco dispute with the lorry drivers.

Pauline McNeill (Glasgow Kelvin) (Lab): The First Minister will be aware of yesterday's announcement from the financial services firm Resolution, which is one of the largest employers in my constituency, that it will transfer more than 1,500 staff to the Capita group, and of the immediate transfer of 500 jobs from Glasgow to India. In view of that, what will the new Executive do to assist the people who will lose their jobs? How will the Executive stop the further outsourcing of jobs abroad? Does the Executive have the answers for workers who are concerned for their jobs? How will the Executive secure the future of Glasgow's successful financial sector, which is currently leading the way in the world?

The First Minister: Pauline McNeill's final point should be stressed. We have an extremely successful financial sector in Scotland, funds through which have doubled over the past 10 years. I know that the Cabinet Secretary for Finance and Sustainable Growth spoke to Pauline yesterday about the immediate situation and the help that Scottish Enterprise can give to displaced

workers. We acknowledge the seriousness of Resolution's announcement and the impact that it will have on individuals and families, which is why Scottish Enterprise is willing to work with workers who lose their jobs.

On the general position, the strategy for the Scottish economy must be to have a serious competitive edge for not just the financial sector but for many of our industries. That is exactly why everyone in the chamber should consider closely the huge success of the Irish financial sector—although we do not have the immediate powers to replicate that success, other than with small business. Over the same period during which the Scottish financial sector has doubled, the Irish financial sector has tripled. One aspect behind that success has been Ireland's ability to deliver an enhanced competitive position through progressive reductions in corporation tax.

Social Rented Housing

4. Bob Doris (Glasgow) (SNP): To ask the First Minister whether extending the provision of good-quality, local social rented housing will be a priority for the new Scottish Government. (S3F-20)

The First Minister (Alex Salmond): Yes. We look forward to working with members and parties across Parliament to develop proposals for extending provision of Scotland's social housing. That will contribute to our overarching aim of creating a wealthier, healthier and more successful country.

Bob Doris: I inform the First Minister that the guarantees that were given to the former tenants of Maryhill's Butney area back in 2001 by Glasgow City Council and, subsequently, by Glasgow Housing Association, which promised them new local housing within two years of their old homes being demolished, remain unmet. Will the First Minister monitor the situation—significant further demolitions of social rented housing within Maryhill and across north Glasgow are planned—in order to ensure that, as opposed to broken promises, good-quality social housing is delivered? That would respect local communities.

The First Minister: There was indeed a promise, the timescale in which has not been kept. Nonetheless, there remains the promise to replace housing in Glasgow that is demolished by Glasgow City Council and the Glasgow Housing Association. The programme is set to deliver 6,000 houses throughout the city. The city council has reaffirmed that it is committed to directing that programme to areas where there are most demolitions. At the local level, programmes for replacement housing are agreed between Glasgow Housing Association and the other housing associations that are involved. The number of houses to be replaced needs to reflect

the likely needs and demand in any given area. However, the Cabinet Secretary for Health and Wellbeing will take time to review the progress that is being made on delivering the promises that were made to the tenants of Glasgow.

Johann Lamont (Glasgow Pollok) (Lab): The First Minister might be aware that some members of his party believe that the previous Scottish Executive policy of community ownership of social housing was privatisation. Does he agree with that, or does he acknowledge the critical role of housing associations and housing co-operatives, such as those in my constituency, in creating safe, sustainable and thriving communities? If he agrees with me, will he ensure that the already identified record massive levels of investment in social rented housing that have been made through Communities Scotland and through working with local authorities, will be sustained without disruption or delay for communities and tenants? Will he assure us that calls for review are not calls for a standstill? Our communities deserve better.

The First Minister: It is obviously difficult to pick up the exact words sometimes, but I said:

"to review the progress that is being made on the delivery of the promises that were made to the tenants of Glasgow."

Glasgow City Council has reassured us that it is still committed to delivering the number of houses that was promised. There are some doubts, as Johann Lamont will know, about the timescale for delivery. The aim of the investigation and review that I am suggesting is to review how the promises that were made to the tenants of Glasgow are being kept.

For the record, the Scottish National Party has always been committed to local housing associations.

Tram Scheme (Edinburgh)

5. Malcolm Chisholm (Edinburgh North and Leith) (Lab): To ask the First Minister what assessment the Scottish Executive has made of the consequences for the environment, economic development and traffic congestion of cancelling the Edinburgh tram scheme. (S3F-17)

The First Minister (Alex Salmond): A full review will be presented to Parliament. The consequences will depend on the alternatives. The alternatives that this party favours are guided busways on much of the tram alignment between Edinburgh airport and Haymarket; incentives for the use of hybrid fuel buses, which would reduce emissions; incentives to improve through-ticketing; real-time information at all Edinburgh bus stops; completion of the planned park-and-ride sites around the city, which are proving increasingly successful; and further bus-priority measures on

the routes that are to be served by those park-and-ride facilities.

We believe that those measures offer a real alternative to the current trams proposal. However, the undertaking that we gave to hold a financial review and to give a presentation to Parliament stands. I hope that, out of that informed discussion and debate, we can seek agreement across the Parliament.

Malcolm Chisholm: Given the First Minister's doubts about the tram scheme and his admiration for the economic policies of the Republic of Ireland, will he pay a visit to Dublin in the near future to see how the tram system there has, over a short period, reduced congestion, significantly promoted economic development and proved so popular that a major expansion is already under way? Does not he realise that the Edinburgh and Leith tram is the best option for the environment and for getting people out of their cars; that the scheme is essential for development of the waterfront in my constituency; and that it is being progressed through fixed-price contracts, under which the contractor bears the financial risk?

Nobody is a greater fan or user of buses than I am, but does not the First Minister know that Princes Street, with a current level of 320 buses per hour, is fast approaching the saturation level of 400 buses per hour, and that only an integrated bus and tram network can stop Edinburgh and Leith from grinding to a halt in the years to come?

The First Minister: I look forward to Malcolm Chisholm's trenchant views being expressed in the debate when we bring the financial consequences and appraisal to Parliament. It will be interesting to see whether his view on fixed-price contracts is justified by the financial analysis that is being called for and carried out now.

As far as a visit to Dublin is concerned, I am delighted to tell Malcolm Chisholm that the likely continuing Taoiseach, Bertie Ahern, has invited me to do exactly that. I have accepted, and I promise Malcolm that I will look closely at the tram network when I am there.

Wave and Tidal Energy Industry

6. Liam McArthur (Orkney) (LD): To ask the First Minister what steps the Scottish Executive will take to ensure that the development of Scotland's wave and tidal energy industry is not undermined by the United Kingdom Government's energy white paper. (S3F-4)

The First Minister (Alex Salmond): As the member knows, I have already placed on record my determination to see Scotland become a global centre for marine renewables. In doing that, I am happy to acknowledge the substantial contribution that was made by the previous Deputy First

Minister, Nicol Stephen. Over the next two years, the world-class wave and tidal energy test facilities in Liam McArthur's constituency will play host to several full-scale machines, supported by Scottish Government funding.

Our support for the sector is already ahead of the rest of the United Kingdom. We will, with the industry, be considering the white paper proposals for marine energy. We will make our views known to the UK Government but, if necessary, we will continue to provide separate support schemes for Scotland, because—as the member will understand—the support that we are providing in Scotland is substantially greater than that indicated by the energy white paper.

Liam McArthur: As the First Minister said, my constituency is home to world-class test facilities for wave and tidal energy, thanks—as he said—to the support from the previous Executive. I refer to the efforts not just of Nicol Stephen but of Jim Wallace. As a result, Orkney now boasts a cluster of businesses carrying out leading-edge work in marine energy and other renewables. If, however, Orkney's exceptional wave and tidal resources are to be harnessed for Orkney's and Scotland's benefit, a high-capacity grid connection to Orkney is vital. What assurances can the First Minister give that his Government will give strong support to a marine interconnector from the northern isles to the key centres of energy demand?

The First Minister: That is a good question. The point that we would make is that interconnectors are vital for a number of island communities in order to mobilise their energy resources. As Liam McArthur well knows, those matters are in the province of the Office of Gas and Electricity Markets, the energy regulator. As he also knows, there are a number of substantial issues that not just island communities but northern and central Scotland have with Ofgem in terms of prohibitive charges for connecting to the grid. I believe that this is an issue of huge importance—not just for Liam McArthur's constituency, but all round Scotland in terms of our energy potential. I hope that members will unite in taking an unanswerable case to Ofgem that to realise our energy potential we must have the ability to deliver energy at reasonable prices to the areas of consumer demand.

Margo MacDonald (Lothians) (Ind): On a point of order, Presiding Officer. I did not want to interrupt the first First Minister's questions, but the First Minister did invoke the will of Parliament in two different respects. I would like from you, if possible, a definitive ruling on the rule of Parliament and how it refers to any actions that are undertaken by the Executive, should the Executive disagree with the expressed will of

Parliament. I do not think that it is correct to say that the late Donald Dewar set that in stone.

The Presiding Officer: I thank Margo MacDonald for that point of order. Given the issue involved, I hope that she will forgive me if on this occasion I do not give an immediate reply. I will think about it and come back to you later in the day if I may.

That brings us to the end of First Minister's questions. Before I suspend the meeting, I remind all members—although I am sure that I do not have to—that there is a camera in the room and that we are about to meet for a complete Parliament photograph. If members remain in the chamber, it will all be over as soon as possible.

12:33

Meeting suspended until 14:15.

14:15

On resuming—

UK Energy White Paper

The Presiding Officer (Alex Fergusson): Good afternoon. The next item of business is a statement by Jim Mather on the United Kingdom energy white paper and Scotland. The minister will take questions at the end of his statement, so there should be no interventions during it.

14:15

The Minister for Enterprise, Energy and Tourism (Jim Mather): I am pleased to have the opportunity to make a statement on the UK energy white paper. It is important to be clear about a number of issues. We need to be clear whether the proposals that will have a specific impact on Scotland will be helpful in meeting our environmental and economic objectives; and we need to be clear about the issues on which we will seek to persuade the UK Government on the need for a change of approach, the issues on which we will use our own powers in different ways to achieve more for Scotland, and the issues on which we will use our own powers to complement UK measures.

First, let me reflect on our overarching objectives. There are some key goals for energy policy on which we all need to agree. Those include the need to reduce carbon emissions and so tackle climate change; the need to ensure security of energy supplies by fostering a vibrant, diverse and competitive energy sector that is rooted here in Scotland; and the need to deliver energy at a price that is affordable for individuals and businesses, so that we ensure that energy policy allows the energy sector to continue to make its vital contribution to economic growth.

Those goals are entirely consistent with our overarching core purpose of perpetually strengthening the economy, brand and social fabric of Scotland. In achieving those goals, we can and must exploit the opportunities that are offered by Scotland's abundant natural energy resources and related expertise, but we must do so in a way that respects and protects Scotland's environment. I believe that colleagues—and, indeed, the UK Government—will agree that those objectives are reasonable and balanced. Where we may have different views is on how the objectives should be delivered and the steps that Government should take to ensure their delivery.

The UK Government has been conducting its energy review for some 18 months now. Last week's energy white paper is the result of that

lengthy deliberation. However, I suggest that the delayed energy white paper fails on many counts.

The white paper's commitment to combating climate change is clear and welcome. In due course, we will introduce our own climate change bill for Scotland, which will set targets that will provide the context for the whole policy spectrum, in particular in energy, transport and energy efficiency. We know that our emissions reduction targets are ambitious, but putting climate change at the heart of our core economic decision making will give us the best basis for meeting those challenges. By introducing a climate change bill in the Scottish Parliament, we will set a clear long-term statutory framework so that businesses, organisations and individuals can invest in low-carbon technologies with certainty. Climate change is a global issue requiring collective action. I look forward to constructive work with every party in the chamber so that Scotland can take and retain a global lead.

By way of contrast, the UK Government's big idea for combating climate change—nuclear power—is the hole in the middle of the white paper. The white paper is now without its intended nuclear core because, as members will be aware, the courts have backed Greenpeace and forced the UK Government to consult properly on the future role of nuclear power. We will respond to that by making it clear that we do not want and do not need nuclear power in Scotland. If an application for a new nuclear power station were to be submitted, the issue would be for Scottish ministers to decide. We would be obliged to consider the application but—given our policy position, our generating capacity, our multiplicity of energy resources and our strong alternative strategies—it would be unlikely to find favour with this Administration. In any case, we are confident that no operator could justify such an application to its shareholders or customers.

The UK white paper recognises that other options are open to Scotland and the rest of the UK, but we believe that it underplays their potential. We do not believe that there is an energy gap that only nuclear can fill. Scotland has other resources that we are determined to exploit. Those resources are so abundant that we should be planning for export and for offshore grids instead of giving into the negativity about Scotland's burgeoning energy sector. Those resources can provide the base-load and diversity that security of supply demands. We can have clean energy from fossil fuels. We can have more renewable energy from diverse sources and the means to maximise energy output from a given energy source through combined heat and power plants. Those are concrete opportunities.

The opportunity for harnessing clean energy from fossil fuels must be better understood, including here in Scotland. We can continue to use gas and coal if we can capture and store the carbon dioxide that would otherwise be released into the atmosphere.

Although carbon capture presents an enormous opportunity both for the environment and for the UK in exporting advanced technology, the UK Government has fallen at the first hurdle. For a start, we have had a drip feed of announcements. Support has been promised, but the details are to be set out later. Now, with the publication of this white paper, we are being told that the criteria against which projects will be judged will be set out in November, with decisions made after that. Given what has happened to the Peterhead Miller field project, such a slow response appears already to have cost Scotland and the UK. Alistair Darling's announcement that the competition for UK's carbon capture and storage project will begin in November 2007 has resulted in the withdrawal of BP, the key partner in the consortium.

In February, the Secretary of State for Scotland and the energy minister gave the clear impression that a decision would be taken this year. Now we find that it is a decision about taking a decision. Both know full well that, given the obligations and costs relating to decommissioning, BP needed to have that decision this summer. As a result, we face the loss of or a further delay in a real and technically viable CCS project, in which two of Europe's largest companies are ready and willing to invest hundreds of millions of pounds. This is simply a case of bureaucratic timetables ignoring commercial reality.

The project would give Scotland a world lead in CCS technologies because, unlike most other projects, it seeks to extract CO₂ pre-combustion. It would make use of the infrastructure and expertise that is Scotland's North Sea oil legacy and would generate sufficient low-carbon electricity to supply 750,000 homes and store 1.8 million tonnes of carbon every year. That is roughly equivalent to the CO₂ savings achieved by all of Scotland's wind farms.

Since the white paper announcement, the First Minister and I have worked to bring the Peterhead project back on track. The First Minister has spoken and written to Alistair Darling, pressing for a change in the UK Government's position, and I very much hope that Mr Darling will respond to our constructive ideas. I assure the chamber that we are continuing to match the admirable best efforts of Aberdeenshire Council to secure the implementation of this crucial project.

The white paper is silent on another matter that will affect the viability both of our coal-fired stations and of our renewables capacity—the

regulatory framework within which our generating companies operate. Liberalised markets have brought benefits to the consumer. For example, competition between suppliers and their ability to buy from a range of generators has had a beneficial effect on prices, even if that effect has recently been masked by the price of inputs such as gas. However, the approach taken by the Office of Gas and Electricity Markets to transmission charges has not been helpful.

Renewable energy sources are, by their very nature, often distant from the markets that they need to serve, yet the transmission charging regime actively works against the development of those resources. Moreover, I am talking not just about renewables generators. Given that a power station in central Scotland pays £25 million more than similar power stations in Yorkshire, it is clear that transmission charging threatens future investment in clean coal technologies. Overall the current transmission charging regime heavily penalises Scottish generators, resulting in additional charges of about £100 million per annum for the 10,000MW generated in Scotland. Indeed, Scottish companies have told us that transmission charges in Scotland are six times higher than those in England and Wales.

I hope that the UK Government will think again and ensure that Ofgem takes more account of climate change objectives and, as a result, sets charging regimes that support rather than work against environmental objectives. The First Minister has committed to work with companies here in Scotland to achieve that end. If it appears necessary, we will press the UK government to change Ofgem's remit to ensure that more account is taken of medium-term investment needs and the case for investment in renewable technologies. Such steps are necessary if Scotland and the UK are to get maximum benefit from the white paper's other proposals, particularly those with regard to the prospects for renewable energy.

Nevertheless, the white paper contains welcome proposals for easing access to the electricity grid and I hope that the proposed review can be carried out swiftly and effectively. In addition, the restructuring of support for renewable energy takes us in a helpful direction.

Studies have shown that our demand for heat and electricity can be met several times over by the power of the wind, waves and tides, by our forestry resources and by our long-established hydro stations. It is vital that support for those technologies is sufficient, proportionate and effective.

The early advances in renewables capacity have relied almost entirely on onshore wind. The contribution from that technology is and will

continue to be important. We want to see more projects, but they should be good ones and not projects anywhere and at any price to the environment.

We need to look beyond the next few years and take a more strategic view of support structures. The principle that emerging technologies need more assistance is enshrined in Scottish renewables legislation, which allows increased support for wave and tidal power. I acknowledge the actions of the previous Administration in going down that route. It is interesting to see that the UK Government is now ready to take similar steps.

It is right and strategically sound to promote as diverse as possible a range of renewables technologies. It is right that the returns that are available under the renewables obligation mechanism should be redistributed away from competitive, lower-cost technologies and towards offshore wind, biomass, wave and tidal power. I believe that such changes can benefit the renewables sector and are capable of leading to increases in renewable output. However, the devil is in the detail, so we will monitor developments closely.

I am not convinced that the measures that are aimed at supporting wave and tidal power are sufficient. There is a sizeable gap between what the UK Government is proposing and what is currently available for wave and tidal power under the renewables obligation in Scotland. That gap might be bridged by the provision of capital support on a large scale, but the white paper is short of detail on that aspect. Once that is clear, whether the same or similar changes are made to Scotland's renewables legislation will be a question for this Parliament.

Those potential changes need to be considered alongside our own strategic priorities and vision for renewables development in Scotland—a vision that includes not only marine and tidal energy but biomass and offshore wind power. I intend to listen carefully to the views of our own stakeholders before making any decisions or recommendations.

I also welcome the white paper's acknowledgment of the importance of renewable heat. There is a lack of firm proposals for action, but I accept that we are all not far past the starting blocks here. I know that Executive officials have been working hard with stakeholders to examine how we promote renewable heat and I believe that this is an area where we can make genuine progress and a real difference in Scotland.

We must not focus exclusively on generating heat and power. We all know that we can be more efficient in our use of energy. We support the steps set out in the white paper that impact on Scotland. Essentially, those are the requirements

that are placed on the utility companies, regulation in relation to consumer products and the carbon reduction commitment for large commercial organisations. We have our own powers and measures sitting alongside, such as the opportunity to use building standards to improve energy efficiency further and the ability to provide advice to business, the public sector and individuals on changing their practices and behaviour.

Energy policy must be a coherent whole, embracing power and heat, new technologies for generation and reduced consumption, and sustainable growth and community benefit and engagement. That is why we will set out our own approach to energy, the actions that we will take here in Scotland and the issues on which we need dialogue with the UK Government. Many people have called for an energy policy for Scotland, so we will work with all interested parties to develop that. We will start by bringing together voices from across the energy sector—including users—to establish for the sector a single unifying goal that is in line with the core purpose of this Government. Those voices will have the opportunity to work with the Government to identify potential, to identify inhibitors and constraints and to work together to move forward in line with our national goal.

There are things to welcome in the white paper, but there are also proposals for nuclear power that have no place in Scotland. There are also disappointments, such as the lack of commitment—indeed, the lack of energy—in taking forward issues such as carbon capture, especially given the promises that have been broken, the timescales that have been extended and the options to go the extra mile and take advantage of legislation that have been ignored.

I look forward to working with the people of Scotland, with the energy industry and with the Parliament to achieve a more ambitious approach and an optimal outcome for Scotland.

Iain Gray (East Lothian) (Lab): I thank the minister for making a copy of his statement available in advance.

This is the first statement to Parliament on energy, although the First Minister had a fair bit to say about it in his statement last week. Mr Mather outlined his vision for the future of energy in Scotland last week in a conference speech that was later categorised in the press as a “gaffe”. Much of what has been said has been bluster about rejecting nuclear new-build applications that have not been received, so a slightly more cautious and measured approach today is welcome.

I have three questions. First, the minister said that he wants Scotland to plan for export, but

Scotland currently exports 20 per cent of the electricity that is generated here to the wider UK market. Last week, Mr Mather referred to that as surplus and seemed to believe that it was a safety cushion that allowed him to be cavalier about security of supply. In fact, it is an existing export industry, creating wealth, jobs and skills just like any other export industry. Is that existing export industry in the Scottish energy market expendable or not?

Secondly, given that onshore wind is the only mature renewable energy generating technology available now and providing commercial electricity to the grid, as Mr Mather admitted in his statement, and given that it has the capacity to expand, which he said he desires, will he tell us whether the Scottish National Party still supports a cap on onshore wind generation and new projects having to wait on community energy plans before they can move forward?

Thirdly, as the SNP intends that Scotland will depend significantly on existing nuclear generation of electricity until at least 2023 and as the management of radioactive waste is a devolved responsibility, will the Administration continue as co-sponsor with the UK Government of the expert-led process through the Committee on Radioactive Waste Management? Alternatively, will it implement SNP policy of above-ground, on-site storage of all radioactive waste, and if so, when?

Jim Mather: On the plans for export, we have a surplus now, and we intend to have a bigger surplus in the future. We also intend to export more—20 per cent is just a start. I notice that Scottish Power is investing £1 billion in building new networks in the next five to seven years and looking to facilitate 6GW of renewables through the new infrastructure. That will include £250 million being spent on ensuring that it is better able to export yet more. We expect more and more from the renewables and clean technologies that Scotland will take forward.

We reject Mr Gray’s assumptions about our potential. When we consider clean coal, offshore wind and other technologies, we see that there is plenty of scope. We will consider new onshore projects when there is merit, community support and community benefit and when they are right for Scotland and the goals that we have set.

I reject Mr Gray’s assumptions on nuclear power and nuclear waste. We will ensure that, whatever happens, Scotland is protected to the nth degree—that will be the case in every situation. We have a proposal that sees us at a new beginning in Scotland that is akin to the personal computer and the oil and gas revolutions happening simultaneously with Scottish involvement. The moneys will reside in Scotland if we have the will and energy to grasp the opportunities. I appeal to

the Parliament: if we take these opportunities on board, we can become the renewable energy capital of the world, not just exporting energy and reinventing new industries but taking them to the world as technologies and Scottish expertise for years to come.

Alex Johnstone (North East Scotland) (Con):

I thank the minister for advance sight of his statement. Although there are things in it that he and I will never agree on, there is much with which I am prepared to concur. My questions relate to a number of the areas on which we may have common interest.

First, the minister mentioned the effect that the Government has had on the carbon capture project at Peterhead, with BP withdrawing from it. That is an example of the damage that dithering can do, if ever there was one. However, will the SNP Administration undertake not to use that as a political pawn but to work hand in hand with the Government in the south to ensure that the mistakes that have been made can be undone and that it will not be used as a wedge to drive between our two countries?

My second question also relates to previous activity. Many members will be aware that the Conservatives and a certain John Swinney, who is sitting fairly close to the minister, have called repeatedly over the years for national strategic guidance on the placing of onshore wind farms, as we believe that such guidance would do much to alleviate the controversies that have arisen throughout much of Scotland on the issue. Is the Administration prepared to commit, finally, to ensuring that Scotland's Government gives national strategic guidance?

Finally, another area of common ground that we have had in the past is the firm belief that if we are to increase efficiency and have a smaller carbon footprint in Scotland, it would be valuable to increase domestic production, home energy efficiency and the use of microrenewables and to extend those technologies into light industry. The Conservative manifesto included proposals for an eco-bonus scheme, which would increase grant aid for such developments. Will the Executive undertake to work with us to ensure that that scheme comes to fruition?

Jim Mather: On the point about the proposed carbon capture plant becoming a political pawn, we will work hand in hand, but robustly, with the UK Government. As I said in my statement, the First Minister and I took the issue back to Alistair Darling, pressing for change and asking him to consider other options. I hope that he will respond constructively. As with any corporate interests, Scotland's best interests require solid and robust, not soft, engagement. We will represent

Scotland's interests and we will look for Mr Johnstone's support as we make progress on that.

Strategic guidance on onshore wind farms in Scotland will be produced. We will consider the Conservatives' suggestions on reducing the carbon footprint. I am personally committed to seeing what we can do through decentralisation of generation, which can give rural communities an edge in what they can do and produce locally using locally generated energy. The example of Gigha is always in my mind—the community there generates £160,000 of profit a year, in spite of the fact that they sell energy at wholesale prices to the grid and buy it back at retail prices. When the situation is organised properly, the potential will be even greater.

Liam McArthur (Orkney) (LD): I, too, thank the minister for the advance copy of his statement and congratulate him on bringing the issue to the Parliament. He will acknowledge my constituency interest and he has already acknowledged, as did the First Minister earlier, my party's commitment to the development of a renewables powerhouse in Scotland. I welcome much of what the minister said in his statement, although it was short on detail. I endorse his comments on nuclear power and the current system of transmission charges. Likewise, I endorse his call for Ofgem's remit to be amended to take more account of environmental factors.

Like Iain Gray and Alex Johnstone, I have three main questions. First, the minister talked of confidence, stability and certainty in the energy sector and went on to say that the devil will be in the detail. I suggest that the devil may be in the blanket moratorium that his party proposes in relation to the proven technology of onshore wind. Will he clarify when he intends to commence the SNP's year-long moratorium on onshore wind farm developments and say what impact he expects that to have on existing projects that are going through the planning process? If he still intends that the moratorium will be put in place, how will he build the confidence of the renewables industry in Scotland so that it can grow and deliver an alternative to nuclear power?

Secondly, the minister rightly drew attention to the cost of the delays in the DTI taking decisions about the carbon capture project in the north-east. Similar concerns have been raised with me by the marine energy sector in relation to the DTI's marine energy fund. Will he undertake to continue to raise concerns with his DTI counterparts about the need to commit that vital investment?

Finally, although, as I said, the statement was short on detail, will the minister indicate what his ambition is for renewable electricity generation? The previous Executive set and was on course to achieve ambitious targets. Liberal Democrats

advocate a 100 per cent target by 2050. Will the minister lend his support to that target?

Jim Mather: I welcome Liam McArthur's comments on nuclear energy. I recognise his constituency interest and have previously applauded the European Marine Energy Centre for its role. We will be engaging with the Ofgem board on that, and will continue to apply pressure through Ofgem and the DTI on everything from transmission charges to the interconnector that the member and I believe in passionately.

However, I take issue with the member about a moratorium—there is no such moratorium. He will recognise not only that the SNP has been in government for less than a month but that responsibility for any moratorium lies at other doors.

Beyond that, we will engage heavily with the DTI on specific and general issues; we make it a point of principle to develop that engagement maturely and professionally. Our ambitions for renewable energy in Scotland are a bit like our economic ambitions for Scotland: we have an open-ended goal that does not include arbitrary numbers to the extent that Liam McArthur would like. What it has, however, is the north star of gradually and perpetually moving Scotland forward to a much better place on every aspect of its economy and environment.

The Presiding Officer: We come now to questions from back-bench members. More people have pressed their request-to-speak buttons than we can probably accommodate in the time available. Therefore, the more concise the questions and, indeed, the answers, the more people we will fit in.

Nigel Don (North East Scotland) (SNP): The Peterhead carbon capture project is a sad reminder that—if I may borrow a legal phrase from down south—delay defeats enterprise. It seems that we are too often beholden to Westminster. What plans does the Executive have to speed up the development of technologies and processes in Scotland in such a way that, when we know what we want to do, our colleagues down south cannot slow down that development?

Jim Mather: We can help the process primarily by keeping up the pressure on other parties. We can maintain momentum by focusing on key projects such as carbon capture and by matching the efforts of Aberdeenshire Council. We can have a push to create an environment that encourages yet more from Scottish Power, Scottish and Southern Energy and the many contributors to the all-energy conference, and we can create an environment in which people believe that there is a proper return to be achieved and a real contribution to be made.

On 25 June, I intend to start that process by holding an initial meeting with stakeholders from throughout the industry, to voice and develop a common goal for what the industry can achieve, which I believe is enormous; to map out that potential in its totality, so that everyone has a clear understanding of it; to identify the inhibitors, the cause of some of which may be other contributors and stakeholders; and gradually to move Scotland forward so that it is able to capture the huge prize from nature's lottery in the shape of energy reserves.

David Whitton (Strathkelvin and Bearsden) (Lab): I welcome Mr Mather to the hot seat. In his opening statement, he mentioned deliverable and affordable prices, but he did not really mention the price to consumers of electricity and, in particular, how the SNP intends to tackle fuel poverty as the previous Administration did. Many of my constituents' homes have been reinsulated and many of them were the recipients of free central heating systems. What will the minister do to tackle fuel poverty in Scotland?

Jim Mather: We will be not only pushing forward with energy efficiency programmes and maintaining the residual legacy programmes and so on that are in place, but ensuring that we deliver vibrancy in the economy of Scotland so that increasing numbers of people are in work, earning at a proper rate and able to pay their electricity bills. In the meantime, we will create an energy sector that is diverse and competitive and which has a beneficial effect in driving down prices over time.

Alex Neil (Central Scotland) (SNP): I congratulate the minister on his excellent statement. At long last, we have the beginnings of a sensible and comprehensive energy policy for Scotland. I particularly welcome his commitment to giving clean coal technology a major role to play in the future. Will he upgrade the Scottish Government's representation on the DTI's energy forum and coal forum from that of an official to that of a minister?

Secondly, will the minister pursue a change to Ofgem's remit? In some respects, its current policy and remit are contradictory to the development of an energy policy for Scotland that is based on our needs and our resources.

Finally, will the minister look into the problems that currently beset the management of ITI Energy with a view to resolving them as quickly as possible? ITI Energy has a major role to play in developing new technologies.

Jim Mather: I promise that clean coal will get all the heavy emphasis that the member seeks, with our backing up of plans for Longannet and Cockerzie.

I take the member's point about the DTI's coal forum, and I will certainly make my best efforts to attend at some point. That said, I do not want to create the impression that there will be anything other than a team effort. Officials will still have a prominent role as part of the global team for energy in Scotland.

I take the member's point about Ofgem. We can undertake a double act or pincer movement in that regard, involving talks with the DTI as well as with Ofgem itself. We will certainly proceed on those fronts.

The Cabinet Secretary for Finance and Sustainable Growth and I have met representatives of ITI Energy twice over the past week. We understand the issues and they understand our priorities. We have a clear view of how things will proceed and how performance will be measured in the future.

Elaine Murray (Dumfries) (Lab): Three national newspapers have recently carried articles indicating that the First Minister supports a deep coal mine at Canonbie, in my constituency. Have the Minister for Enterprise, Energy and Tourism or the First Minister discussed that proposal with the chief executive of Scottish Coal? I have, and I understand that, although samples were taken a couple of years ago, Scottish Coal has not yet undertaken core prospecting, still less a pre-application consultation, which would be required before any planning application could be considered. Is the announcement of the First Minister's predetermined support for a deep coal mine at Canonbie not therefore somewhat premature? Is that an example of spin designed to prevent the Executive from having to answer the hard questions about where base-load capacity will come from when the existing nuclear power stations are decommissioned?

Jim Mather: I note the First Minister's adamant denial—there was no announcement. The First Minister is exceedingly—and exceptionally—aware of the issues surrounding energy in Scotland, having worked as an economist with an energy specialism in the Royal Bank of Scotland and as a constituency MP and MSP in an area that specialises in energy provision.

We will go forward in our debate on the issue and we will engage the coal industry at every level. I am happy to meet people and, for example, to involve the coal industry in the early stakeholder meeting that we are holding on 25 June to ensure that we move forward properly. However, I recognise that perhaps the member does not want that to happen.

Gavin Brown (Lothians) (Con): The minister outlined four overarching objectives for energy policy that cover reducing emissions, security of

supply, cost and economic growth. In relation to those objectives, will he tell us where nuclear energy fails so badly that he dismisses it out of hand?

Jim Mather: Let us focus on the hidden cost of nuclear energy; on the problems that have occurred at Hunterston; on the problems that occurred yesterday at a nuclear power station near Bristol, where there was a fire; and on the fact that there are so many eggs in the nuclear basket when it comes to providing energy. We remain absolutely committed to opposing nuclear every which way, while generating economic growth and resurgence. I also note that we will have an energy industry rooted in Scotland and largely financed from Scotland, with the benefits staying in Scotland in the long term.

Bill Wilson (West of Scotland) (SNP): Does the minister agree that the Clyde has seen a catastrophic crash in its shipbuilding over the past 40 years? The Clyde was once the world centre of shipbuilding, but, after 50 years of UK Government failure, only one private yard—Ferguson's—survives on the lower Clyde. Can I have his assurance that, should the few yards that have survived UK Government failure seek to diversify into alternative energy engineering projects, they will be given every assistance?

Jim Mather: I appreciate the question. We are trying to create the terms and conditions that will allow yards to diversify without the need for mammoth amounts of state aid. We are in Europe, and the rules on state aid are clear, but we want to create a climate in which we have an absolute renaissance of our engineering industry that works hand in glove with the renaissance in our energy industry.

Lewis Macdonald (Aberdeen Central) (Lab): The minister will recall that the clear and successful energy policy of the previous Executive was informed not only by ITI Energy, which we established, but the forum for renewable energy development in Scotland, which we also established, and the UK-wide oil and gas Government/industry task force, PILOT, in which we Scottish ministers played an active role alongside UK ministers.

Will the minister continue to engage with the energy industries through joint bodies such as FREDs and PILOT? Will he listen to what the energy industry collectively has to say about the importance of promoting onshore as well as offshore wind power and of promoting Scotland as a centre for excellence for energy science within the UK as a whole?

Jim Mather: I hope that I conveyed that we are trying to bring the entire industry together. I will certainly engage with all the organisations that the

member mentioned. We started that process this week. We want that level of engagement and openness and to create a huge industry here. We recognise the components of the industry and will listen to them all, pay attention, co-ordinate and cross-pollinate. We will consider all the options to ensure that we fully capitalise on the huge benefit that has accrued to Scotland through the lottery of life. I absolutely support that approach and I seek a commitment to it from members throughout the chamber. As I said, this is like a combination of our inventing the personal computer and Microsoft DOS and finding oil at the same time. If we can combine all the elements, we can move to a different and better place for Scotland.

Margo MacDonald (Lothians) (Ind): Will the minister consider establishing lines of communication with the bodies in the European Union that are presently considering the formation of a European energy policy? Much of the robust promotion of his vision could be undermined unless we have a relationship with the policy-making bodies that is different to the relationship that we had with the fisheries bodies, for example.

Jim Mather: That is another good idea from Margo MacDonald. Yes, we have established that line of communication. I work closely with Alyn Smith, who has opened many doors in Europe for me on many different issues, and energy will be no exception. We will move forward on that front with considerable alacrity.

Rob Gibson (Highlands and Islands) (SNP): It has been said that the British electricity trading and transmission arrangements penalise our product instead of promoting it. The problem is investment. If the DTI intends there to be nuclear development, what sources of finance will we provide to make a step change in investment? Only £15 million was put into the European Marine Energy Centre in Orkney, but it takes £157 million every year to decommission Dounreay and it is costing Talisman Oil money to develop its offshore wind farm. How will we provide that step change in investment to ensure that Scotland is really successful in the renewables sector?

Jim Mather: I take the point on transmission charges. Scotland generates 15 per cent of the UK's energy but pays 45 per cent of the cost of the grid. We have to square that situation. In a climate in which we put things on a proper and fair basis—or even without doing that—the new renewables obligation certificates that are available for tidal and wave power will have huge potential to attract investment because the returns are material. If people work in co-operation with Government, for which there is a track record, we will see the investment coming through, as well as the fruits of that investment: more jobs, more economic growth and more potential for Scotland.

Sarah Boyack (Edinburgh Central) (Lab): When will the minister announce the detail of his proposals on energy efficiency? That is generally regarded as the most cost-effective place to start meeting our future energy needs. What financial and tax incentives does he intend to put in place for householders and businesses? Will he commit his Government to championing the radical proposals that were put in place by the recent Scottish planning policy 6, which would dramatically reduce CO₂ emissions in new developments and put in place decentralised heat and energy production on site in all major new developments?

Jim Mather: The member makes an excellent point and we will make it an early priority. We are conscious of the potential that exists. We have looked at cities such as Malmö, which is being redeveloped, with whole areas using renewables and being totally energy efficient. We want to see what we can do to match that. The point will be an early priority for the Administration.

Peter Peacock (Highlands and Islands) (Lab): I welcome the minister's conversion to the promotion of onshore wind farming and his recognition that we need more onshore wind farms, that they are important and that we need a strategic view of them. However, in the Western Isles the SNP is at least implying that it is in favour of vetoing a local onshore wind farm by means of a referendum. Do ministers intend to provide a veto to onshore wind farms by means of local referenda? If so, how does a local veto square with our national interest?

Jim Mather: We have planning powers, but we will also ensure that an onshore wind farm will not go ahead at any price at any place if it would cause other damage to the local economy. Where there is a referendum, we will certainly pay attention to it.

We are looking to make sure that we maximise the well-being, wealth and growth of Scotland, and that means maximising the well-being, wealth, growth and potential of every community in Scotland. That will be the guiding factor, but we will do that openly, so the member will be able to make his judgment and audit the process.

Kenneth Gibson (Cunninghame North) (SNP): I welcome today's statement on the UK energy white paper. Does the minister share my concern that, by focusing so much time and so many resources on nuclear energy, the UK Government is in danger of crowding out investment in clean carbon and renewables technologies? Does he acknowledge that the carbon cost of extracting uranium from dwindling, increasingly remote and often environmentally fragile sources will exceed any carbon saving from nuclear power by 2050?

Jim Mather: I agree that there is a danger of crowding out and I recognise the danger posed by dwindling uranium supplies. To a large extent, that is why we are proposing and flagging up such a diverse potential. When we consider the totality of what we have on offer—the resources that are available, the energy that is here, the 100 years of coal reserves, the new clean coal technology and so on—we can see that Scotland is awash with much better options. As I said earlier, those technologies will be invested in and rooted here in Scotland. The wealth, the jobs and the benefits of those technologies will accrue to the people of Scotland in a very concrete way.

Jackie Baillie (Dumbarton) (Lab): I am disappointed that the minister did not cover the fuel poverty measures in the energy white paper, and specifically the sections on the recalibration of prepayment meters and social tariffs. He might be aware that people who use prepayment meters pay on average £200 per year more for their fuel than people who pay by direct debit. In the spirit of consensus and in the interests of the people of Scotland, does he welcome the UK Government's approach to reducing the cost of prepayment meters? Will he go further? Does he also support the UK Government's approach to social tariffs?

Jim Mather: If the member thinks that we are in any way callous about fuel poverty, she is making a serious error. We will press heavily to resolve such matters. We will press companies heavily and meet them to discuss the issue. The Government's objective is to lift all the boats in Scotland and to get people moving forward to a better standard of living. Tackling fuel poverty is a key component in giving people the confidence that they need in their lives and certainty about affordable energy supplies in their homes.

Bridge Tolls

The Deputy Presiding Officer (Alasdair Morgan): The next item of business is a debate on motion S3M-93, in the name of Stewart Stevenson, on the abolition of bridge tolls.

15:00

The Minister for Transport, Infrastructure and Climate Change (Stewart Stevenson): It is with understandable satisfaction that I open this debate on transport issues and that I will move a motion to abolish road bridge tolls in Fife—a topic on which the Scottish National Party has taken a consistent and vociferous line.

The Government's view is that tolls for users of the Forth and Tay road bridges should have been abolished when tolls were lifted from the Erskine bridge in March 2006; however, in any event, the abolition will eliminate 40 years of injustice that stems from the original decision to charge tolls when the crossings opened for business in the 1960s.

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

Stewart Stevenson: Wait a little bit, please.

In our first two weeks in government, we have delivered the first steps for one of our manifesto commitments—two weeks to overturn 40 years of injustice. In those two weeks, we have seen how minority government delivers. Opposition parties have recognised the political reality of our manifesto commitment and, more important, the political necessity of changing their position and supporting the people of Fife. Not a bad first two weeks, then—a manifesto commitment delivered and a parliamentary near-consensus built for action.

Murdo Fraser: I will break into the self-congratulation for just a second. I take it from the minister's tone that the Executive opposes tolls in principle. Does he therefore rule out any tolling for a new Forth crossing?

Stewart Stevenson: I ask the member to allow me to develop my points. I will talk later about the replacement Forth crossing, which we urgently require. If Mr Fraser is very good, I may even have some generous words for him.

I acknowledge the difficulties that our Green colleagues derive from the abolition of tolls. I hope that they will see merit in matters that I will talk about later.

Parliament has debated tolls before. My colleagues Shona Robison, in March 2006, and Tricia Marwick, in February 2007, highlighted the inequity to the Parliament and I congratulate them

on their contributions. I will quote Tricia Marwick's opening statement last February, as it still applies today.

"The debate is about fairness. Scotland has nearly 30 road crossings of tidal waters, but only two are tolled and both are in Fife. Why does no other part of Scotland have any tolls when we in Fife have two?"—[*Official Report*, 8 February 2007; c 31888.]

That encapsulates today's debate.

Other parties and individuals supported us in the previous debates and I gratefully acknowledge the support from the Conservatives—in particular from Mr Murdo Fraser—and from Labour and Liberal Democrat members who spoke and voted with us. I acknowledge the work of Helen Eadie, who has lodged a draft proposal for a bill to abolish tolls on the Forth and Tay bridges. Given the way we are moving, she may wish to withdraw that proposal following today's debate.

Fife has asked Parliament to provide that area with unhindered economic opportunities for employment and socially necessary trips to Dundee and Edinburgh. The Government, often in partnership with others, such as the south-east Scotland transport partnership, will do exactly that. It is vital that a number of transport initiatives in the cross-Forth area are progressed more actively.

Executive officials have received the SESTRAN regional transport strategy and the associated delivery plan, which are transport proposals for the region for the next 15 years. I will be interested to examine those proposals shortly, but I will spell out one or two of the initiatives. They include expansion of the existing park-and-ride facilities on the A8 at Ingliston and outline proposals for enhancements to park-and-ride facilities in Fife, at Rosyth and Halbeath.

Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD): Given that the proposal to expand the park-and-ride facilities at Ingliston is connected to the Edinburgh tram scheme, will it form part of the minister's consideration of developing that scheme?

Stewart Stevenson: I will not make arbitrary decisions at this point. The member will recognise that I recognise the validity of what he has said and the need to take account of it. We are enthusiastic about park-and-ride facilities and we want more of them, such as those that are being planned at Lothianburn, Straiton and Sheriffhall on the Edinburgh bypass.

SESTRAN is, on its own initiative, also considering the potential for a third, priority, lane on the A90/M90 to the north of the Forth between Halbeath and the Forth road bridge, and associated traffic management measures. The priority lane would be for high-occupancy vehicles. I want to consider that interesting proposal further.

Transport Scotland is actively working with SESTRAN to consider the potential benefits.

Marilyn Livingstone (Kirkcaldy) (Lab): Following the First Minister's comments on the tram project during First Minister's question time, will the minister give an assurance that before he takes any view on the tram project, he will take serious account of the adverse impact that a decision to cancel the project would have on the proposed cross-Forth ferry from my constituency?

Stewart Stevenson: We should make informed rather than arbitrary decisions, which is why I want full information on the major projects in my portfolio. I am not trying to alarm the member—I hope that I am indicating that I will take what she has said very seriously.

Margo MacDonald (Lothians) (Ind): I want to ask a question that arises from what the minister said in response to Marilyn Livingstone's question. Can we take it that the commitment to ditch or trash the Edinburgh trams, which was made during the election campaign, was made in an arbitrary fashion without the information that the minister now needs before he can take a decision?

Stewart Stevenson: Like all parties, the Scottish National Party laid its manifesto in front of Scotland's electorate in a highly considered fashion. However, this is a Parliament of minorities. We recognise that, and we will respond to that question when we discuss the subject.

Time is moving on more rapidly than I thought it would, so I will now deal with the current arrangements. The Forth Estuary Transport Authority has a wide remit that includes developing, supporting and funding schemes and measures that it considers to be appropriate to reduce traffic congestion on the bridge, to improve local transport infrastructure or to encourage an increase in the use of public transport. As part of its wider remit, FETA has, among other things, agreed to part fund the offline dual carriageway upgrading of the M9 spur/A8000 as its priority congestion-reducing transport scheme. It has also contributed to the extension of the Ferrytoll park-and-ride site and to the replacement of a railway bridge deck at Ferrytoll, on the Rosyth link road. Both schemes encourage modal shift.

The Forth Road Bridge Order Confirmation Act 1947, the Forth Road Bridge Order Confirmation Act 1958 and the Forth Road Bridge Order Confirmation Act 1961 are the main enabling legislation and provide that the joint board shall demand, take and recover tolls as set out in an approved schedule of tolls. That is an important point: it is not considered legally sound simply to attempt to amend the various orders for tolling on the Forth road bridge.

The Executive is moving to remove the tolls from the Forth and Tay bridges, but we need to discuss matters fully with the Tay Road Bridge Joint Board and FETA as soon as board members are appointed, following the recent local elections. I pay tribute to both organisations and their staff, who have operated the bridges with considerable skill and expertise for a number of years. We are aware of the 150 staff who work on the two bridges and of the complexity of their work for the continuity of bridge maintenance and the safety of users. We need to consider any impact on those staff. I do not wish to pre-empt the impact of lifting the tolls without having the opportunity to discuss the issues with the two new boards.

We intend that the legislation that we will introduce in September will remove the tolls on both bridges. We will discuss with FETA and the Tay Road Bridge Joint Board the simplest method of removing the tolls and managing the maintenance of the bridges. We expect those bodies to remain as road and traffic authorities and to retain responsibility for maintaining the structures.

The financial cost to the Executive—both capital and current—of removing the bridge tolls will be considered fully in the forthcoming spending review. I have been advised that the total current toll income for the two bridges is estimated to be between £15 million and £16 million per year. In effect, the income from tolls will be replaced by the same income, but it will now come from the Government and not from the residents and businesses of Fife and its surrounding area. We also intend to take on to our books the £15 million or so that is outstanding in capital debt on the Tay bridge.

This Administration is committed to removing unjust tolls to help Fife's economy expand and we will seek Parliament's assistance to ensure that that happens. I have very great pleasure in moving the motion.

I move,

That the Parliament recognises the concerns of residents and businesses who have been unfairly treated by the retention of tolls on the Forth and Tay road bridges when similar tolls were removed elsewhere; and that in the interests of fairness supports the removal of the tolls from the Forth and Tay road bridges as soon as is practicable and notes the government's intention to engage in dialogue to pursue this objective with the Forth Estuary Transport Authority and the Tay Road Bridge Joint Board.

15:12

Des McNulty (Clydebank and Milngavie (Lab)): I welcome Stewart Stevenson to his new post. I think this is the first time he has spoken in his new capacity and I wish him well.

We recognise that those who campaigned in Fife and Tayside for the removal of the Forth and Tay bridge tolls have made a powerful case. The continuation of tolls on those bridges when they were removed from the Skye bridge and the Erskine bridge was perceived to be inequitable even though the rationale for each case was different. I cannot speak for Skye, but along with Trish Godman, Jackie Baillie, Hugh Henry, Wendy Alexander and others, I campaigned hard for the removal of the Erskine bridge tolls.

Our argument was that the toll regime represented a significant brake on the economic development of West Dunbartonshire and Renfrewshire and that it was perverse because vehicles were crowding on to the Kingston bridge and through the Clyde tunnel while the Erskine bridge was underused. Removing the Erskine bridge tolls reduced congestion elsewhere. In the case of the Tay bridge, the removal of the tolls to which my party committed prior to the election will ease the tailbacks that clog up the centre of Dundee at peak periods as people queue at the toll booths. The bridge can easily accommodate any increased traffic.

Tricia Marwick (Central Fife) (SNP): Will the member give way?

Des McNulty: Not at the moment.

Different considerations apply to the Forth bridge, which is already heavily used by heavy goods vehicles as well as cars. Even with the tolls in place, traffic discharging from the bridge contributes significantly to congestion in Edinburgh and the wider Lothians region. The Administration's proposal to remove the Forth bridge tolls must therefore be accompanied by solutions to issues of traffic management, safety and bridge maintenance as well as the projected congestion increase. Given the overarching importance of a replacement Forth crossing to the economy not just of Fife but of the whole of Scotland, the public will have to be convinced that the Scottish Executive is doing nothing in the short term that will delay a replacement crossing or make it more expensive.

Many toll collection staff have long service in a specialised area of work, which might make it difficult for them to find alternative employment. It is imperative that redundancies are minimised and that any employee who might be displaced is given support. Other staff members have vital skills that will be necessary for the future maintenance and operation of the bridges—especially the Forth bridge, which has significant traffic management and maintenance issues.

If a vehicle breaks down on the Forth bridge and is not removed within seven minutes, within 20 minutes southbound queues will stretch as far as

junction 3, at Halbeath. Weather conditions, especially ice and frequent strong winds, mean that to keep functioning safely the bridge requires specialised safety and maintenance arrangements—tasks made all the more necessary because studies have shown that corrosion has led to a reduction in the strength of the cables that hold it up. It would be catastrophic if the experience of members of the dedicated on-site team were lost because their future is insecure.

If the minister is minded to retain the residual functions, other than collection, that are exercised by FETA, toll income will need to be replaced by grant from the Scottish Executive, as he has indicated. He provided an annual toll-income figure of between £15 million and £16 million, which would add up to between £45 million and £48 million over a three-year spending review period. Not only would income be lost, but some expenditure would continue, so the total amount that would fall to be paid by the Scottish Executive might exceed those figures considerably. There is an opportunity cost that must be identified and considered by Parliament. Last week, John Swinney said:

“We will put into the public domain whatever information about our policy commitments is required in the public domain.”—[*Official Report*, 24 May 2007; c 133.]

We require nothing less than full disclosure of the financial implications of this proposal. I am a bit disappointed that we have not received more from the minister up to this point.

The minister's motion makes no reference to transport strategy, least of all to a strategy for connections between Fife and Edinburgh. There is nothing about public transport, nothing about congestion, nothing about the lifespan of the existing bridge and nothing about the replacement crossing. The Government has not made clear how the replacement crossing is to be paid for, whether tolls may be considered as part of a financial package and what the implications for public finances may be if they are not. I am sure that that was the burden of Murdo Fraser's question. Surely all the considerations to which I have referred should be placed before Parliament. Simply announcing the removal of tolls without addressing those vital issues does not correspond to responsible government.

Tricia Marwick: Will the member give way?

Des McNulty: No.

I turn to the final section of my amendment. Earlier, Mr Salmond told Parliament that he had misgivings about the financial management of capital projects, but at that stage he was unable to provide any specific evidence relating to the

projects that have apparently been targeted for cancellation.

Stewart Stevenson: I urge caution on the member. This week alone, three separate pieces of paper containing three significantly different figures have been provided to me.

Ms Wendy Alexander (Paisley North) (Lab): Publish them.

Stewart Stevenson: I will publish them when I think they are trustworthy. At the moment, I cannot rely on the figures I am getting. When we bring forward our other projects, members will get the figures they seek, which will be honest figures at that point.

Des McNulty: It is interesting that the member mentions “honest figures”. Mr Salmond said that he favours an alternative to trams involving trolley buses, bus lanes and other schemes—a back-of-the-envelope list if ever I heard one. None of those was mentioned in the SNP's manifesto.

Mr Salmond also said that the Executive is not always bound to accede to the will of Parliament. He may be technically correct on that matter, but I suspect that, politically, his statement will come back to haunt him.

Let us be clear—Mr Salmond and his colleagues will not support my amendment at decision time because they are in agreement with it or because they welcome it; they are making the best of the fact that they were beat. To be blunt, Mr Kevin Pringle—who, I understand, is paid a salary of up to £109,000 a year to spin on behalf of the Executive—did a good bit of heavy lifting yesterday in seeking to convince even the journalistic profession in Scotland that the SNP could muck around with the word “arbitrarily” in such a way as to give it any credibility.

Let us remember what “arbitrary” means. Like you, Presiding Officer, I have been here long enough to remember the very early days of the Parliament, when we had announcement after announcement and financial commitment after financial commitment from SNP spokesmen. Mr Ewing and Mr MacAskill were among the most profligate. In opposition, Mr Swinney tried his best to modify that behaviour, but the modification that he managed to achieve was to get his party to disannouce projects that it did not agree with and replace them with projects that it agreed with in the parts of the country that favoured his party. Arbitrary, arbitrary, arbitrary. The SNP is not getting away with it.

We want sensible decisions for Scotland that make sense of our economic future. Let us be absolutely clear that what the Government proposes in relation to the tram and Edinburgh airport rail link schemes is detrimental to

Scotland's interests. Trams would deliver a significant modal shift—more people would use them than use buses. Malcolm Chisholm has spoken about the degree of bus saturation in Edinburgh—there is simply not space on Edinburgh's roads for alternative transport.

I move,

Businesses in Edinburgh have made financial investments in the expectation of trams being in place. There are expectations of a revised timetable for the whole rail service in Scotland based on the assumption that the central Scotland rail interchange will be built. Those are important issues for Scotland that cannot be decided on a whim by an individual, simply by presidential decree. We will not put up with it.

The new politics is not about what the SNP wants; it is about what we will let it deliver. I hope that the Opposition parties will take seriously the last few words of my amendment: we want sensible projects that are properly costed, fully evaluated and properly prioritised. Those are the projects that we will support; we will not support the kind of nonsense that is in the SNP motion.

15:21

Alex Johnstone (North East Scotland) (Con): I rise to support the amendment in Des McNulty's name. Members will not mind if I pause to gather my thoughts after saying that.

We are in an interesting position in this Parliament. Much was said before the election about the opportunities that would be afforded us by a Parliament that was genuinely hung and in which a minority Government had to make its way through consensus. It is wonderful that we have come so early in this parliamentary session to a point when consensus and policies can be properly tested in the chamber. I welcome this opportunity for that and other reasons.

Tricia Marwick: Why did the Conservatives support the SNP in the debate on the abolition of tolls on the Tay and Forth bridges in March this year—and why did they not link their support to EARL and the tram scheme?

Alex Johnstone: We supported the SNP then because it was right. We support the SNP today because it is right in principle. However, issues that must be covered have become clear during the build-up to today's debate.

The Conservatives are proud of their role in supporting the removal of tolls from the Tay and Forth bridges. We acknowledge that the SNP has led the field, but the support of the Conservatives has been critical in bringing us to a point where change can be achieved through debate in the Parliament. Let no one forget the important role that the Conservatives have played.

It is important that we get rid of tolls. We have heard much about Fife and its economy today, and I understand the importance of the Tay and Forth bridges to that economy, but as I come from further up in the north-east I am fully aware that the bridge across the Forth, if not the one across the Tay, is essential to the future economic development of the whole east and north-east of Scotland. We must consider the impact of anything that happens in relation to that bridge. It is true that there will be more traffic, but as I have always said, one man's traffic congestion is another man's economic development—we have to address that issue by other means.

Let us consider the views that have been expressed by other parties. I praise the SNP's views on tolls, but my colleagues in the Labour Party and the Liberal Democrats have found the issue more difficult. It is difficult for the Labour Party, whose prominent and well-respected members Helen Eadie and Scott Barrie—our erstwhile colleague—worked hard to ensure that views in the Labour Party were changed.

For the Liberal Democrats, the situation has been slightly more ridiculous, with one policy being held in one area and another appearing to be held somewhere else. In February of this year, I watched Tavish Scott argue for the retention of tolls from the Government front bench. I suspect that there is a certain irony in the fact that, in the same month, someone somewhere was writing the Liberal Democrat election manifesto, which contained the promise to lift tolls on the Forth and Tay bridges.

The Edinburgh trams and the Edinburgh airport rail link are key issues in the debate, so it is important to look at the wording of Des McNulty's amendment. I am glad that it includes the word "arbitrarily", because the Government must be responsible. Costs, projected costs and business cases will always be important to how we progress such developments. We must remember that although the Conservatives support the schemes in question, we do not favour the handing out of any blank cheques. We are concerned to ensure that those and any other projects that go into the transport programme are properly evaluated so that we know how best they can be fitted in.

I draw members' attention to the amendment's final words, which recommend that

"all future major transport project proposals be properly costed, evaluated and prioritised."

The fact that today will be the first time that all parties in the Parliament will group around that particular set of commitments represents a major step forward in the provision of transport infrastructure in Scotland.

Another issue that we cannot pass over is the obvious requirement to make progress on a new Forth crossing. I have already highlighted the economic importance of the crossing of the Forth, which we all know about. Given that it now seems that the lifespan of the existing bridge is limited, we must begin to consider how we will provide a new crossing in years to come. Although it is good that we are ending the bridge tolls and the rigours that they bring for our economy, we should not dismiss the opportunity that the system of tolling may provide to finance—partly or wholly—any new crossing. There are other ways in which such a crossing could be funded, but at this stage we need to keep an open mind to ensure that it can be built as early and as cost effectively as possible.

The motion and the amendment challenge the nature of government. A minority Government must learn to progress by consensus. The acceptance of Des McNulty's amendment is a wonderful indication that consensus may be achievable. We cannot rule by arbitrary decisions, especially when we do not have a majority—even if we want to dual the A9 all the way to the moon. Let us scrap the tolls today and let us work together consensually.

15:28

Alison McInnes (North East Scotland) (LD):

The Scottish Liberal Democrats will support the abolition of tolls on the Tay and the Forth, on which the people of Fife have made their views clear.

The case for the abolition of tolls is clearer in relation to the Tay than it is in relation to the Forth, because there will be less of an impact on congestion. We will support the removal of tolls on the Forth, but only if the Government provides answers and clear assurances on its impact. The minister must make clear how the Government will fund the deficit; how it will resource repairs and maintenance; how it will service the debt; how it will manage congestion and deal effectively with traffic management and road safety; how it will finance the new crossing; and how it will handle the sensitive matter of the staff who are currently employed at the bridges. Those are important issues. The Liberal Democrats support Des McNulty's amendment, which is designed to ensure that the Government provides answers.

It is crucial that the Government take action to address the increase in congestion that the removal of tolls from the Forth bridge will cause. The Liberal Democrats believe that progress on Edinburgh transport schemes such as the trams and EARL must be the foundation of that action. Scrapping of tolls will increase pressure on Edinburgh's congestion levels and cutting other

Edinburgh public transport projects would only add to that pressure. That is why it is so important that we consider trams and tolls in tandem. We need an integrated transport system for our capital city.

Bridge tolls became an issue for many people, especially in Fife, during the election campaign, but the priority of the Scottish Liberal Democrats is to keep Scotland moving. We want Scotland to have a world-class transport system that is fit for the 21st century. In Government, we increased transport spending to record levels and put 70 per cent of the £1 billion transport spend into public transport. We want that level of investment to continue.

The financial consequences of a decision to terminate the tram project at this late stage would be £114 million. Business leaders in Edinburgh think that halting the project would undermine economic growth and inward investment and threaten other infrastructure proposals, which are predicated on the tram project's going ahead.

Mr Swinney said yesterday that he would order a financial review of all major transport projects. The message from the new Government is that no transport project—however far ahead—is safe with the SNP. That is no way to plan for the future of Scotland.

The Forth bridge is not only a local bridge but a strategic link for those of us who live in the north-east. It would be remiss of me not to refer in my first speech to the region that I represent, which includes Mr Stevenson's constituency. North East Scotland is large and diverse. It stretches from the Buchan coast to Dundee, taking in Aberdeen, Dundee, many towns and villages and extremely remote rural areas, such as Strathdon. It faces many transport issues, which are often tackled with imagination, in true north-east pioneering spirit. For example, Aberdeenshire Council has developed many excellent initiatives, such as the A2B demand-responsive transport service.

The north-east has a well-developed voluntary sector and many rural partnerships are involved in transport provision. Last weekend, Buchan Dial-A-Community Bus was named charity of the year in the *Third Force News* awards. The organisation runs a range of services and is a brilliant example of community action. I congratulate Rachel Milne and her team.

Transport is high on the agenda in the north-east, as it is throughout Scotland. Regional transport partnerships were set up to allow major transport projects to move forward in a more consensual and planned way. The partnerships have demonstrated what can be done when people work together. There is no doubt that the delivery of major transport projects needs broad support from Government, local councils, the

community and the private sector. It also needs a long lead-in period.

The regional transport partnerships have worked hard during the past year to prepare strategies for the next 15 years. The strategies have been consulted on, clear priorities have been developed and cross-party support has been gained. Seven finalised strategies are on Mr Stevenson's desk, awaiting approval. Therefore, I am disappointed that the first motion that the Minister for Transport, Infrastructure and Climate Change has lodged in the Parliament is not about pressing ahead with the Edinburgh tram project or the Edinburgh airport rail link, or about approval of the seven regional transport strategies. I am disappointed that the minister came to the Parliament not to talk about how we reduce our global footprint or about the role of transport systems in attracting inward investment to Scotland, but to talk about dialogue about removing tolls on two bridges.

Transport is fundamental to our daily lives, our economic future and the quality of our environment. Major issues must be tackled and difficult choices must be made. However, there has been no sign so far that the Government is prepared to face up to that. We have heard only populist promises from the Government. For example, on Tuesday we heard the proposal to dual the A9 all the way from Perth to Inverness. Although Liberal Democrats agree that there is a need to invest in the A9, it is an irresponsible Government that makes such grand gestures, especially when funding for the dualling will come from shelving other, well-advanced projects.

In developing Scotland's transport network, it is important to break the link between economic growth and transport growth. Reduction of carbon emissions without damaging economic performance will be critical in a future in which economic success will depend on our ability to attract and retain talent. That is why the Edinburgh tram scheme, with its projected modal shift and linking of key employment centres and travel nodes, is so important.

I am delighted that the Government has been forced to support the amendment. Mr Salmond's mantra, "the new politics of Scotland", must apply not just to the Opposition parties but to all members of the Parliament. We have given the Government a clear message. There is no support in this chamber for a halt to the tram project and the Edinburgh airport rail link. Mr Stevenson says that he intends to bring proposals to the Parliament soon, but prevarication will not help. It would be better if the Government acknowledged that a majority in the Parliament is in favour of the tram and EARL projects and agreed today to allow those schemes to continue as planned.

The Deputy Presiding Officer: We move to the open debate. I ask members to stick to their time

limits—normally six minutes—as the debate is oversubscribed.

15:35

Tricia Marwick (Central Fife) (SNP): In one of my last speeches before the election, I led the SNP debate on abolishing the tolls on the Forth and Tay road bridges, so it is appropriate that my first speech in the new parliamentary session should be in support of the SNP Government's proposal to abolish those tolls. Forty-three years after tolls were introduced on the Forth road bridge and 39 years after their introduction on the Tay bridge, the first SNP Government has taken only two short weeks to announce how and when it intends that the tolls should be abolished.

Ted Brocklebank (Mid Scotland and Fife) (Con): In no way do I want to diminish the SNP's role—or, indeed, Tricia Marwick's personal role—in the decision to abolish the tolls, but does she agree that, to paraphrase the famous headline from *The Sun*, at the end of the day "It's *The Courier* Wot Won It"?

Tricia Marwick: I am sorry that Ted Brocklebank has just taken one of my lines. Stewart Stevenson has already used a portion of my speech, so perhaps I should not be surprised that Ted Brocklebank has lifted another section of it. I cannot pay tribute enough to the role that has been played by *The Courier* as well as Fife Council, the National Alliance Against Tolls and the many individuals who have campaigned against the tolls for 40-odd years. They will be delighted that this day has come.

I am grateful to the Minister for Transport, Infrastructure and Climate Change for setting out the timescale and mechanism for the removal of the tolls. It is clear that we aim to be toll free by 2008.

I was impressed with Alison McInnes's first speech. I did not agree completely with what she said, but I welcome her to the chamber and I look forward to her future speeches, on which I hope I will agree with her more. She asked why this was our first transport debate. The answer is really quite simple, Ms McInnes. This was an SNP manifesto commitment to the people of Fife and the people of Tayside, so it is absolutely appropriate that our first transport debate is on abolishing the tolls on the Forth and the Tay.

As members are aware, today's debate is the third debate in 18 months on getting rid of the tolls. This is my third speech on the unfairness of the tolls for the people of Fife and Tayside and on the extra taxation that is involved for our businesses. I welcome the support that we have received from the Conservatives. Only the sheer pigheadedness of Labour and the Liberal Democrats has kept in

place the tolls, which have discriminated against the people of Fife all this time. In March 2006, the former Minister for Transport and Telecommunications, Tavish Scott, announced that the tolls would be removed from the Erskine bridge. A debate on an SNP motion prompted the minister to announce a review of that review, which Labour and Liberal members then voted for instead of voting to abolish the tolls on the Tay. Repeatedly, the then minister was pressed to call a halt on the relocation of the toll plaza while the review was taking place, but he refused. That decision by Tavish Scott has cost millions of pounds, as the toll plaza has been renewed. I believe that Tavish Scott should be surcharged for that money.

Iain Smith (North East Fife) (LD) *rose—*

Tricia Marwick: Sit down, Mr Smith.

Labour and the Liberals now want the SNP Government to write a blank cheque for EARL and the Edinburgh trams. I think not. Those projects will be evaluated. The days of underestimating public infrastructure projects are over. We need to get some honesty into the process. I welcome the rigour that John Swinney is determined to apply in the future.

Margo MacDonald: Will the member give way?

Tricia Marwick: No, I will not.

Turning to the proposed legislation, I understand why it is necessary to proceed as outlined but I urge the minister not to close his mind to consulting on whether to abolish FETA. Several existing bodies—not least the Executive itself—could oversee the additional transport projects around the bridgehead. I have no doubt that the bridge's safety and maintenance requirements will remain, but I am not convinced that FETA, as constituted, is necessarily the only vehicle to deliver those.

Let me turn to the concerns raised by staff, as I promised them I would. I seek the minister's assurances that, well in advance of the legislation, FETA will carry out an appraisal on the possible level of redundancies and that every effort will be made to help those who are affected to find alternative employment.

Des McNulty's amendment calls for "any employees affected" to be

"treated with dignity and respect".

The SNP wholly supports such a call. However, is that the same Des McNulty who, in welcoming the removal of the Erskine bridge tolls, never once mentioned the staff? On that very issue, I have received an e-mail from someone working for FETA, who says:

"I think it is right that you are also aware of concerns as

staff here are particularly aware of the shabby way that the Erskine staff were treated e.g. only finding out that their jobs were to go within 30 days live on television, without the courtesy of letting them know a few minutes in advance."

As a result, we will take no lectures from Labour members about the best way of treating staff. We will treat the staff with the respect and the dignity that they deserve as a reward for their professionalism over the years, and I hope that the minister will address the issue when he sums up.

This is a great day for the people who live in Fife, Tayside and further north. Many of us have waited a long, long time for this. I am very pleased with the proposals and I thank the minister for what he has said today.

15:41

Mary Mulligan (Linlithgow) (Lab): As other members have done, I congratulate Stewart Stevenson on his new appointment as minister. His transport and infrastructure portfolio is particularly apt, given that—as he frequently told us in the previous parliamentary session—he travels furthest over the mainland to reach the Parliament building.

I welcome the minister's intention to abolish the tolls on the Forth and Tay road bridges. Although I do not believe that, when set against the overall cost of running a car, van or lorry, the charge was prohibitive, I can understand why those who use the bridges regularly, particularly those who live in Fife, feel that they have been unfairly treated. A lot of people who live in my Linlithgow constituency regularly travel over the Forth road bridge for work or pleasure; in fact, a number of us will travel to East End park on Sunday to see—I hope—Linlithgow Rose win the junior cup final. Many of them will also welcome the abolition of tolls.

Of course, it is easy to please some people, but every decision that the minister makes will have a knock-on effect. As a result, I hope that he is able to reassure me and my constituents in Newton village on the A904 that the abolition of tolls on the Forth road bridge will not worsen the traffic situation in the village and that the improvements on the A8000 that were introduced by the previous Executive and which might well help matters will not be affected by the increased traffic that will come about as a result of this decision.

My main concern is that instead of having the odd popular announcement, we must have a transport strategy for Scotland that recognises social and economic demands and balances them with the climate change element of the minister's portfolio. That is why I and my colleagues have been concerned by statements from the minister's party that public transport schemes such as the Edinburgh trams and the Edinburgh airport rail link

will be cancelled. I welcome the minister's decision to accept Des McNulty's amendment, which clearly calls for support for the existing parliamentary commitment to the trams and airport rail link. However, in light of the First Minister's prevarication at question time today, I wonder whether, in accepting the amendment, the minister is sincere or is simply trying to avoid a vote.

I am disappointed with the Greens' position on the Edinburgh airport rail link. Yesterday evening, I listened to Robin Harper's attempts to justify it. The Greens might well not want any further expansion of Edinburgh airport, but the fact remains that significant growth has already taken place. The rail link is needed, and it is simply not good enough to come out against it at this stage. Many have made the point—I repeat it—that the link is not just an Edinburgh project, but will provide for many people throughout Scotland. I will be parochial for a minute. The airport rail link will allow not just people in Linlithgow to use public transport to reach the airport to go on their holidays, as was once said by the Cabinet Secretary for Education and Lifelong Learning, but tourists arriving at Edinburgh airport to visit the historic town of Linlithgow. That is a great opportunity for the local tourism trade.

As the minister is aware, there is a huge need for housing throughout Scotland—Edinburgh and the Lothians are particular hotspots. West Lothian Council was trying to address the issue strategically with a planning proposal for 3,000 houses around the village of Winchburgh. A rail station would be important to support such a development, but no one will agree to a further station on the Edinburgh to Glasgow Queen Street line as it would upset the timetable. However, with a branch going off to the airport, timetabling for a new station would be possible.

I ask the minister to consider those added benefits of the Edinburgh airport rail link when he makes his judgment. I urge him to raise his perspective and consider the wider benefits. Those are only a couple of the benefits in my constituency—I am sure that all members could give further examples of the benefits that could be derived from the rail link.

Other members will speak about the Edinburgh tram system, so I will make only two comments. First, I support the trams because they offer a public transport option that will complement the bus service in Edinburgh. Secondly, I saw the Edinburgh tram system as a starting point. I wanted to see a successful tram system—as I am sure it would be—coming out to places such as West Lothian.

I had hoped for a more wide-ranging discussion in our first transport debate. Other members will have their priorities; I have stated some of mine.

Debates such as this should bring about an ordering of those priorities and a strategic approach to transport that delivers for everybody in Scotland, not only for a few. For example, where is any mention of the regulation of bus services? Has that issue disappeared?

I believe that the Parliament will today agree the abolition of tolls on the Forth and Tay road bridges. We have listened to the public and acted. I hope that the minister will listen to members and remove any doubt that the Parliament will deliver two major public transport projects: the Edinburgh airport rail link and the Edinburgh tram system.

15:47

Jim Tolson (Dunfermline West) (LD): Before I deliver my maiden speech, I congratulate the minister on his appointment and pay tribute to my predecessor, Scott Barrie, whom I have known as a politician in an opposing party for a number of years. Although our politics often differed, I have found him to be of the highest integrity, whether in the constituency of Dunfermline West or here in the Parliament. I understand that Scott Barrie was speaking in the Parliament when one of the beams above swung loose—I sincerely hope that that does not happen to me today.

Scotland needs a world-class road, rail and air network, which must cater for the future needs of a vibrant Scottish economy. To retain, grow and attract new business—including tourism—we must be able to move goods and people around Scotland quickly, efficiently and at a price that people are willing to pay for a world-class network. Although I can agree with many of the Government's ideas, I believe that its plan to abandon the Edinburgh airport rail link and the Edinburgh trams is pure folly. As a Fifer who has travelled to Edinburgh by train thousands of times over the years, I have always thought it plain crazy that it was necessary for me to go past the end of the runway and into Edinburgh before I could go back to the airport. No wonder people take their car to the airport when we cannot provide them with the decent, integrated transport system solution that is staring us in the face.

Many countries in Europe, as well as further afield, have great integrated transport facilities that put Scotland to shame. An example from even closer is a city such as Manchester, which has a good, well-used transport system that is the envy of many countries. An integrated transport system for key routes in and around Edinburgh, including a link to and from the airport, is crucial to cutting down road usage into the city. Why do we not do something about it?

Key parts of our road infrastructure have long been in need of upgrading from their present

dangerous layout—not least would be completion of the dualling of the A9 to Inverness and upgrading of the full M74 to three lanes each way as the key gateway to and from England.

Much closer to my home and my constituency of Dunfermline West is the absolute highest priority for Scottish transportation—a replacement for the Forth road bridge. The economy and infrastructure of Fife, Tayside and beyond will be devastated if a viable new crossing is not in place before the bridge has to close to any vehicular traffic.

Fortunately, the previous Government gave a commitment to a new Forth crossing and I sincerely hope that the new Government will proceed with that crucial venture without delay. I urge the Government to accept the findings of the professional advice on a future crossing that is due to be published next month, whether that advice is for a submerged tunnel or a bridge. It should then get on and provide a crossing before restrictions on the dying Forth road bridge devastate the economy of east central Scotland.

Such major improvements will not come cheap. Indeed, just a few years ago, we had tolls on four main Scottish bridges, which helped to plug the financial gap. Now that we have just two toll bridges, which imprison Fife, the question of fairness must be brought into the equation. Is it fair that Fife in particular is penalised for having water on three sides? Is it fair that tolls are a major disincentive to inward investment and growth in the Fife economy? Is it fair that people who live in my constituency, or any other nearby, are indiscriminately penalised by a postcode lottery? To all those questions, I say a resounding no.

Tricia Marwick: Will the member give way?

Jim Tolson: No.

The Government must fulfil its commitment to scrap the last Scottish bridge tolls in the shortest possible timescale, and my Lib Dem colleagues and I will support it.

The replacement for the Forth road bridge is the most crucial transport requirement for Scotland, not least because 25 per cent of the bridge's strands and main cables are either corroded or broken. In fact, an updated report will go to tomorrow's meeting of the Forth Estuary Transport Authority, and it is likely to make grim reading. I do not care whether the new Forth crossing is a bridge or a tunnel; I care fervently that a new crossing be put in place urgently, that will last a lot longer than 40 years so that it provides the best value for money for the Scottish taxpayer and maximises the use of public transport across the Forth. I hope that all members will join me in backing the urgent need for a new Forth crossing. To do otherwise would be to let down not just Fife, but the whole of Scotland.

To summarise, the amendment puts flesh on the bones of the motion. It commits to the removal of the tolls, but recognises the concerns of many FETA employees and seeks to ensure that funding for their vital roles is continued. It recognises the importance of EARL and the Edinburgh tram schemes. I ask colleagues throughout the chamber to vote for the amendment.

15:53

Nigel Don (North East Scotland) (SNP): I find myself uniquely in the position of being not only a member of the Parliament but a Dundee City councillor and, perhaps even more surprisingly, a past and continuing member of the Tay Road Bridge Joint Board. Under those circumstances, I hope that members will forgive me if I address solely the matters that relate to the Tay bridge. I would like to put one or two things on record and correct one or two earlier misstatements.

As far as I can see, nothing whatever will be gained by delaying the removal of the tolls on the Tay. The benefit will be better traffic flow, principally in Dundee where the evening traffic trying to get around the city centre will be vastly improved. I saw it again only on Tuesday as I drove along Riverside Drive. For those who know the waterfront in Dundee, I found a tailback halfway between Tesco and the railway bridge, and it was going nowhere very slowly. Not only will the traffic move, but fumes will be significantly reduced as a result. It is a win-win situation for Dundee, and I hope that we will make progress as fast as possible.

As a member of the joint board, I was surprised by the comments about not knowing what the numbers would be. The board's capital and revenue budgets have been published regularly and are updated. Anybody who wants to know what it would cost to remove the tolls from the bridge need look no further than pieces of paper that already exist.

I draw members' attention to the fact that bridges are strange structures; in fact, when they are on the scale of the Tay bridge, they are unique structures. The Tay bridge is unique and is maintained by a group of people who know it inside out—I say that advisedly, as I have been inside the bridge. However the minister proceeds to eliminate the tolls, I encourage him to ensure that the staff who maintain and inspect the bridge are kept in place. They know it and they are the stars of the show, so we need to keep them in orbit.

As has been mentioned, a group of employees are clearly at risk. As I understand it, there are currently about 20 toll collectors and one or two other folk who are involved in the banking and

administration of the money. Today's conversations with the management of the Tay bridge led me to believe that, in their best estimate, about 13 folk might genuinely be surplus to requirements, given that the collectors currently undertake other activities, such as inspection. I stress that the Tay bridge board is a unique structure. Unlike FETA, it has no other purpose or activity. Therefore, any employee who finds themselves redundant, in the sense of no longer having their current job, will genuinely be redundant and will not be likely to be redeployed.

Some time ago—it feels like last week, but it was probably about a year ago—the councillors from Dundee, Fife and Angus who make up the board discussed what we would like to do if the situation were to arise. As councillors, we agreed that we would like to find spaces for any surplus employees, but we had to acknowledge that we have no power to do so and that it is not our responsibility to do so. Therefore, I impress upon the Parliament and the minister that we have a unique—I use the word for the fourth or fifth time—situation that must be addressed. The folk who are involved need the very best that we can give them, please.

15:57

Robin Harper (Lothians) (Green): In all our discussions on transport developments, it is imperative, in that area almost above all others, to acknowledge the importance of having sustainability at the heart of the decision making. If that is not the case and if the parties that constructed, signed and moved the motion and the amendment did so without sustainability at the heart of their thinking, any pretensions that they have to be green will shrivel in the light of subsequent analysis that may be brought to bear.

The Green party has suggested that, to control the traffic across the Forth road bridge sensibly, variable tolls should be introduced to dissuade drivers from crossing the bridge at peak times and to encourage people who make casual visits to Edinburgh to cross the bridge when it is less crowded. It is slightly bizarre that, although the bridge is under threat and we have been told time and again that we need a replacement because the existing bridge is about to fall down, a decision has been made that will, according to the figures with which I have been presented, result in a 20 per cent increase in the traffic on the bridge as soon as the tolls are lifted. I would like to know the minister's answer to that problem. The minister said that he will try to take measures to encourage drivers to use park-and-ride facilities. That is all right for facilities on one side of the bridge, but if we encourage more traffic to come across the bridge to park and ride on the Edinburgh side, we will create more traffic across the bridge.

It has been pointed out to the minister that the removal of the tolls is one of the best arguments for keeping the tram scheme. Let us have some joined-up thinking here. If the Executive abolishes the bridge tolls, the tram scheme will become even more imperative. I have my agreements and disagreements—more of the latter I am afraid—but I will get my word in on trams here. The trams arguments have been well put. Why should Edinburgh suffer? The SNP is going to do something for Fife, which is fine; it will get votes there. What about doing something for Edinburgh? This is the capital city of the country. I have the figures to show that tram schemes will deliver transport through Edinburgh that is two to three times more efficient than buses, let alone cars, on which the figures relating to the efficient use of our crowded road system are disastrous.

The Green party supports the SNP position on EARL, although probably not for the same reasons. We would not be unhappy if EARL was to be cancelled, as the project appears to be entirely misconceived, and designed not to get people out of their cars but to provide extra capacity to cope with the planned threefold expansion of air travel, with which all parties in the chamber seem to agree. Airport expansion is contrary to the low-carbon economy that forms the Green vision for Scotland. If £612 million is to be spent, it should be spent on the train link to London, so that it becomes fully competitive with air travel and we can start reducing flights to London and Manchester and encouraging people on to trains. In one analysis, trains are competitive. According to Napier University, when top executives travel by rail they can work for four hours on the train, saving £124 per trip. If they travel by air, they can do no work.

I am concerned about the use of the word "arbitrarily", in the amended motion. It is a word that can be misinterpreted, twisted or ignored according to the different parties to the motion. The SNP could cancel the tram scheme tomorrow on the basis that it had been thought through. How long do we have to work on something before it is not an arbitrary decision? How long do we have to work on it before it is? I find the flexibility of the wording most worrying. The Green party—a minority of two—will abstain from the vote because the motion, as amended, will be too flexible and does not promise anything except for the abolition of the tolls, with which we thoroughly disagree. Further, it will allow for policies to which we are resolutely opposed: EARL; the abolition of the tolls; and the cancellation of the trams.

16:03

Charlie Gordon (Glasgow Cathcart) (Lab): I congratulate Stewart Stevenson on his appointment. I am over here, Stewart. It is taking a

bit for me to get used to it too. I expected to see Fergus Ewing sitting there, but a wee wumman at a bus stop in Castlemilk told me that the Greens did not fancy him. Justice's loss is transport's gain. We have a polymath—albeit a self-proclaimed one—as our transport minister. Stewart Stevenson is a good parliamentarian. He is possibly a nice man—I would not know, not being a nice man myself. I have been wondering what kind of transport minister Stewart Stevenson would turn out to be. As recently as today, at First Minister's question time, he was accused of a lack of dynamism by Nicol Stephen. I cannot imagine what that must be like.

I was sitting up in bed the other night reading that fine newspaper, the *Banffshire Journal*, also known as the Banffie. An editorial that caught my eye said:

"We have to keep the North-east at the top of the agenda".

It mentioned Stewart Stevenson's appointment and pointed out:

"Since 1970, the North-east has been the power base of the SNP, and voters have been loyal to them through thick and thin, as no other part of Scotland."

It went on to say:

"We have waited a long time in the shadows of British politics, and we have to use our time in the sun well: when will we see its like again?"

Naturally, that impelled me to turn to that other fine newspaper, *The Buchan Observer*, which, if nothing else, is a lot easier to pronounce. Stewart Stevenson was quoted there. He said:

"In my role as Minister I look forward to advancing an improved, safer and greener transport network here in Banff and Buchan and across Scotland."

So, I have been wondering about what kind of minister Stewart Stevenson would turn out to be.

I fell asleep the other night in that self-same bed, and I dreamed a dream of integrated transport. I know—it is sad. It did not turn out to be such a bad dream, though. I found myself in a land with a big urban conurbation at its heart, surrounded by industrial and market towns, with landward areas and a raft of beautiful islands. The land had well-researched transport policies, backed up by a five-year rolling programme of projects that was reviewed annually. The projects were a balanced mix of the strategic and the local. Below the line were well-prepared reserve projects, to be brought forward in the event of any of the programmed projects slipping. The transport policies and programmes were attuned to the views of communities, the contracting industry and other stakeholders. Then, I woke up. I looked at the clock. It was late. I looked at the calendar. It was 1994, and I was Strathclyde region's transport convener.

Some journalists say that today's devolved Scotland is merely Strathclyde region writ large. The chance would be a very fine thing. The lack of transport integration that bedevils our country means that, whatever the ostensible subject of any transport debate in the chamber, speeches sprawl across a range of issues and projects. Today's debate is no different. Of course I support the detolling of the Forth and Tay bridges. This is not the first time I have spoken against tolls in the chamber.

However, I want a broader debate on Scotland's costed transport projects. There should be no more policy or project changes on the hoof. In particular, the Executive should come clean on projects that the Parliament has already approved. Some of them have already been mentioned, and I would add the completion of the M74 motorway. The minister should take my advice and show us that he is a sensible transport minister—and perhaps even that he is a nice man.

16:07

Ted Brocklebank (Mid Scotland and Fife)

(Con): I add my congratulations to Stewart Stevenson on his elevation. It is with particular pleasure that I rise to speak in this debate, not least because, like most new members—I was a new member four years ago—I came to this place with aspirations and ambitions to have all kinds of things realised. Four years on, although the aspirations remain, political realities have taken their toll.

As a Fifer, I am delighted that at least one of those aspirations seems set to be realised. There is now a real prospect of removing the unfair penalties that have been imposed on all Fifers and visitors to the kingdom for years. The point is not, and never was, about the actual price of the tolls—although, for businesses and daily commuters, the costs have not been inconsiderable. Rather, it is about the breathtaking partiality of an Executive that seemed blinkered to the damage that it was wreaking, not least to its own political projects.

I am not interested in the blame game. Suffice it to say that there has been much hypocrisy and flip-flopping—to use Tavish Scott's phrase—over the Fife tolls. It is a matter of record that I have not wavered in my view that tolls over the Forth and Tay were unsustainable once they were withdrawn from the Skye and Erskine bridges. Valued and able colleagues who tried to point that fact out to their own parties are no longer here.

Critics of removing the tolls claimed that that would lead to more congestion. As the sadly departed Christine May pointed out in this chamber, however, it was difficult to accept the intellectual rigour of the previous Executive's

argument that removing tolls on the Erskine bridge would reduce congestion, yet removing tolls on the Tay bridge would increase it.

It has also been argued that removing the tolls would be a subsidy to road users. That is a bit rich, considering that the Treasury gets £50 billion a year in taxes related to road use. The amount spent on maintaining and providing highways throughout the UK is around £7 billion a year. I have always believed that the trunk roads across the Forth and Tay estuaries should be paid for in exactly the same way as the trunk roads throughout the rest of Scotland.

Robin Harper: Do the Conservatives have an answer to the inevitable increase in congestion in Edinburgh as a result of the tolls being lifted from the Forth bridge?

Ted Brocklebank: That is not necessarily the premise that we need to be talking about today. I hope to come to part of it later, but I am not convinced that the tram project is the way to cut congestion in Edinburgh.

I stress that, important though removing the tolls is, it is even more important to take a decision on another crossing over the Forth. The road bridge could be closed to heavy goods vehicles as soon as 2013 because of corrosion in the cables. However, in the previous Executive's belated commitment to a new crossing in March 2006, it talked worryingly about the earliest completion date for a new crossing being 2014—a year later than the date of possible closure of the bridge to heavy goods vehicles. That cannot make sense. Is the economy of the east coast supposed to go into stagnation for that gap year?

The evaluation of the current bridge has to be done in conjunction with the preliminary work on a new crossing. My preference, on both aesthetic and practical grounds, is for a tunnel rather than another bridge. Three differing structures on the skyline across the Forth might be one too many, but a tunnel provides a genuine alternative for the environment and when adverse weather conditions prevent high-sided vehicles using the bridge. Local businessmen in Fife to whom I have spoken support a tunnel rather than a bridge, but we all agree that the preliminary work has to start now.

I welcome the motion, but that does not give the current Executive carte blanche for other well-flagged transport policies and possible changes of policy. As I said to Robin Harper, some of us have reservations about the Edinburgh tram project, but I accept that it has passed all the criteria for assessment and scrutiny thus far. Equally, I believe that plans to upgrade the A9 are long overdue, but I also believe that the minister's reported ambition to see the road dualled all the

way to Thurso surprised even the good citizens of that fair town.

Likewise, although I remain dubious about the currently hugely expensive proposed Edinburgh airport rail link, I, like thousands of Fifers who use the airport regularly—including Jim Tolson—see no sense in forcing prospective air travellers from the north and east into Haymarket when they pass the airport en route.

Against that background, the new Executive must properly cost, evaluate and prioritise all future major transport projects. However, today we have a chance to right a serious wrong by voting to remove tolls on the two Fife bridges. In doing so, as Des McNulty's amendment underlines, we must of course make full and fair provision for the future of current FETA and Tay bridge staff. I believe that that will and can be done with dignity and compassion.

I have pleasure in supporting the amendment in the name of Des McNulty.

16:13

Stefan Tymkewycz (Lothians) (SNP): I was elected to Parliament less than a month ago and want to take the opportunity in my first speech to thank members throughout the chamber for their warm welcome. I also put on record my sincere thanks for the assistance that I have received from Parliament staff and civil servants, who have been extremely helpful in the first four weeks of my time here. I am very grateful for their welcome and support.

I am also indebted to the people of Edinburgh and the Lothians, who voted in unprecedented numbers for the SNP on 3 May and returned me as one of their representatives. I pledge to work hard and honestly to provide them with the representation in Parliament that they deserve.

It has been suggested to me by friends and new colleagues that members making their maiden speeches should try to avoid anything controversial. I listened to that advice and have chosen to address today's subject for debate.

I welcome the new uncontroversial political consensus that has emerged throughout Parliament on the abolition of tolls on bridges in the east of Scotland. The matter impacts greatly on the constituents of Edinburgh and the Lothians and it needs to be resolved. I am delighted that, in the new dawn of consensus politics in Scotland, there is agreement among all the major parties that we should abolish the bridge tolls. Election results are wonderful things: they focus the minds of all those who participate in the debate, and it seems that the process has had quite an effect on the thinking of Labour and the Liberal Democrats. I

welcome them, even belatedly, to the spirit of harmony that is prevailing today.

I want the tolls on the Tay bridge to be abolished but, for a number of reasons, I want particularly the tolls on the Forth bridge to be abolished. It is iniquitous that tolls have been abolished on the Skye and Erskine bridges on the west coast of Scotland while tolls remain on both major road bridges on the east coast. The injustice of that situation needs to be rectified.

The tolls have an adverse impact on the economy of the region because they create a competitive disadvantage for businesses that operate in Fife and people who have to travel north from Edinburgh and the Lothians. Parliament has a duty to help to grow and nurture business, but the tolls present a clear financial burden to those who are based here and a disincentive to those who seek to relocate. Under the system of bridge tolls, businesses that rely on the road network to transport goods north from the central belt face a financial penalty if they choose to locate in West Lothian, Midlothian or Edinburgh. That is unacceptable to me and to my constituents. Businesses—particularly smaller businesses—deserve a fairer deal.

A recent investigation by Fife Chamber of Commerce estimated the direct cost of the tolls to businesses in Fife to be £1.4 million. If we add the indirect costs, the true cost for Fife alone is probably nearer £3.4 million to £3.5 million. Businesses in the Lothians are similarly disadvantaged, which is why the tolls should be abolished as soon as possible.

I understand that, for many of us, reliance on the existing transport infrastructure will not meet all the challenges that the future will bring. Today, I read with interest the contribution to the tolled bridges review by a regular commuter and bridge user, who stated:

“The problem is that people who are causing the congestion and all the consequent damage are only trying to get to work, do their 8 hours on the treadmill and get home. We need to be thinking about what alternatives we can give them. If cost of living and quality of life drive them out of the city, who can be surprised if congestion is the result? Also, families can’t afford the cost and disruption of moving home every time one person changes his or her job: to minimise big capital costs, they just drive further.”

Although I believe that the first course of action in easing the commute for those who travel from, and work in, Edinburgh and the Lothians should be removal of the financial burden of the tolls, we should also look to improve the alternatives for those who seek to go about their daily lives.

I agree with the minister that we should not rush into arbitrary decisions on major infrastructure projects. It is clear that a final decision on many of the increasingly expensive schemes that the

previous Governments proposed should be taken only when the current Government can present to Parliament full financial information in a considered way. I welcome that, but we must whenever possible also carefully examine cost-effective alternatives to road travel. I urge the minister urgently to examine proposals to reduce journey times by train throughout Scotland, but particularly journey times to and from our capital city as a way to promote positive alternatives to car use and further stimulate our economy.

Abolishing the tolls on the Tay and Forth bridges is a welcome first step by the Administration and it has my support today. I look forward to working with the Scottish Government in the coming weeks and months to make even more progress for commuters and businesses in the east of Scotland.

16:19

John Park (Mid Scotland and Fife) (Lab): It is good to hear so many maiden speeches. I am a bit of a veteran now, as I got mine out of the way yesterday. I particularly welcome the speech by Jim Tolson, who was my colleague at Rosyth dockyard. It is good to see him in the chamber.

I welcome the minister to his role and wish him the best of luck. It is good of him to give John Swinney a rest. Like many of his colleagues, Stewart Stevenson has a big job—as we have heard, he will face many competing priorities. I urge him to remain focused on finding the best overall solutions for Scotland. There is no doubt that it is up to us, as parliamentarians, to bring ideas to the chamber, so I make no apology for the local content of my speech.

We need to acknowledge that there are concerns about the abolition of the tolls. In the past week: I have received many e-mails about their removal. I acknowledge that a big campaign has taken place and that there is no doubt that public opinion in Fife is that the tolls are unjust, but we need to manage expectation and acknowledge that some people are concerned about their removal. I urge the minister to consult as widely and in as much detail as possible in the coming months in order to understand the level of concern out there and to try to put to bed some concerns.

I pay tribute to the workers at FETA, who are in a difficult situation. They are watching a debate, the outcome of which will put their jobs at risk. As parliamentarians, we must acknowledge that, which is why I urge the minister to begin as quickly as possible a process of redeployment of those staff. The partnership action for continuing employment teams that Scottish Enterprise and local organisations have established have been quite successful in reactive situations, but we have

here an opportunity to be proactive. If we cannot redeploy people in the public sector, we should consider measures to retrain and reskill staff to work in other parts of our economy.

Along with a couple of other politicians, including Jim Tolson, I met Fife Chamber of Commerce last week and was told clearly that the main transport issue for Scotland is a new Forth crossing. One side issue, which has been mentioned briefly, is that the existing bridge is likely to close to all heavy goods vehicles in about 2013 or 2014. If that happens, the consequences for traffic congestion around Rosyth and Dunfermline and on all roads that lead to Kincardine bridge will be dire. When many Dunfermline fans went to Glasgow last weekend for the cup final, crossing Kincardine bridge took about 35 minutes because of road works on the Forth bridge. Congestion on the roads around Kincardine bridge needs to be considered. A Rosyth to Dunfermline bypass needs to be considered, as does a road from Kinross to Kincardine.

The existing Forth bridge is part of the main artery that runs between London and Aberdeen. If it closed according to the timescales that we are talking about, the Scottish economy would grind to a halt, as has been said. Several options exist: a tunnel is a credible option, but the overriding priority is to deliver a crossing in as timely and cost-effective a manner as possible.

I support what my colleagues and many members have said about EARL and the Edinburgh trams project. If we used more imagination to take people from east Fife by ferry over to Leith, the Edinburgh trams project would solve a particular problem.

In the past eight years, a process of improving public transport infrastructure has been followed and we are starting to see improvements. The difference between the train service from Fife to Edinburgh 10 years ago and that which exists now is like that between night and day. The service is not perfect, but it is getting there. As a frequent traveller, I have seen improvements.

The M9 spur to replace that dire bit of road, the A8000, which has been a nightmare for several years, will be finished later this year. That will make a great difference.

When both crossings are complete at Kincardine, life will be transformed. I have friends who live in the nearby villages and in that small town and their lives will be transformed.

We need to keep public transport moving forward. That is not just about Scotland. I will be a bit self-indulgent for a minute. I call on the minister not only to ensure that the Rosyth to Zeebrugge ferry service is sustained, but to develop Rosyth as a hub and as an international port not just for

visitors, but for freight. He may be aware that a train line runs into the former naval base. It used to take hundreds of workers from around Fife into the dockyard. Recently, when people at the dockyard were diversifying their work, the line was used to transport London Underground carriages. It is still intact and could be used to bring in visitors or take them out of the port—it could do so quite easily.

Public transport is not an option in many areas of Scotland, but it is the only option in some areas. It is one of many options in most areas of Scotland, and that is what the Government must focus on in the future. We must become much smarter about how we attract people to public transport and we must continually improve services. We must consider a range of incentives to get people on to public transport and keep them on it. That will require real leadership. I hope that there will be consensus on the matter in the next few years.

16:26

Keith Brown (Ochil) (SNP): I am delighted to make my first speech in a debate that I hope will result in the abolition of tolls on the Forth and Tay road bridges. Their abolition will be warmly welcomed in my Ochil constituency.

I want to begin by thanking my immediate predecessor as member of the Scottish Parliament for Ochil, George Reid. Many tributes have been paid to George in recent weeks, which may have included the anecdote that he has often told against himself. He recalls that when he was walking down Alloa's High Street recently, he was stopped by two laddies, who said, "Hey, pal. You're that George Reid guy, aren't you? We get you at school." Flattered by the recognition, George said with a smirk, "Oh, really? In modern studies?" The obvious reply to his question was, "Naw—in history." I hope that it is not too bold a claim to make on George's behalf that his place in Scottish political history, as a member of the United Kingdom Parliament or an MSP over 33 years for much of the area that I represent, and in getting to grips with the saga of the Parliament building's costs, is assured. On behalf of my constituents and many people in Parliament, I thank him and give my best wishes for the future to him and Daphne.

I also acknowledge the work of my predecessor's predecessor. Perhaps unusually, the Ochil constituency has had different MSPs in each of the three sessions. It is also unusual that the first, Dr Richard Simpson, re-entered Parliament as a list MSP at the most recent election. I acknowledge his efforts on behalf of my constituents between 1999 and 2003.

One of the most compelling reasons why the tolls on the Forth road bridge should be abolished is that, when they were proposed, it was specified that they would be put in place to pay off the capital costs of constructing the bridge. That was a long time ago; indeed, my father was working on the construction of the roads that lead to the bridge when I was born. I understand that the capital costs of the bridge were paid off in 1994. Then, as the Scottish National Party's transport spokesperson, I called for the tolls to be abolished, because the purpose for which they had been introduced had been served. Instead, it was decided to keep them on. I presume that that decision was taken because the tolls were a nice revenue stream for the Government of the day. In the process, another promise to the electorate was shelved. The Forth road bridge tolls became a stealth tax long before Gordon Brown had heard that phrase.

One reason why people are fed up with the political process is that politicians' promises are often not kept. Last week, Des McNulty mentioned the contract between electors and the elected. In this case, the contract—the promise by the then Government to have a temporary toll—was betrayed by those who were elected. To give an idea of how far we seem to have strayed from the notion of a democratic contract, we have only to consider the new idea that a party that gained the largest number of votes in an election can be accused of acting arbitrarily simply because it wishes to implement its specific manifesto commitments.

I am no admirer of tolls. Indeed, I was convicted for refusing to pay the Skye bridge toll back in the mid-1990s. The Skye bridge toll campaign was another successful campaign to get rid of unjust tolls. It would be nice if the Lord Advocate were to consider quashing my conviction and those of others who opposed that disgraceful toll, but I suppose that she could just as easily come after me for the £50 fine that I have not paid in 12 years.

The tolls on the Skye bridge were wrong, and they have been abolished. The continuation of tolls on the Forth road bridge—I am concentrating on that bridge rather than on the Tay bridge, because it is much more important to people in my constituency—is also wrong. Those tolls should be abolished. Tricia Marwick has received e-mails from people who object to abolition of the tolls. Such people ask where the money will come from to pay for the maintenance of the Forth and Tay road bridges. That money should come from general taxation, which is where the Government that introduced the tolls said it would come from once the tolls ended. When it is asked why people in the north of Scotland and the Borders should pay for the upkeep of a bridge that they never use,

we should say that they should do so for the same reason why those who use the Forth and Tay bridges pay for the upkeep of roads in the north of Scotland and the Borders. We all benefit from a comprehensive national road system whether or not we personally use every road in the country.

I will also welcome abolition because it should finally lay to rest the fear of people in my constituency that the new upper Forth crossing—there is a new crossing coming quite soon that I hope we will come to love as “the Clackmannanshire bridge”—will be tolled. Of course, any gratitude among my constituents for not tolling the new bridge will be tempered by the appalling news that the First Minister gave us earlier that it is now estimated that the Stirling-Alloa-Kincardine railway will cost £83 million and, I presume, will not be completed until next year. That figure and the delay that has been caused by poor management of the contract should have those in the previous Executive who were responsible hanging their heads in shame.

The abolition of the Forth and Tay road bridge tolls will be good news for my constituents and Scotland. It will provide a level playing field, remedy a long-standing injustice and, I hope, represent a small step in the rebuilding of public faith in Government by respecting the idea of the democratic contract as a vital, but too often neglected, tenet of Scottish democracy. My party said that it would abolish the tolls and it is now doing so. It said that it would seek consensus around the proposal and it has done so, as can be seen from the cross-party support for the proposal. I will be delighted to support the motion to abolish the tolls.

16:31

Iain Smith (North East Fife) (LD): I add my welcome to the latest former pupil of Bell Baxter high school to reach ministerial office. I also welcome the many maiden speeches that we have heard during the debate, particularly those of Alison McInnes and Jim Tolson, who made excellent contributions.

I welcome the opportunity to put on record once again my support for the abolition of the Tay road bridge tolls. I was pleased to convince the Liberal Democrats to include that in our manifesto for this year's parliamentary elections, and it was one of my personal priorities for North East Fife during the election campaign. I thank the voters for trusting me to deliver those promises. The burden of the Tay road bridge tolls has fallen most heavily on my constituents. Frankly, we have paid enough; it is now time for the tolls to go.

We should, however, consider the history of the parliamentary debate on the Tay and Forth road

bridge tolls. They did not feature much during Parliament's first seven years. No party—not the Liberal Democrats, Labour, Conservatives and not even the SNP—included abolition of the tolls in its 2003 Scottish parliament election manifestos. The issue did not appear on Parliament's radar until FETA, in its wisdom, came up with the proposal to impose a £4 peak-time toll, which would have significantly penalised Fife residents who work south of the Forth.

That proposal also coincided with a certain Westminster by-election, during which no party—not the Liberal Democrats, Labour, Conservatives and not the SNP—proposed complete abolition of tolls, although there was total rejection of FETA's £4 toll proposal. It was only after the Liberal Democrats triumphed in that by-election that the scrapping of the tolls became a political issue.

Tricia Marwick: Will the member take an intervention on that point?

Iain Smith: Tricia Marwick would not take an intervention from me, so I will not take one from her.

The scrapping of the tolls became a political issue, particularly in Fife, where residents have borne the brunt of the tolls for the past 40 years. Just a few weeks later, we saw the SNP's naked political opportunism and its U-turn on tolls.

Murdo Fraser: Will Mr Smith take an intervention?

Iain Smith: Not at the moment.

Within seconds of opening the Scottish Parliament debate on 30 March 2006, Shona Robison was claiming that the Tay road bridge tolls could be removed within a month. In her summing up of that debate, Tricia Marwick said:

"They can vote with the SNP to force ministers to remove the tolls in the next month or so".—[*Official Report*, 30 March 2006; c 24570.]

In the most recent debate on the issue on 8 February of this year, when I challenged Shona Robison to say exactly how the SNP's motion would result in the abolition of tolls, she said:

"The tolls would be removed in exactly the same way as they were removed from the Erskine bridge. Within a month of Parliament agreeing to a motion, the Erskine bridge tolls were gone. Why can that not happen with the tolls on the Tay and Forth road bridges?"—[*Official Report*, 8 February 2007; c 31900]

Perhaps the minister can tell us why that cannot happen. A month remains before the summer recess: will the tolls be gone by then? I suspect not and, having heard the minister's opening speech, we know that ministers realise that it cannot happen.

The SNP's past motions were about spin and not substance. Some of us took the issue more

seriously and took a more responsible position. We accepted that removal of the tolls would have economic, social and environmental impacts, which would have to be addressed. More significantly, removal of the tolls raised issues about future financing, maintenance, ownership and management of the bridges that would also require to be addressed. There is also the matter of the staff whose jobs would be affected when there were no tolls to collect; there must be full consultation of those staff about their future.

We also recognised that both the Tay Road Bridge Joint Board and FETA were creatures of statute and that changes to their status and functions would almost certainly require legislation, which the minister now also seems to accept.

Parliament deserves something a bit clearer than the motion that the SNP has put before us today. Just this morning the First Minister said that it has proposals, but where are they? Perhaps, in concluding, the minister will give us a clear indication of the timetable and legislative changes that will be required to remove the tolls from the Tay and Forth road bridges. In February, the SNP was talking about getting rid of the tolls in a month. Last week the First Minister said that it was "a commitment". Today the SNP's motion says that it will "engage in dialogue".

I turn to trams and the Edinburgh airport rail link. There is no question but that those projects are linked inextricably to the Forth crossing, tolled or otherwise. They are vital public transport projects that are absolutely necessary to address congestion in and around Edinburgh. It is not credible to suggest that we can address congestion by putting on more and more buses, nor is it credible to consider transport links to Edinburgh airport only in the context of travel from the city centre. For most passengers to Edinburgh airport, that would increase congestion because people would have to get to the city centre first, before coming out again, or would have to use their car to get to the airport.

Committees of Parliament spent considerable time considering the environmental and financial cases for the Edinburgh trams and the Edinburgh airport rail interchange, which is probably a more accurate description of what the project would deliver. They concluded that the cases for both the trams and EARL stack up and will bring substantial economic and environmental benefits over the next 50 years. Any delay to those projects now would be arbitrary—and very costly. Delay would be arbitrary because the SNP Administration has presented no case for delaying the projects, pending a new financial review. I invite the minister to do so when summing up. The Scottish Parliament has already voted through the

funds for those vital projects to proceed, but progress is stalled because the SNP, alone in this chamber, wants to cancel both of them.

The cross-party amendment that the SNP says it accepts makes it clear that there should be no arbitrary delay. I say to John Swinney that he cannot get away with delaying the projects until he is in a position

“to present full financial information to the Parliament in a considered fashion”,

as he said in the press this morning. The Scottish Parliament has already considered the projects by passing the relevant private bills and by approving the budget act that provides the necessary funding. No weasel words from ministers will disguise the fact that the SNP will be flouting the will of Parliament if it does not give clear instructions to TIE to carry on with its work to progress those vital schemes in line with the programme and funding that have already been approved.

16:37

Murdo Fraser (Mid Scotland and Fife) (Con): I never thought that I would live to hear a Liberal Democrat in the chamber accuse others of naked political opportunism while keeping a straight face, but Iain Smith never disappoints.

I welcome Stewart Stevenson to his new position as a minister and wish him well in the job. I also thank him for his kind words about me earlier. I congratulate all the members who gave their maiden speeches, all of which were fine contributions to the debate. I do not want to single out any of them, but I will say a word about Nigel Don. Any man who says what he has to say and sits down before his time is up is a particularly welcome addition to the chamber and an example to us all.

I welcome the announcement of the abolition of the tolls. As my colleague Alex Johnstone said, the policy is supported by the Conservatives and appeared in our manifesto for the election that has just taken place. I am delighted that Conservative support has made it possible for the Executive to bring forward the proposal. A long campaign was fought to abolish the tolls. Tricia Marwick referred to it in her speech and, like her, I pay tribute to *The Courier* newspaper for the part that it played in campaigning in Tayside and Fife to scrap the tolls.

A couple of weeks ago, I signalled my intention to introduce a member's bill on the issue, which will not be necessary if the minister sticks to his timetable to introduce legislation in September. I do not intend to proceed further with my member's bill. I look forward to supporting the detail of the minister's legislation when it is introduced.

It is important to stress that we in the Conservative party do not object in principle to the idea of tolls, especially for new infrastructure projects. The issue here is simply one of fairness. Once the Parliament took the decision to scrap the tolls on the Skye and Erskine bridges, it was in no way fair that the only people paying tolls should be people in Fife and the east of Scotland. That is why it is right also to get rid of the tolls on the Tay and Forth bridges, and why we championed that cause. I welcome the conversion of the other parties—Labour and the Liberal Democrats—which have said that they, too, will support the abolition of the tolls.

The only discordant note was struck by the Greens. How Robin Harper must regret doing that deal to prop up an SNP minority Government when he hears what they are saying today. However, he will have to examine his own conscience in that respect.

Robin Harper: I have examined my conscience and it is clear. I have both opposed and supported SNP policies today. However, having listened carefully to this debate, I have a question that Murdo Fraser might like to ask the SNP. Why have rail services not been mentioned in this debate, apart from one tiny mention? Would Murdo Fraser like to ask what the minister is going to do about improving rail services in Fife to get cars off the roads?

Murdo Fraser: That is a fair question, which Mr Swinney might like to address in his winding-up speech, although I expect that his answer will be that this debate is about road transportation, not the railways.

There are issues to address in relation to Mr McNulty's amendment, which we will be supporting. There is an issue about staff. Tricia Marwick made a good point. Like her, I do not remember a word being said about the staff who were employed to collect the tolls on either the Skye or Erskine bridges when the abolition of tolls on those bridges was being proposed.

Tricia Marwick: In fairness, the Deputy Presiding Officer, Trish Godman, raised the issue of the staff during the minister's speech, but Des McNulty, who is leading the debate for the Labour Party, never said a word.

Murdo Fraser: Perhaps somebody else needs to examine his conscience as well.

There is also an issue about traffic management. Getting rid of the toll plaza on the Forth bridge cannot happen without other work being done, because there are two lanes of traffic on the A90 and two lanes of traffic on the A8000. A traffic management system will be required if a bottleneck is to be avoided. I am sure that the minister will examine that issue.

There is also the extremely important question of the new Forth crossing, to which Ted Brocklebank and others referred. I agree with Jim Tolson in that regard. Of all the transport infrastructure projects in Scotland, the number 1 priority has to be getting that new crossing in place. If that is not done, the east of Scotland economy will face a real issue.

There is a question about how that bridge is to be funded. I see that Mr Stevenson has slipped all too easily and comfortably into his new job as a minister, because he did not answer the question that I put to him earlier. Perhaps Mr Swinney can answer it when he winds up. The question is this: is the Executive opposed to tolls in principle, and does that mean that it rules out any element of tolling on or user contribution towards a new Forth crossing? We must have an answer to that important question.

Time will not allow me to address other issues that have been raised, such as the trams and EARL, but I want to say a word about the A9. Alison McInnes, in her fine speech, referred to the dualling of the A9. As it is a cause that I have championed for years, I was delighted when I saw in the press on Tuesday morning that the A9 was to be dualled not only from Perth to Inverness, which would be tremendous enough, but from Perth all the way to Thurso. Tremendous news. However, my delight turned to dismay when the First Minister said yesterday that it was simply a long-term project with no timescale. We need to have a little more clarity on these issues. Perhaps with experience the Executive will learn to improve its news management in relation to such issues.

I am delighted that we are abolishing the tolls. It is a good day for the new politics, a good day for this Parliament and a good day for Scotland.

16:44

Ms Wendy Alexander (Paisley North) (Lab): I join others in welcoming Stewart Stevenson to his new post and I congratulate the members who made their maiden speeches today: Jim Tolson, Nigel Don, Stefan Tymkewycz—forgive me if I did not pronounce that correctly—and Keith Brown.

This debate has already demonstrated the power of the Parliament. It has demonstrated that Opposition parties, including my own, are willing to listen and learn. As members of my party such as Mary Mulligan and John Park have made clear, we are willing to support the abolition of tolls on the Forth and Tay bridges and to reaffirm our support for a new crossing.

However, let me turn to the amendment and to the Government. The debate has brought into sharp focus something about the character of our new Government. Last week and again today, the

Government had the chance to bring to the Parliament a statement that did not simply propose the abolition of the tolls, but that recognised the consequences of such a measure—namely, increased congestion, with its knock-on effects on our capital city. Today, by focusing exclusively on the tolls, the SNP did the easy bit, but it flunked—indeed, it ignored—the hard bit. It failed to provide an acceptance that Scotland's capital city requires a new public transport system. Without trams, Edinburgh will not join Dublin, Brussels and Munich, and Scotland will be left alongside Luxembourg, Cyprus and Malta as the only western European countries whose capital cities do not have rapid transit public transport systems.

With that omission, a clear pattern is emerging from the new Administration. First, it makes the populist promise, then it avoids the debate, and finally it tries to evade the consequences of its decisions. The SNP's appetite for populist promises is not unique to its tolls policy—it rather typifies its busy ministerial team's approach. This afternoon, on energy, it went for the easy hit of no to nuclear, but it flunked the tough stuff, such as tackling the party's local opposition to wind farms. During yesterday's enterprise debate, we had the easy hit of more relief for small businesses, but the tough stuff—any strategy for economic growth—was flunked. On smaller government, we had the easy hit of publishing a long-delayed report, while the tough stuff, such as the announcement of savings targets beyond those already achieved, was flunked.

So far, the Government's style has been all about being populist, but when it comes to the first real decision time today, Scotland will be looking for signs of courage, because Scotland does not want us to delay. Both EARL and the trams can be delivered by 2011. Already, the delay is jeopardising those projects. As Charlie Gordon suggested, the real reason for the SNP's prevarication lies in its manifesto, in which, quite simply, it was against EARL and the trams in principle. Since the election, it has tried to take a different tack. On Sunday, the First Minister's spin doctors resorted to claims of massive cost overruns but, as Iain Smith made clear, not a shred of evidence has been put into the public domain to back up those claims.

Margo MacDonald: Listening to the member talk about what the SNP believed and what it did not believe, I am terribly confused. I have in front of me a statement on the tram project by Kenny MacAskill, in which he says:

"It will be costly and it will take time. However this is a network not just for a few years but for many generations to come. It will be the basis upon which Edinburgh can grow and flourish."

Mr MacAskill says that it is essential that we have trams. I wonder whether the SNP mentioned that.

Ms Alexander: I was disappointed that Chris Harvie did not consider the debate a fitting opportunity to make his maiden speech and tell us about the virtues of trams, which he has often expounded elsewhere.

On Tuesday, we had the rather unedifying spectacle of the pork barrel—the spinning of a false choice between the north and Scotland's capital. It was cheap, it was dishonest and it was diminishing to those who took part in it. Today, the First Minister tried to position himself on the side of principle and prudence. I have news for him: he can choose to distort the legacy of Donald Dewar as much as he likes, but the bottom line is that the Parliament has deliberated and decided, work is under way, and the First Minister's job is to deliver—in full, on time and on budget. Committed projects should not be sacrificed because the Scottish National Party's sums do not add up when it is faced with having to balance the books.

I hope that in his summation Mr Swinney will deal with the point of principle, by making clear whether the SNP accepts the will of the Parliament that the projects should proceed. Let him assume the responsibility for bringing the projects in on time and on budget, which goes with his office. If he fails to do so, he will let Scotland down. It took four years to bring the projects from conception to execution. Further delay would be disastrous.

I do not think that the nation will be conned. If the SNP seeks to overturn the projects in the coming weeks, it will send an incontrovertible signal that it is about not prudence, as it claims, but prejudice of geography and petty political interest. I genuinely hope that the SNP does not make that mistake by seeking to walk away from the will of the Parliament. Members on the Labour benches serve notice that we will not allow minority Government to become an excuse for evading responsibility.

When the Parliament votes today on the first real motion and amendment of its third session, it will come into its own. The SNP promised that it would govern in the Scottish national interest. Enacting the will of the Parliament will be the first test of its conviction in that regard.

16:52

The Cabinet Secretary for Finance and Sustainable Growth (John Swinney): I congratulate the new members who made their first speeches today: Alison McInnes, Jim Tolson, Nigel Don, Stefan Tymkewycz and Keith Brown. They all gave an insight into the areas of Scotland that they have the privilege to represent, and they made thoughtful and imaginative contributions to the debate.

I will respond to a few points that have been made. First, Mr Smith asked about the legislative process. The Government has examined the legislation that governs the Tay and Forth crossings and will ensure that tolls are removed from both crossings as soon as is practicable. Our expectation is that the legislation will be able to be passed by the Parliament—subject, of course to the consent of the Parliament—before the turn of the year. We will work with great diligence to deliver that commitment.

Secondly, a number of members, including my colleague Tricia Marwick, made substantial points about the position of members of staff who might be affected by the decisions. In the Government's approach and its work with the Forth Estuary Transport Authority and the Tay Road Bridge Joint Board, a key stipulation will be that the staff involved must be supported effectively and fairly. Because of the joined-up nature of the remit that I carry in the Government, the enterprise networks will fully support staff who are involved in the process.

Thirdly, I have been asked for clarity about our position on a new Forth crossing. The Government is committed to a new Forth crossing. A study is under way, which was commissioned—in a somewhat dilatory way—by the previous Administration, to examine bridge and tunnel options for three corridors across the Forth. The study is due to be completed at the end of the month and will come to Transport Scotland for evaluation before being brought to the Cabinet in the summer. Ministers will not be dilatory, unlike the previous Administration, in considering the issues that are raised.

The amendment in Des McNulty's name refers to the EARL and tram projects. It is utterly correct that the new Government should consider issues to do with those projects, particularly given that we had a manifesto commitment to end the projects and received handsome support in Edinburgh and the Lothians in a campaign on that platform. The fact that Kenny MacAskill is now the MSP for Edinburgh East and Musselburgh, that Angela Constance is now the MSP for Livingston and that we topped the poll in the regional vote in the Lothians is testament to our achievements in that respect.

Margaret Smith (Edinburgh West) (LD): I want to make a simple point to the minister. You did not win the majority of constituency seats in Edinburgh or a majority on City of Edinburgh Council or a majority in the Parliament. If you ignore the voice of the Opposition parties that together make up a majority in the Parliament, you will not be listening to the voice of Scotland.

The Presiding Officer (Alex Fergusson): Before Mr Swinney responds, I remind members

to address their remarks through the chair. If we get it right now, I will not need to say this every day.

John Swinney: I point out that we did formidably well in Edinburgh and the Lothians in the 2007 elections.

If members wish to know why it is important that the finance minister, the Cabinet and the Executive should look carefully at the costings of all these projects, they should consider what we were told about the Stirling-Alloa-Kincardine rail link. To begin with, we were told that it would cost £37 million. The last estimate, in September 2006, was for £65 million to £70 million. I am now being advised that the figure is £80 million to £85 million. We must be prudent with the public purse when it comes to these projects—

Iain Smith: Will the minister give way?

John Swinney: No, I do not have time.

I will not sign off projects that are not robust and financially secure.

Iain Smith *rose*—

Des McNulty *rose*—

John Swinney: I have only three more minutes, I am afraid, and I have a lot to say.

In its examination of the EARL and trams projects, the Government will address other alternatives and advanced and developed work is under way, at my direction, with Transport Scotland undertaking that work. There are a vast number of other opportunities that we could pursue—opportunities that the previous Administration arbitrarily did not pursue—in relation to other alternatives.

Mr Harper mentioned that additional journeys could be undertaken by rail. The Government is committed to a range of improvements that will increase the capacity of the rail lines to ensure that more people can use our essential rail network. The Government has an agenda to look in a considered and purposeful fashion at all these projects. We will not take arbitrary decisions and we never would. As that is what that lot—Labour members—did in the past, it is a good job that we will stop doing that in future.

My morning got off to a great start today when I heard Tavish Scott on the radio—I am sorry that he is not in the chamber—accusing my party of having done a U-turn. The interviewer simply said to him, “But, Mr Scott, you used to oppose the abolition of bridge tolls.” I have never in my life come across such a shuddering halt in an interview. In his absence, let me quote what Mr Scott previously said on removing tolls from the Forth road bridge:

“the Government is not prepared to countenance taking such action.”—[*Official Report*, 1 March 2006; c 23596.]

That is a flip-flop if ever I heard one.

The final two speeches that merit a substantial response are those of Des McNulty and Wendy Alexander. Yesterday, it was a joy to watch Mr McNulty scurrying around the parliamentary chamber, terribly excited that he had found a set of words on which the Labour Party, the Liberals and the Conservatives could combine to defeat the Government. He scurried around and was so enthusiastic that he managed to conjure up an amendment that even we could support. What an absolute triumph of incompetence. Mr McNulty managed to put together a proposition that even the Government could accept. What a triumph in the face of a minority Government.

Finally, let me turn to Wendy Alexander, who has once again come to Parliament and chastised me for not including in the Government’s programme the more imaginative savings targets that the Labour Party itself ritually condemned me for pursuing. What a contradictory position.

On the strategic direction of transport projects, I want to make a final point. There has been a great deal of talk about the A9, which is something that is dear to my heart and affects my constituency.

Members: Ah!

John Swinney: Oh, yes—just you wait for this one.

In 2002, Lewis Macdonald came to my constituency to announce the upgrade of the Ballinluig junction. Five years on, not a single thing has happened to implement that on the ground. Labour members should not lecture me on transport projects when they themselves were so useless at delivering them.

Points of Order

17:01

Jeremy Purvis (Tweeddale, Etrick and Lauderdale) (LD): On a point of order, Presiding Officer. I wonder whether you are able to advise back benchers who might be concerned about the impact on their constituencies of what the minister has just said about certain capital projects. He has indicated that there will be a substantial financial review of capital transport plans. Will you welcome an invitation to the minister to give a statement to Parliament about any implications for the Borders railway which, on the basis of those comments, might now be under threat?

The Presiding Officer (Alex Fergusson): With the greatest respect, I do not think that that is a point of order. I am sure that, in the consensual spirit with which the Government has approached the matter, it would be open to any approach that you make.

On the subject of points of order, I undertook to respond to the point of order that Margo MacDonald raised at the end of First Minister's question time. I have to say that the Executive is bound by acts of the Scottish Parliament which, under section 28(1) of the Scotland Act 1998, are laws. The 1998 act also provides that certain resolutions of the Scottish Parliament—for example, a tax-varying resolution made under section 73(2) and a resolution based on a motion of no confidence made under section 47(3)—shall have special effect. In other circumstances, a resolution of the Parliament cannot place a legal obligation on the Scottish Executive. Normally, such resolutions do not have the force of law and therefore cannot bind the Executive to any course of action.

Margo MacDonald (Lothians) (Ind): On a point of order, Presiding Officer. I hesitate to pursue this point but I imagine that, given that the Parliament is so finely balanced, it will be revisited in future. We need to know exactly where we stand and which resolutions are or are not binding. If I inadvertently gave the impression that Donald Dewar said that none was binding, I apologise.

The First Minister referred to what he said was a quotation from the late First Minister. I have before me a copy of that very quotation. Donald Dewar said:

"The position is simply that this Parliament is master at the end of the day, but that not every motion that is passed by this Parliament is binding upon the Executive."—[*Official Report*, 16 September 1999; Vol 2, c 555.]

He then went on to indicate how the Parliament could assert its supremacy. With the greatest of respect, Presiding Officer, I think that we could still do with some clarification of the matter.

The Presiding Officer: I return that respect, Ms MacDonald. I think that I have laid out quite clearly what has been said. We are now entering the realms of the hypothetical, and we will deal with the issue if it comes before me again. For the time being, I have made the chair's position quite clear.

Decision Time

17:04

The Presiding Officer (Alex Fergusson):

There are two questions to be put as a result of today's business. The first question is, that amendment S3M-93.2, in the name of Des McNulty, which seeks to amend motion S3M-93, in the name of Stewart Stevenson, on the abolition of bridge tolls, be agreed to.

Amendment agreed to.

The Presiding Officer: The second question is, that motion S3M-93, in the name of Stewart Stevenson, on the abolition of bridge tolls, as amended, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

Adam, Brian (Aberdeen North) (SNP)
 Ahmad, Bashir (Glasgow) (SNP)
 Aitken, Bill (Glasgow) (Con)
 Alexander, Ms Wendy (Paisley North) (Lab)
 Allan, Alasdair (Western Isles) (SNP)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brocklebank, Ted (Mid Scotland and Fife) (Con)
 Brown, Gavin (Lothians) (Con)
 Brown, Keith (Ochil) (SNP)
 Brown, Robert (Glasgow) (LD)
 Brownlee, Derek (South of Scotland) (Con)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Campbell, Aileen (South of Scotland) (SNP)
 Carlaw, Jackson (West of Scotland) (Con)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Coffey, Willie (Kilmarnock and Loudoun) (SNP)
 Constance, Angela (Livingston) (SNP)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Curran, Margaret (Glasgow Baillieston) (Lab)
 Don, Nigel (North East Scotland) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Eadie, Helen (Dunfermline East) (Lab)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 FitzPatrick, Joe (Dundee West) (SNP)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Highlands and Islands) (SNP)
 Gillon, Karen (Clydesdale) (Lab)
 Glen, Marilyn (North East Scotland) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Goldie, Annabel (West of Scotland) (Con)
 Gordon, Charlie (Glasgow Cathcart) (Lab)
 Grahame, Christine (South of Scotland) (SNP)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Harvie, Christopher (Mid Scotland and Fife) (SNP)
 Henry, Hugh (Paisley South) (Lab)

Hepburn, Jamie (Central Scotland) (SNP)
 Hume, Jim (South of Scotland) (LD)
 Hyslop, Fiona (Lothians) (SNP)
 Ingram, Adam (South of Scotland) (SNP)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Johnstone, Alex (North East Scotland) (Con)
 Kelly, James (Glasgow Rutherglen) (Lab)
 Kerr, Andy (East Kilbride) (Lab)
 Kidd, Bill (Glasgow) (SNP)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Lamont, John (Roxburgh and Berwickshire) (Con)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lochhead, Richard (Moray) (SNP)
 MacAskill, Kenny (Edinburgh East and Musselburgh) (SNP)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 MacDonald, Margo (Lothians) (Ind)
 Macintosh, Ken (Eastwood) (Lab)
 Martin, Paul (Glasgow Springburn) (Lab)
 Marwick, Tricia (Central Fife) (SNP)
 Mather, Jim (Argyll and Bute) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West of Scotland) (SNP)
 McArthur, Liam (Orkney) (LD)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McCabe, Tom (Hamilton South) (Lab)
 McConnell, Jack (Motherwell and Wishaw) (Lab)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McInnes, Alison (North East Scotland) (LD)
 McKee, Ian (Lothians) (SNP)
 McKelvie, Christina (Central Scotland) (SNP)
 McLetchie, David (Edinburgh Pentlands) (Con)
 McMahan, Michael (Hamilton North and Bellshill) (Lab)
 McMillan, Stuart (West of Scotland) (SNP)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Milne, Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Morgan, Alasdair (South of Scotland) (SNP)
 Mulligan, Mary (Linlithgow) (Lab)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Elaine (Dumfries) (Lab)
 Neil, Alex (Central Scotland) (SNP)
 O'Donnell, Hugh (Central Scotland) (LD)
 Oldfather, Irene (Cunninghame South) (Lab)
 Park, John (Mid Scotland and Fife) (Lab)
 Paterson, Gil (West of Scotland) (SNP)
 Peattie, Cathy (Falkirk East) (Lab)
 Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)
 Robison, Shona (Dundee East) (SNP)
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)
 Russell, Michael (South of Scotland) (SNP)
 Salmond, Alex (Gordon) (SNP)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Elizabeth (Mid Scotland and Fife) (Con)
 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 Govan) (SNP)
 Swinney, John (North Tayside) (SNP)
 Thompson, Dave (Highlands and Islands) (SNP)
 Tolson, Jim (Dunfermline West) (LD)
 Tymkewycz, Stefan (Lothians) (SNP)
 Watt, Maureen (North East Scotland) (SNP)
 Welsh, Andrew (Angus) (SNP)

White, Sandra (Glasgow) (SNP)
Whitefield, Karen (Airdrie and Shotts) (Lab)
Whitton, David (Strathkelvin and Bearsden) (Lab)
Wilson, Bill (West of Scotland) (SNP)
Wilson, John (Central Scotland) (SNP)

ABSTENTIONS

Harper, Robin (Lothians) (Green)
Harvie, Patrick (Glasgow) (Green)

The Presiding Officer: The result of the division is: For 120, Against 0, Abstentions 2.

Motion, as amended, agreed to.

Resolved,

That the Parliament, in accepting that the people of Fife and Tayside should not be disadvantaged by the retention of tolls on the Forth and Tay road bridges, requires that consultation aimed at bringing forward proposals leading to the removal of the tolls as soon as practicable also ensures that traffic management and safety issues on the Forth road bridge are dealt with and that any employees affected are treated with dignity and respect; further requires that the government's proposals set out clearly what the financial consequences of the removal of tolls on the transport budget are and outline funding options for the vital replacement Forth crossing, and requires that, as any additional vehicle traffic increases congestion problems in Edinburgh and the wider region, existing commitments to trams and Edinburgh Airport Rail which have already been scrutinised and received parliamentary approval should not be arbitrarily delayed or cancelled and that all future major transport project proposals be properly costed, evaluated and prioritised.

The Presiding Officer: That concludes decision time.

Meeting closed at 17:05.

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