

# **MEETING OF THE PARLIAMENT**

Thursday 30 October 2008

Session 3

£5.00

© Parliamentary copyright. Scottish Parliamentary Corporate Body 2008.

Applications for reproduction should be made in writing to the Licensing Division,  
Her Majesty's Stationery Office, St Clements House, 2-16 Colegate, Norwich NR3 1BQ  
Fax 01603 723000, which is administering the copyright on behalf of the Scottish Parliamentary Corporate  
Body.

Produced and published in Scotland on behalf of the Scottish Parliamentary Corporate Body by RR  
Donnelley.

---

## CONTENTS

Thursday 30 October 2008

### Debates

Col.

<b>RIISING COST OF LIVING</b> .....	11849
<i>Motion moved—[Jeremy Purvis].</i>	
<i>Amendment moved—[John Swinney].</i>	
Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD) .....	11849
The Cabinet Secretary for Finance and Sustainable Growth (John Swinney) .....	11852
David Whitton (Strathkelvin and Bearsden) (Lab) .....	11855
Derek Brownlee (South of Scotland) (Con) .....	11857
Malcolm Chisholm (Edinburgh North and Leith) (Lab) .....	11858
Stuart McMillan (West of Scotland) (SNP) .....	11860
Ms Wendy Alexander (Paisley North) (Lab) .....	11861
Keith Brown (Ochil) (SNP) .....	11863
Des McNulty (Clydebank and Milngavie) (Lab) .....	11865
Gavin Brown (Lothians) (Con) .....	11866
David Whitton .....	11868
The Minister for Parliamentary Business (Bruce Crawford) .....	11870
Mike Rumbles (West Aberdeenshire and Kincardine) (LD) .....	11872
<b>HBOS</b> .....	11875
<i>Motion moved—[Tavish Scott].</i>	
<i>Amendment moved—[Derek Brownlee].</i>	
<i>Amendment moved—[Patrick Harvie].</i>	
Tavish Scott (Shetland) (LD) .....	11875
Derek Brownlee (South of Scotland) (Con) .....	11877
Patrick Harvie (Glasgow) (Green) .....	11880
The Cabinet Secretary for Finance and Sustainable Growth (John Swinney) .....	11882
John Park (Mid Scotland and Fife) (Lab) .....	11883
Pauline McNeill (Glasgow Kelvin) (Lab) .....	11885
Alex Neil (Central Scotland) (SNP) .....	11887
James Kelly (Glasgow Rutherglen) (Lab) .....	11888
Rob Gibson (Highlands and Islands) (SNP) .....	11889
Sarah Boyack (Edinburgh Central) (Lab) .....	11891
Patrick Harvie .....	11892
David McLetchie (Edinburgh Pentlands) (Con) .....	11894
John Park .....	11895
The Minister for Enterprise, Energy and Tourism (Jim Mather) .....	11897
Ross Finnie (West of Scotland) (LD) .....	11899
<b>QUESTION TIME</b> .....	11902
<b>FIRST MINISTER'S QUESTION TIME</b> .....	11911
<b>QUESTION TIME</b> .....	11922
<b>TEACHER EMPLOYMENT</b> .....	11938
<i>Statement—[Fiona Hyslop].</i>	
The Cabinet Secretary for Education and Lifelong Learning (Fiona Hyslop) .....	11938
<b>NON-NATIVE INVASIVE SPECIES</b> .....	11950
<i>Motion moved—[Richard Lochhead].</i>	
<i>Amendment moved—[Elaine Murray].</i>	
<i>Amendment moved—[Jim Hume].</i>	
The Cabinet Secretary for Rural Affairs and the Environment (Richard Lochhead) .....	11950
Elaine Murray (Dumfries) (Lab) .....	11953
Jim Hume (South of Scotland) (LD) .....	11956
Nanette Milne (North East Scotland) (Con) .....	11958
Roseanna Cunningham (Perth) (SNP) .....	11961
Peter Peacock (Highlands and Islands) (Lab) .....	11963
Jamie McGrigor (Highlands and Islands) (Con) .....	11965
John Farquhar Munro (Ross, Skye and Inverness West) (LD) .....	11967

Kenneth Gibson (Cunninghame North) (SNP) .....	11969
Rhoda Grant (Highlands and Islands) (Lab).....	11971
Ian McKee (Lothians) (SNP).....	11973
Liam McArthur (Orkney) (LD) .....	11975
John Scott (Ayr) (Con).....	11977
Elaine Murray.....	11979
The Minister for Environment (Michael Russell).....	11981
<b>DECISION TIME</b> .....	11985
<b>LUPUS</b> .....	11996
<i>Motion debated—[Kenneth Gibson].</i>	
Kenneth Gibson (Cunninghame North) (SNP) .....	11996
Mary Scanlon (Highlands and Islands) (Con).....	11999
Dr Richard Simpson (Mid Scotland and Fife) (Lab).....	12000
Ian McKee (Lothians) (SNP).....	12001
Sandra White (Glasgow) (SNP).....	12003
The Minister for Public Health (Shona Robison) .....	12004

## Oral Answers

**Col.**

### **QUESTION TIME**

<b>SCOTTISH EXECUTIVE</b> .....	11902
---------------------------------	-------

<b>GENERAL QUESTIONS</b> .....	11902
--------------------------------	-------

Alcohol Policy (Student Organisations) .....	11902
Harris Tweed Industry .....	11904
HM Treasury (Meetings).....	11908
House Repossession.....	11909
National Health Service (Cleaning and Catering).....	11908
Police Response Times (Non-emergency Calls).....	11903
Police Services (Charging) .....	11907
Scottish Enterprise (Project Reviews) .....	11906
Transport Scotland (Meetings) .....	11906

<b>FIRST MINISTER'S QUESTION TIME</b> .....	11911
---	-------

Cabinet (Meetings) .....	11915
Capital Investment Projects.....	11917
Engagements.....	11911
Local Income Tax .....	11920
NHS Boards (Elections).....	11919
Prime Minister (Meetings).....	11913

### **QUESTION TIME**

<b>SCOTTISH EXECUTIVE</b> .....	11922
---------------------------------	-------

<b>EUROPE, EXTERNAL AFFAIRS AND CULTURE</b> .....	11922
---	-------

“Scoping and Mapping Intangible Cultural Heritage in Scotland” .....	11928
BBC Alba (Scottish Programmes in English) .....	11928
Malawi (Sustainable Development) .....	11922
Piping.....	11925
Policy and Spending Priorities (European Union) .....	11925
Scottish Screen.....	11927
Traditional Arts and Scots Language .....	11923

<b>EDUCATION AND LIFELONG LEARNING</b> .....	11929
--	-------

Pupils for whom English is an Additional Language (Glasgow) .....	11934
Retraining .....	11932
School Building Programme .....	11935
School Meals (Funding).....	11933
School Meals .....	11930
Schools (Edinburgh) .....	11936
Teachers (Aberdeen).....	11930

---

## Scottish Parliament

Thursday 30 October 2008

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

### Rising Cost of Living

**The Presiding Officer (Alex Fergusson):** Good morning. The first item of business this morning is a Liberal Democrat debate on motion S3M-2780, in the name of Jeremy Purvis, on a helping hand with the rising cost of living.

09:15

**Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD):** This debate is taking place at a time when the country is in recession. The economic situation is unprecedented under devolution, and the Parliament is required to respond accordingly.

Last year, as in previous years, the Scottish Government suggested to the Finance Committee and other parliamentary committees that if budget amendments were proposed, the proponent should identify and put forward equivalent savings. That was the advice to Opposition parties and subject committees. It is seemingly also the stated position of all the other parties that are represented in the Parliament, which I am delighted are united.

Members will recall that, during last year's budget process, the rule was observed in the breach rather than in the adherence. The Conservatives argued for an accelerated tax cut and increased expenditure on police and drugs policies. They did not identify how their proposals would be funded, and—critically—the Government did not ask them to make detailed proposals on areas in which budget cuts could be made so that there could be tax cuts. What was good enough for them last year with respect to business taxation is seemingly not good enough for them this year with respect to personal taxation. [*Interruption.*] The minister says that the Government should identify the sources of funding for proposals. We will come to that in a moment.

This week, the Conservatives are arguing for national insurance cuts and a VAT holiday, with no costings attached. Their proposed tax cuts come with not a single penny of explanation; I suspect therefore that there must be resistance to them in Scotland.

On 17 January this year, the BBC reported that Stewart Hosie had reaffirmed his party's policy of cutting corporation tax by 10 per cent. He strongly

reasserted that policy. Let us be clear: according to the Government expenditure and revenue in Scotland figures that the Scottish National Party has published, that would equate to a £756 million reduction in this year's Scottish budget; yet the SNP is attacking us for seeking broadly the same for individual households, rather than for big businesses.

No different principle is involved. Last year, an Opposition party made suggestions about the budget and did not say where the funding would come from, and the Government accepted its suggestions without asking it to identify the funding. Indeed, during First Minister's question time in September, Annabel Goldie announced the Conservative party's policy of cutting everyone's council tax bill by £150. She said:

"In these rough economic times, real help is needed as soon as possible. When will the First Minister find this money so that we can pass it on to those 2 million households?"—[*Official Report*, 11 September 2008; c 10739.]

What was good enough for the Conservatives last month is seemingly not good enough for them this month. The Conservatives are now arguing for a national insurance cut and a VAT holiday, with no costings attached. Just so that we are clear, that would mean a negative Barnett consequential of up to £200 million for the devolved budget this year.

Members will recall the Cabinet Secretary for Finance and Sustainable Growth saying on the BBC that the changes made to last year's budget at the behest of the Conservatives represented the equivalent of one morning of one day's spend of the Scottish budget. However, the SNP described the tax cuts that it put in place for local government as the biggest for a generation. That perhaps means that the principle involved is no different, but the scale is. The cuts were not sufficient, as the First Minister called for further tax cuts on 20 September in *The Scotsman*. On 10 April 2007, it was proudly stated on the Edinburgh City SNP website, under a happy photograph of Kenny MacAskill—I suspect that such photographs are rare—that the SNP would

"cut the overall burden of local taxation by £450 million—the biggest tax cut in a generation—which will benefit pensioners and middle Scotland".

There was no indication of how funding for that would be provided. I hear the Government's Bruce Crawford saying that that is local taxation, but taxation is taxation. The Conservatives said in a recent debate that it was not houses that paid tax, but people, whether people in local communities who pay council tax or people paying Scottish taxation for the Scottish Parliament.

An official SNP press release on 31 July this year in the South of Scotland called for the

nationalisation of all of the United Kingdom's energy generation companies. An estimated £20 billion spending commitment was proposed. That £20 billion was rather a modest figure compared with the £100 billion that the First Minister promised that he would have pumped into the Scottish finance sector on 17 September. We are talking about a nationalisation policy that Scotland could not afford and which it does not have the power to implement and about expenditure of three times the Scottish Parliament's budget by a Scottish central bank that does not exist—indeed, it was not the SNP's policy to establish such a bank.

Our policies look rather prudent in comparison. We know that the Labour Party's main tax policy in the past year was the rabbit-out-of-a-hat, headline-grabbing policy of abolishing the 10p tax rate. The rabbit would have hit the lowest paid hardest, and Labour soon discovered that it had myxomatosis; Scottish Labour front-bench members, who were hitherto silent, therefore lined up to shoot it. However, the net result is that the lowest paid in Scotland are still worse off under Labour.

On 29 September, *The Scotsman* said:

"The only serious budget proposal to boost the economy is a 2p income tax cut put forward by the Lib Dems".

Our proposals are a considerable response to the unprecedented economic and inflationary pressures on families and earners throughout Scotland.

**Gavin Brown (Lothians) (Con):** Unemployment is up by 19,000. How will a 2p income tax cut help the 19,000 people who have just lost their jobs?

**Jeremy Purvis:** The Conservatives should support a local income tax, which is a fairer tax that is based on the ability to pay. Such a tax would, of course, provide much-needed support for earners who pay income tax, those who are not earning and those who are on lower incomes, such as pensioners. I am talking about a tax package that is right for the economy, the low paid and hard-working families in Scotland. I would have thought that the Conservatives would jump at such a package.

On 14 October, Ireland put in place an austerity budget. [*Interruption.*]

**The Presiding Officer:** Order.

**Jeremy Purvis:** Ireland is now, like Norway—although not Iceland, of course—the example that we must follow, and it is putting up tax at a time of recession. Ministers' salaries were also cut by 10 per cent there. SNP ministers now claim that Irish families are 40 per cent wealthier than their Scottish counterparts, but they neglect to say that SNP ministers will be 40 per cent wealthier than their Irish counterparts.

This year's budget is 0.3 per cent different from the published spending review last year. Our policies would make a 3 per cent difference to the budget. Money would be put back in people's pockets. Our proposals are a proper response. Efficiency savings in the infrastructure programme have been identified, unnecessary and too expensive quangos that have been established would be eradicated, and financial consultants, with whom the SNP seems to be obsessed, would be got rid of. We have identified savings and taken the right approach, which I hope members will unite around. It is better to put money back in people's pockets. We have proposed a proper response to the economic situation. We should help earners, the low paid and the economy.

I move,

That the Parliament notes with grave concern the rise in the cost of living and the impact of the credit crunch on families, individuals and small businesses in Scotland; believes that the Scottish Government should use the substantial levers at its disposal to give practical help; disagrees with the policy stated in the Draft Budget 2009-10 that "the Scottish Government will not use the existing tax varying powers in 2009-10", and believes that all parties should work to secure a 2p reduction in the basic rate of Scottish income tax, which would deliver more than £300 per year into the pay packet of the average Scottish earner and a significant fiscal stimulus to the economy.

09:23

**The Cabinet Secretary for Finance and Sustainable Growth (John Swinney):** I read with great interest Mr Purvis's article in *The Scotsman* of 29 September 2008. That article purported to give more detail about the proposal that was made by his party leader—who has now left the chamber—to reduce taxation in Scotland in the fashion that Mr Purvis has suggested. Taking the most generous approach that I could to the Liberal Democrats' analysis, I estimated that there were a couple of ideas in the article that might have paid £100 million at most. Therefore, a £700 million question remained to be answered.

Of course, it started off not as a £700 million question, but as a £400 million question. At first, the Liberal Democrats thought that a 2p cut in taxation would cost £400 million, and overnight they had to cobble together another fag packet to work out that it would cost £800 million instead. That leaves a gap of £700 million to be filled.

When I saw the debate that had been scheduled for Liberal Democrat time, I expected that we would hear from Jeremy Purvis a seven-minute explanation of where the £700 million would come from. That would have meant perhaps £100 million every minute. However, if I was calculating properly, we got about eight seconds—or perhaps, more appropriately, seven seconds—on where the money was coming from. Mr Purvis's explanation

did not even get anywhere near the £100 million that I, at my most generous, could estimate in his article in *The Scotsman* of 29 September.

**Jeremy Purvis:** Will the member give way?

**John Swinney:** I will give way in one moment.

Opposition parties who wish to change the Government's budget proposition to that magnitude have a duty to use the proper process and to argue how they intend to raise the £800 million.

**Jeremy Purvis:** I ask the cabinet secretary to confirm two points. First, is it still SNP policy to cut corporation tax by 10p? If it is, what is his estimate of the revenue that would be required to compensate for that?

Secondly, what did he ask for from the Conservatives last year in the budget process, when they called not only for increased expenditure, but for a business tax cut? He asked for nothing—not in committee, nor in the chamber—and yet he worked with them to deliver their proposals. Why will he not do the same today?

**John Swinney:** I make two points in direct response to Jeremy Purvis's questions. First, he will be aware that this Parliament does not have the power to cut corporation tax, and therefore—much to my regret—we cannot advance that proposition in the budget. Secondly, with regard to the proposition from the Conservatives last time round, we were dealing—as I think Mr Purvis rather unkindly reminded me—with changes at the very margins of our budget.

**Jeremy Purvis:** So the issue is not the principle, but the scale.

**The Presiding Officer:** Order. Mr Purvis, you have had your intervention.

**John Swinney:** The scale is one of swingeing cuts in public expenditure that Jeremy Purvis has spectacularly failed to explain to the Parliament in today's debate.

The right thing to do in these difficult economic circumstances is to act within the powers of the Parliament, and that is exactly what the Government is doing. We took steps—*[Interruption.]*

**The Presiding Officer:** Order. I am sorry to interrupt the cabinet secretary, but we cannot have conversations taking place among front benchers at the same time as we are having a debate. I ask members to desist.

**John Swinney:** We took steps last year that were not supported by the Liberal Democrats to get on the side of people in their communities. We froze the council tax in partnership with local

authorities, for which we got no support from the Liberal Democrats, and we took action to reduce business rates for 150,000 companies in Scotland—we got no support for that from the Liberal Democrats, but they were quick to circulate press releases claiming the credit for it and advancing the argument.

In light of the current economic situation, the Government has taken action to respond to the changing circumstances. We have reshaped our capital expenditure programme to advance £100 million of affordable housing investment and we have intensified activity and support for homecoming Scotland 2009. We are examining all aspects of Government activity, particularly in planning and regulation: we held a planning summit on Tuesday to encourage a process of greater alignment within the agencies to ensure swifter action on planning. We have re-examined the programmes on energy efficiency and fuel poverty, and we are putting an extra £10 million into the free central heating programme to assist its expansion.

We are increasing advice to businesses and individuals. At the procurement conference yesterday, we set out a fantastic new tool to encourage Scottish companies to access Government contracts through the new public contracts Scotland portal, which was fantastically well received. I am delighted to announce that the Scottish manufacturing advisory service is to be expanded by Scottish Enterprise to ensure that more companies are able to gain access to high-quality advice on business development in manufacturing.

Scottish Enterprise is beginning to recruit seasoned manufacturing professionals to double the size and capability of the Scottish manufacturing advisory service, to ensure that more and more companies are able to gain access to quality advice. SMAS has offered such advice to countless companies, which has already delivered more than £25 million of value-added productivity in the Scottish manufacturing sector. Through better financial advice, we will also support individuals in these difficult times.

When its budget proposals are considered in Parliament, the Scottish Government will advance a package of measures to address the real needs of families and businesses in Scotland. We need productive suggestions about how we can take that further, and the Government remains willing to listen to the suggestions of other parties about how we can make a greater impact, within the limited powers that the Scottish Parliament has. The Government will focus on that, and we will not be distracted by initiatives from the Liberal Democrats that carry no substance, and which have been brought to the chamber in a shabby

fashion without any detail behind them. We will continue to deliver for the people of Scotland.

I move amendment S3M-2780.1, to leave out from first “believes” to end and insert:

“agrees that the Scottish Government should use all of the levers at its disposal to give practical help; calls on the Liberal Democrats to set out in detail the £800 million of cuts to public services that they would make to fund their proposal on income tax and believes that until these cuts are identified and are open to scrutiny the Liberal Democrats and their proposal have no credibility, and further believes that, as part of the forthcoming budget process, the Liberal Democrats should bring forward detailed proposals of where they believe cuts should be made.”

09:30

**David Whitton (Strathkelvin and Bearsden) (Lab):** As members know, we are here to debate a motion that Jeremy Purvis has lodged, on behalf of the Liberal Democrats, called “A Helping Hand with the Rising Cost of Living”. That helping hand—a call for the Parliament to use its tax-varying powers—would deliver a 2p cut in income tax.

To be fair, we knew that it was coming: Tavish Scott caused consternation at his party’s recent conference when he announced that master plan during his first speech as the Liberals’ Scottish leader. We know that it caused consternation, because Nick Clegg, the United Kingdom Liberal leader, wanted a 4p cut—he obviously wanted a bigger helping hand. The problem is that it was unclear whether Mr Scott’s 2p was included in Mr Clegg’s 4p, or whether Scotland would get a massive 6p reduction. When Mr Scott was asked to clarify matters, he said that

“you could add the two together”,

but they could also be taken apart.

We know, of course, that there was a caveat to Mr Clegg’s proposal: it depended on the Liberals being in power at Westminster. Given that, according to the current ratings, there is not a snowball’s chance in somewhere of that happening any time soon, Mr Clegg could have promised anything at all, as he knows that he will never be in a position to be asked to deliver it.

It is clear that Mr Scott is a bit more optimistic. He thinks that members in this Parliament will vote for the proposal. He may—who knows?—already have done a deal with the SNP to get it through, especially as the SNP wanted a penny for Scotland not that long ago. We on the Labour side of the chamber considered lodging an amendment, but we decided that we should simply oppose the motion, as we do not believe that it will deliver what Mr Purvis claims that it will.

According to the Liberal Democrats, their 2p cut would save the average family £300 a year, so the scale of their massive helping hand is around £6 a week per family. However, we need to ask at what cost that would come. The Liberal Democrats have not mentioned—and Mr Purvis did not mention—the estimated £30 million a year that the scheme would cost to administer. There is also the question of finding the £800 million from the money that is available to pay for services such as education, social work, health and services for the elderly. We do not know—because the Liberal Democrats have not told us—which services they would cut, as Mr Swinney has just said, to pay for their largesse of £6 a week. Apparently, they would cull a few quangos and make some efficiency savings in infrastructure projects—perhaps Mr Purvis is not so keen on the Borders rail link after all.

In truth, the motion is a political stunt, just like the next motion that we are going to debate, on HBOS. Anyone would think that there was a by-election going on.

**Jeremy Purvis:** Will the member give way?

**David Whitton:** I have only four minutes—Mr Purvis has had his say.

I understand that a certain Mr Clegg will be in Glenrothes this morning. I would not be surprised to hear that the press release has already been written and is winging its way to the *Fife Free Press*, the *Glenrothes Gazette*, the *East Fife Mail* and *The Courier*, decrying all the other parties for snubbing Mr Purvis and his master plan.

The way to help hard-pressed families and to give Scotland a helping hand has already been outlined in Labour’s 15-point plan—I would be happy to give Mr Purvis a copy for his consideration. Among the plan’s highlights are an immediate review of Mr Swinney’s £30 billion budget to prioritise job creation; unblocking the public building pipeline by putting the Scottish Futures Trust on hold and returning to either public-private partnerships or traditional procurement practices; beginning immediately to establish Labour’s proposal for a Scottish responsible credit initiative; and fast tracking upcoming public construction projects—such as the Raith interchange—which would involve building rather than blocking much-needed infrastructure, as the basis for job creation.

Scotland needs such things to give it a helping hand: practical, sensible measures, rather than a cheap stunt that deserves to be defeated when we vote later today.

09:34

**Derek Brownlee (South of Scotland) (Con):**

There is a case for saying that, at a national level, tax cuts can be funded by borrowing or by increased revenues as a result of the Laffer curve. Mr Swinney made that case only a few months ago, during a moment when his back benchers were not listening. However, for the devolved Scottish Government, tax cuts can mean only one thing—lower spending. Those words are not often heard in this Parliament and are not frequently uttered by the Liberal Democrats. Truly, these are historic times. To be fair, Tavish Scott has been seen wielding an axe, but never in the direction of public spending.

There is a case for tax cuts—we made it last year, when the Liberal Democrats opposed them—but to assess their impact, we need to know the alternatives and the economic consequences of the alternatives. So far, all that we have heard from the Liberal Democrats is what we once heard, albeit in a rather different context, from Margaret Thatcher: “There is no alternative.” We have no idea what would be cut to pay for Tavish Scott’s increasingly expensive trip to the seaside last month.

Would £800 million plus the administration costs be cut from the budget for local authorities, which the Lib Dems complained was too low only a few months ago? Would it be cut from the health service or the police? What would the Lib Dems cut? Only a few months ago, the self-same Tavish Scott made a demand of the Cabinet Secretary for Finance and Sustainable Growth, asking whether he would

“state here and now that his unspecified savings ... will not adversely affect the delivery of front-line services in the health and education sectors and across councils?”

Mr Scott added:

“Parliament deserves an answer.”—[*Official Report*, 6 February 2008; c 5872.]

His question was about the Government’s efficiency plans, which, to be fair to Mr Swinney, run to 222 pages—a whole 222 pages more than the plans outlined by the Liberal Democrats.

However, members can relax, because the Lib Dems have an answer. On 14 September, Mr Scott told Glenn Campbell:

“I know as a former minister that while current ministers may say there is no fat in the system at all ... that is absolutely not true.”

That might explain why, as a minister, he told the Finance Committee:

“I will duck ... the issue of public sector efficiency.”—[*Official Report, Finance Committee*, 15 November 2004; c 1916.]

We know how the Liberal Democrats, with their new-found love of tax cuts, voted on the budget. They voted against tax cuts for small businesses and against the council tax freeze. We did not know at the time, but we know now just how deeply it must have hurt these ardent tax cutters to vote in such a way. With tax cuts so firmly ingrained in their political psyche, it must have pained them to vote against such cuts, so much so that, when it came to the final vote, they could only bring themselves to abstain. Now, it all makes sense.

Let us not forget the other actions during the budget process by this party of prudence, which has newly taken to lecturing anyone who will listen—in addition to the press, Parliament and the public—on the need for cost savings in Government spending. What did they do when confronted with a series of amendments? They voted for all the additional spending and against all the spending reductions.

We believe that tax cuts should be funded. We do not believe that the Scottish variable rate should be changed on a whim to produce a temporary change in the tax rate. If there is scope for temporary tax cuts, council tax or business rates could be cut much more readily. The Liberal Democrats’ proposal is for temporary, unfunded tax cuts. How ironic it is that, less than a week before the United States presidential election, the Scottish Liberal Democrats have decided to adopt George Bush economics. From the words of Margaret Thatcher to the policies of George Bush in less than two months—it’s a rollercoaster ride with the new Lib Dem team. Who can tell what they will say next? More to the point, who cares?

Members should support the Government amendment and wait with bated breath for detailed proposals from the Liberal Democrats, which have been sadly lacking so far.

09:38

**Malcolm Chisholm (Edinburgh North and Leith) (Lab):** I think that the Liberal Democrats’ proposal is the worst and most irresponsible proposal that we have heard in the 10 years of budget debates in the Scottish Parliament. I say that for three reasons.

First, it takes no account of the opportunity cost of imposing a 2p tax reduction. I was astonished that Jeremy Purvis spent five minutes telling us why he did not feel obliged to tell us where he would find £800 million of savings. He argued that the SNP and the Conservatives have been a little irresponsible in some of their pledges about tax cuts, but that is no excuse for being very irresponsible in bringing forward the current proposal. We read about problems with health

spending in the Highlands and we are told that there is a black hole in the council finances in Edinburgh, and that is just in this morning's papers. Given that there are pressures on budgets, how on earth can the Liberal Democrats seriously propose £800 million of cuts at this time? In fact, they are not doing that. They are being dishonest, because they refuse to say where they would cut budgets to make room for the proposed tax cut.

What we need to do is to bring forward infrastructure spending, because that is the most effective way of dealing with the looming problem of unemployment and introducing compensatory spending into the economy. We need to look at the budgets again, as David Whitton suggested. In particular, we should bring forward more money for affordable housing. In doing so, we will take up a great opportunity not only to help the economy but to fulfil our historic pledge on homelessness. That is an example of the economic measures that we need at present. We should not cut budgets and make work on capital infrastructure even more difficult.

That is the main practical reason why a Parliament that does not have borrowing powers cannot afford to cut income tax by 2p. The second reason is the wider macroeconomic arguments. I refer Jeremy Purvis to an interesting paper called "If, When, How: A Primer on Fiscal Stimulus" by Douglas W Elmendorf and Jason Furman, which I found through Googling their names yesterday. It is well worth reading. One of the conclusions in that recent paper, which takes account of global economic circumstances, is that reducing tax rates is among the most ineffective or counterproductive options.

There is certainly an argument for helping the most hard pressed, and the Westminster Government has increased the winter fuel payment for all pensioners and the child element of child tax credit from April. We need targeted measures to help those who are on low pay or out of work. That is a legitimate fiscal stimulus, but cutting taxes across the board is not an effective way in which to stimulate the economy. It is economically wrong as well as practically impossible, I would say, because of the effect that it would have on the Scottish Government's budgets.

The third reason why the proposal is wrong is that it is politically inept. We all know that debates take place about expenditure in Scotland and the Barnett formula. What message would it send out if we in the Scottish Parliament said, at this of all times, that we can afford to cut income tax by 2p in the pound? We know the conclusions that people in the rest of the United Kingdom would draw about public expenditure in Scotland.

However, that is not the most important reason why the proposal is wrong. The main reasons, as I said, are the effect that it would have on vital spending programmes in the Scottish budget and the fact that it is misguided because it is not the most effective way in which to counter the threat of unemployment.

Let us bring forward the spending programmes and get on with the work on infrastructure. We should not be distracted by what is in effect a political stunt.

09:42

**Stuart McMillan (West of Scotland) (SNP):** Sometimes I ask myself, "What is the point of the Lib Dems?" Having read the motion and listened to the speeches so far, I am none the wiser.

It is obvious that people the length and breadth of Scotland are struggling to make ends meet due to the increasing cost of living, which is primarily due to the rising costs of food, energy and petrol. Only this week, a poll found that 72 per cent of families are finding it more difficult to pay bills compared with this time last year. That being the case, and given that prices have increased dramatically in the past year, it is reasonable to suggest that the Lib Dems should have backed the SNP's proposal for a fuel duty regulator during the most recent budget process at Westminster. At that time, unfortunately, they did not understand the logic of the proposal or the need to put money into people's pockets. It is good to acknowledge that even the Tories now realise that the fuel duty regulator is a worthwhile policy, despite their having voted against it at the time.

The motion proposes that all parties should work towards a 2p tax cut using the Parliament's tax-varying powers. That is a laudable aim, I suggest, but have the Lib Dems thought through the implications of their policy? The debate about whether the cut would cost £400 million or £800 million will continue long after this morning, but it is legitimate to ask how many people would be forced into the dole queues by the £800 million cut. How would it be funded? It would certainly increase unemployment, but would it also lead to cuts in the central heating scheme or prevent the Scottish Government from investing £100 million in affordable housing? Would it be funded through the demutualisation of Scottish Water, which would probably result in increased charges for customers? Would it be funded through the scrapping of drug and alcohol programmes? The potential for the Lib Dem cuts to adversely affect the Scottish population is staggering. I am sure that people will not be duped by such utter nonsense.

The UK leader of the Lib Dems also wants a 4p tax cut, so in Scotland we would have a 6p cut in

income tax. Our public services would be absolutely decimated. Iain Gray is trying to take the food out of children's mouths, but the Liberal Democrats seem intent on increasing poverty and deprivation and on starving the public sector. Within the limited powers of this Parliament, the SNP Government has already put money back into people's pockets, with a council tax freeze, the phasing out of prescription charges, the scrapping of bridge tolls and the introduction of a small business bonus scheme.

Of course, further action is needed. A reduction in the cost of energy and fuel prices would certainly help. Energy prices have increased by 38 per cent in 2008 alone and the price of petrol has risen by 22 per cent over the past year, although I accept that the prices at the pump have decreased somewhat in the past couple of weeks.

If the Lib Dems want to help hard-pressed families in Scotland, they need to put pressure on the UK Government to work for lower energy prices, lower petrol prices and lower food prices and to back measures such as the fuel duty regulator. Anything less is just playing the electorate for fools.

As I said at the outset, I often ask myself, "What is the point of the Lib Dems?" Unfortunately, their irrelevance still knows no bounds.

09:46

**Ms Wendy Alexander (Paisley North) (Lab):** I will change the tone slightly by congratulating the Liberal Democrats on securing the debate. I do not sign up to their proposed response to the credit crunch, but I cannot fault their determination to debate the issues of the day. That is in stark contrast with the SNP, which seems to want to avoid any parliamentary scrutiny of its economic plans. Instead of bold or brave government, there has been a series of guerrilla media announcements over recent weeks.

The Parliament returned from the summer recess in the first days of September, and the SNP did not want to discuss the darkening economic situation. The first fortnight of business passed, and there was no debate. Then, the Government had no alternative but to publish the budget. Instead of the usual statement to Parliament, however, it claimed that there was no need to make one. Another week went by and Lloyds TSB made its bid to take over HBOS. That finally prompted a solitary statement and a carefully planned subject debate, which conveniently allowed the Government to evade bringing a motion before the Parliament.

Another two weeks passed, and the spivs and speculators were overtaken by the global financial crisis, but still no debate was deemed necessary.

Three weeks ago today, on the eve of the global financial crisis, the SNP had us discussing a register of tartans. Now, three weeks later, despite the entreaties of Opposition business managers and pleas from various parts of the Parliament, there is still no Government-sponsored debate scheduled at any time on the Government's response to the credit crunch.

**The Minister for Parliamentary Business (Bruce Crawford):** Business managers bring various proposals to the Parliamentary Bureau, but I do not recall at any stage requests from any business manager for a substantive debate on the economy. Ms Alexander might not have been here yesterday, but John Swinney announced that we will bring just such a proposal to the bureau next week—a proposal for a debate very soon, in our time, on the economy.

**The Presiding Officer:** It would be helpful if, when you continue, Ms Alexander, you could address the motion more directly.

**Ms Alexander:** Sure. I listened very carefully to what John Swinney said yesterday, and he simply said that the Government was thinking about it. Ten weeks on, and we have still not had a Government-sponsored debate on the situation. Imagine the reaction of the Scottish Government if, over the past 10 weeks, the Prime Minister and the Chancellor of the Exchequer had given but one statement to the House of Commons and had relied on Vince Cable to prompt a debate on the issue that is on everybody's lips.

**Keith Brown (Ochil) (SNP):** On a point of order, Presiding Officer. Is it not necessary for the member—especially three minutes into a four-minute speech—to address the motion that is before us?

**The Presiding Officer:** That is for me to decide, Mr Brown. I have asked Ms Alexander to address the motion and, in the one minute of her speech that remains, I hope that she will do so.

**Ms Alexander:** I commend the Liberals for discussing the issue that is on everybody's lips; I question why we appear to be the only Parliament in the entirety of the western world that, 10 weeks on, has not got round to debating the implications of the credit crunch. No wonder that causes some discomfort to those who have promoted it. There has been an overspun and overhyped six-point plan, and I have one comment for ministers on it: if it is so robust, why are they so scared of debating it in the Parliament?

In my final moments, I will turn to the Liberals. At least they are willing to debate the subject that is on everyone else's lips. In this party, we think that there are better ways to support the poorest pensioners, the most vulnerable children, unemployed people and the people who are most

likely to be victims of the credit crunch, but the Liberal Democrats deserve credit for doing something that the Government has manifestly failed to do, leaving us isolated in the western world.

09:50

**Keith Brown (Ochil) (SNP):** I will now address the motion. One of the most memorable contributions to any debate this year was by Mike Russell on 29 May. Referring to the debate at the time, he said:

"it was one of those occasions that do the Parliament no good whatever. Let us be ruthlessly honest about it: this was political theatre for those who are paid to be here."—*[Official Report, 29 May 2008; c 9221.]*

When I saw today's motion from the Lib Dems, I was instantly reminded of the idea that this is political theatre for those who are paid to be here. Furthermore, it is political theatre at its most depressing level. In the 18<sup>th</sup> century, theatre was considered disreputable among the upper classes, and acting was considered to be lying—a ritualistic deception.

We might look at the motion and think that the Lib Dems need both an economics lesson and a history lesson. The crucial period in history, in this context, was not hundreds of years ago, but just a few months ago. That was when the Lib Dems joined the Labour Party's knee-jerk chorus that SNP members were villains and misers and, even worse, that the Scottish Government was supposedly perpetrating the most painful cuts since the French revolution. That was when the Lib Dems shouted for more money for universities, more money for housing, more money for class sizes and more money for hospitals—more, more, more. An observer would be forgiven for thinking of those times as the good old days.

Now, suddenly, the Lib Dems want to throw away £800 million pounds like a rattle from a pram. I said in the past that when the Lib Dems speak in the chamber they often act as if they are still in coalition with the Labour Party. Perhaps the previous speech demonstrated that. It is also demonstrated by the fact that when Lib Dems speak in the chamber they frequently look across to the Labour benches for approval. It reminds me of children showing off to their parents. Now they have perhaps started growing up, and here we are in Holyrood, caught in the midst of their adolescent rebellion. The Lib Dems say that the change is not that they have been hit by political growing pains; they say that it is the big bad wolf come a-knocking, and that the UK economy has suddenly turned out to be a house of straw.

**Jeremy Purvis:** Will the member give way?

**Keith Brown:** I am sorry, but I have only four minutes for this speech.

**The Presiding Officer:** There is a bit of time in hand should you wish to take an intervention, Mr Brown.

**Keith Brown:** I am delighted to do so.

**Jeremy Purvis:** Thank you. In the spirit of consensus, I point out that our two parties agree on local income tax. The SNP will provide nearly £300 million for a national subsidy of that policy. Will Keith Brown explain, from his party's point of view, where that money is coming from?

**Keith Brown:** I will come to local income tax; Jeremy Purvis can be confident that it will be totally costed in the budget. He should have no fears about that. As I was about to say, I am not here to defend any chancellor of the past 10 years, not even by the hairs on Jeremy Purvis's chinny chin chin, but his is the wrong answer to a very real menace. As Jeremy Purvis should be aware, the Scottish Government cannot just put £800 million pounds on its national credit card, like Westminster can—although we might be forgiven for thinking that that is what got us into this mess in the first place—and £800 million of cuts would have a very real effect on those people whom the Lib Dem motion professes to help.

I agree with Jeremy Purvis that local income tax would in effect be a massive tax cut, just like the freezing of council tax, the introduction of the small business bonus scheme—the Lib Dems voted against both those measures—and the Government's moves on prescription charges. I know that, the Government knows that, and I think that even the Lib Dems know that. That is why this debate is political theatre. The Lib Dems are reading lines that many of them do not believe. Theatre is about the willing suspension of disbelief.

There are plenty of people who are looking for safety right now, as they face a new age in the UK economy—a UK economy that has been completely misrun by the Labour Party. An unfunded, unrealistic 2p tax cut is designed to play to people's fears and cynically win their votes. As has been said—by Malcolm Chisholm, I think—the Lib Dems know that this is never going to happen, which is why they have put it forward. Their 2p tax cut policy has been drafted on the back of an envelope and it is intended to go no further than the front of an election leaflet. Today, the Scottish Parliament will see that childish act for what it is. I have every confidence that the Scottish people will, too. I am sure that this never occurred to the Lib Dems, but I am sure that that will also be true for the people of Glenrothes.

09:55

**Des McNulty (Clydebank and Milngavie) (Lab):** It is unfortunate that the format of the debate means that there has been only one speech from a Liberal Democrat. During Jeremy Purvis's opening speech, I was confused about what he was trying to convey. When I read the motion, I thought that he would explain two things. First, I thought that he would explain the Liberal Democrats' handbrake turn. A party that wanted to increase taxes in the previous two general elections now apparently wants to reduce taxes. What is the party's attitude towards public services and why has it changed in the twinkling of an eye? I thought that that would be explained, perhaps to an audience that is more sceptical than was the audience at the seaside during the Liberal Democrat conference.

Secondly, I thought that Jeremy Purvis would want to explain where the money would come from. John Swinney's amendment places Jeremy Purvis in some difficulty, because it rightly calls on the Liberal Democrats

"to set out in detail the £800 million of cuts to public services that they would make to fund their proposal on income tax".

Jeremy Purvis, like John Swinney, is a former member of the Finance Committee, so he knows the protocol of the Parliament. If a party makes a spending recommendation, it should identify the proposal's implications—that is the accepted format.

The Liberal Democrats have not explained why they have changed their basic philosophy. Nor have they offered an analysis of what their policy would mean. I regret that their approach is all too familiar in parts of Scotland. People in Aberdeen and Edinburgh, who have the misfortune to suffer a Liberal Democrat-led administration, are experiencing significant difficulties with service reductions as a result of those administrations' decisions. If the Liberal Democrats' policy were to be adopted, the misfortune would not be confined to Aberdeen and Edinburgh. What would we say to health service users in Highland, Glasgow and other parts of Scotland, who I presume would lose out on resources if less money was available to the Scottish Government?

The Liberal Democrats have given us little to go on with their proposal—other than a headline—so all that we can do is consider what the Scottish Government should do. David Whitton made important points in that regard. We need to progress capital expenditure and deal with the problems that will potentially affect the construction industry in Scotland. The Government has made much of the £100 million that it will bring forward for affordable housing. That is a valid aspiration, but we need the money to be

committed in practice. I would like the Government to make progress on that.

I would also like the Government to say how it will ensure the continuity of Scottish Water's capital programme between the current quality and standards phase and the next one, so that there is not the interruption that often happens at the cusp between the end of one phase and the start of another. There are vital transport projects, such as Glasgow crossrail and fastlink in my area—I am sure that members can identify such projects in their areas. I hope that the Government will put forward not just proposals that it might have made before the credit crunch as part of its strategic transport projects review but revised proposals that take account of the urgent need to get on with projects and ensure the continuity that the construction industry desperately needs.

There are practical steps that the Government can take as an appropriate response to the credit crunch, but a 2p reduction in income tax is not one of them.

**The Presiding Officer:** We come to closing speeches. Due to a reduction in the number of speakers in the next debate, we have a little time in hand, so I can offer closing speakers an extra minute, should they choose to take it.

09:59

**Gavin Brown (Lothians) (Con):** It has not been a great morning for the Liberal Democrats so far. It is fair to say that they have not found universal support in the Parliament for their proposals—and I am talking about support from their own back benchers, let alone from the other parties in the Parliament.

The policy had an unhappy start. When it was announced, like a rabbit being pulled out of a hat—to use Jeremy Purvis's phrase—we were told that the policy would cost £400 million. However, 24 hours later, we were told that it would cost £800 million. The Liberal Democrats excused the mistake by saying that Tavish Scott had been standing in front of the sea in a bad light and had been short of time. There we have it. Tavish Scott got away with his mistake only because it was overshadowed a day later when Nick Clegg said that he thought that the state pension is approximately £30 per week.

The policy does not even have the support of Vince Cable, the man who most Liberal Democrat members of the Scottish Parliament wish was the leader of the Liberal Democrats. When he was asked what he thought of the policy, he said that he was not sure how it would operate, as he had been in India and had not had a chance to check the fine print. A day later, when he had had a

chance to check the fine print—I presume that that did not take long—he said:

“They would only be able to cut taxes in Scotland if they found cuts in public expenditure.”

That is the clear UK Liberal Democrat position and that is where the problem lies. In general, Conservatives favour tax cuts—of course we do; we always have done. We will seriously consider any fully costed proposal for a tax cut. Mr Purvis said that our council tax discount is not costed, but it has been clearly costed at £281 million and is based on efficiency savings that the Government claimed that it could find. Although he does not realise it, Mr Purvis implicitly accepts that figure because, if he does not, there is a serious gap in his local income tax plans. Our policies are costed; the Liberal Democrats’ policies are not.

The Liberal Democrat proposal would lead to cuts in services, but we do not know what they would be. We have heard the proposal about the Scottish Futures Trust, which would save about £14 million. We have heard about the skills body that suddenly the Liberal Democrats do not like and think is unnecessary. The problem is that the cost of the skills body is almost identical to the cost if it were located in Scottish Enterprise. It was moved out for strategic reasons, but returning it to Scottish Enterprise, as I presume the Liberal Democrats want to do, would not save a huge amount of money. The big, rabbit-out-of-the-hat idea is that the rest of the money would be found from unexpected extra Barnett consequentials, according to a Lib Dem press release. The policy has been shown to be a sham.

**Jeremy Purvis:** Will the member give way?

**Gavin Brown:** I was in the final 30 seconds of my speech, but the Presiding Officer said that I could have another minute or so, so I will take an intervention from Mr Purvis.

**Jeremy Purvis:** The Government’s efficiency plans for the £14 billion infrastructure programme stand at around 1 per cent over the period. What do Conservatives think that the efficiency savings should properly be? Should they match the approach to revenue spending and be nearer to 3 per cent, or should they remain at 1 per cent?

**Gavin Brown:** The difference between the Conservatives and the Liberal Democrats is that we will not take a stab in the dark and jump in with an answer without considering details and figures.

**John Swinney:** Will the member give way?

**Gavin Brown:** I see that the cabinet secretary is desperate to intervene.

**John Swinney:** I am grateful to Mr Brown.

If the Government undertook to achieve the kind of efficiency savings in its capital programme that

Mr Purvis talked about and tried to use the money to fund other spending programmes, to ensure that there was revenue support for local authorities, we would be breaching Treasury rules.

**Gavin Brown:** I am a staunch unionist and I certainly would not want the cabinet secretary to breach Treasury rules.

The Scottish Conservatives have taken a positive stance this year and did so last year. We voted in favour of and pushed for the acceleration of the small business bonus, we pushed hard for and voted for the council tax freeze and we are pushing for a £150 council tax rebate. All three policies are underpinned by full costings. We will vote against the Liberal Democrat motion.

**The Presiding Officer:** I call David Whitton, who has up to five minutes.

10:05

**David Whitton:** Thank you, Presiding Officer, although it really is a task to speak for five minutes on the Liberal Democrats’ argument because we have not heard much of an argument to defend their motion. However, we can go back over some of the comments that have been made this morning.

I am grateful to my colleague Malcolm Chisholm, who is more learned than I am and has served in this place and another place for more years than he perhaps cares to remember. He described the motion as the worst and most irresponsible ever brought to this Parliament. Given his senior status among our ranks, I take his words as worth listening to.

**Jeremy Purvis:** The motion on Trident might have been that.

**David Whitton:** Does the member think so? That comment was from a sedentary position, but never mind.

I think that I heard Stuart McMillan make a strange observation about Iain Gray trying to take the food from starving children. I am not sure where he got the starving children from, but if he was referring to the SNP’s free school meals policy, we know from yesterday that a large number of local authorities in Scotland are wondering where they will get the money from. Just like Oliver, they are holding out the bowl and asking for more. Keith Brown, also on the SNP benches, spoke about a suspension of disbelief on tax cuts of 2p, but the SNP wants the whole of Scotland to suspend disbelief that it can get through its new 3p nat tax that will somehow be the answer to Scotland’s prayers.

The Liberal Democrats want a 2p cut in income tax but, as we have heard in the debate, they

support the introduction of the SNP's local income tax, which at the beginning will be 3p. They seem to want to cut 2p with one hand and add 3p with the other. However, as Keith Brown mentioned, we need to suspend disbelief, as the proposals could go even further. At least the SNP is consistent: it proposes a 3p increase. The Liberal Democrats want each local authority to set its own rate, so the tax could be 3p, 5p, 10p or even more. If the actions of the Liberal councillors in my area are anything to go by, who knows?

I said earlier that we in the Labour Party had published a document called "Helping Scotland weather the international economic storm", and we heard reference to some of the practical suggestions in it. The document was sent to Mr Swinney, who I hope has had time to consider the proposals.

I spoke about prioritising job creation and reviewing Mr Swinney's budget. Labour will certainly support the Scottish Government in reviewing budget allocations that give priority to job creation, investment and skills. I also spoke about unblocking the public building pipeline by putting the Scottish Futures Trust on hold. The lack of detail and action on the Scottish Futures Trust is making our construction industry nervous. Many have said in evidence to parliamentary committees that they are facing a black hole, as the Confederation of British Industry Scotland and Scottish house builders put it.

That means that the SNP has a duty to consider the situation and make proposals on infrastructure spending. We have helpfully suggested the Raith interchange as an example. The Scottish Government allocated funding in the strategic spending review in 2007 to the Raith interchange as costing between £20 million and £100 million to be funded by a non-profit distribution model. As I understand it, the money is in the budget, but the project has stalled. I hope that Mr Swinney can give us some guidance on whether it can get moving again.

We want more spending on those of our schools that are in what is called class D condition, which includes Lasswade high school and Elgin academy. The school building programme has stalled while the country waits for details of the Scottish Futures Trust, which means that children are being educated in less than good surroundings.

**Stuart McMillan:** Does the member accept that there was a joint announcement last week by Inverclyde Council and the Scottish Government on building four new schools?

**David Whitton:** I was not aware of that announcement, but my point is that those schools should have been started by now. If they had

been, the construction industry might be receiving the boost that it deserves.

I agree with Gavin Brown that this has not been the Liberals' finest hour. We will not support their motion.

10:10

**The Minister for Parliamentary Business (Bruce Crawford):**

Through freezing the council tax and introducing the small business bonus scheme, the Scottish Government has already taken significant steps to make Scotland the lowest-taxed part of the UK. As John Swinney and others said, the Liberals chose not to support those measures during last year's budget process. Having refused to back the measures, how on earth can they expect to be taken seriously with the ill-thought-out nonsense that they dreamed up in a panic as their poll ratings tumbled?

As Derek Brownlee, Malcolm Chisholm and Keith Brown said, unlike reductions in income tax and other taxation at the UK level, which could be financed through borrowing or other measures, a cut in the Scottish variable rate would automatically mean a reduction in public services in Scotland. What would the real impact of the Liberals' ill-thought-out proposals be on real people and real businesses? What impact would they have in the home and on the high street?

The Liberals have made a headline-grabbing announcement, but they are not prepared to say where the cuts will fall. It took Jeremy Purvis nearly six minutes of his speech to begin to address his party's proposals. Given his obvious nervousness and discomfort about them, I genuinely feel sorry for him. He has been badly exposed by his leader.

As we all know, the Liberals' proposals would require public expenditure in Scotland to reduce by £800 million. Politics is about choices, and the Liberals have chosen to propose slashing public spending in Scotland by unprecedented levels. They have also chosen to take no responsibility for the inevitable consequences of their choices. Will they tell us where the axe would fall? Would it fall on the central heating scheme, at a cost of £46 million, or on the Borders rail link, at a cost of £115 million? Would it fall on the Inverness bypass, at a cost of £120 million, or on the accelerated affordable housing finance, at a cost of £100 million? Even if we took all those projects together, that would not secure even half of the £800 million that was needed.

Would the axe fall on the £168 million of additional funding that Jeremy Purvis claims that he wants to see allocated to Scottish universities?

**Jeremy Purvis:** May we be clear about this? Is the minister saying that he is opposed to using the Scottish variable rate to reduce taxation as a point of principle, or is it simply a process issue? If it is a process issue, I invite him to operate in the same way as the Government did with the Conservatives last year: let us have discussions about it. Is it a point of principle or process?

**Bruce Crawford:** While the Scottish Government is reducing council tax and business rates without the Liberals' support, I do not give much credence to anything that Jeremy Purvis says. The truth is that he is not being straight with people. He knows that there would be £168 million of cuts to universities, on top of other cuts, to pay for the Liberals' tax proposals.

To see the full extent of the Liberals' breathtaking hypocrisy and the contempt with which they are treating the citizen, we need only look at their website this morning. They want

"more investment in early years education"

and, under the heading of positive policies for young people,

"new investment in clubs offering sport, leisure, music, art and environmental activities during evenings, weekends and school holidays."

**Mike Rumbles (West Aberdeenshire and Kincardine) (LD):** Keep going, Bruce; this is good stuff.

**Bruce Crawford:** I will keep going; do not worry.

The Liberals want investment in research to "multiply threefold". They also want

"an increase in modern apprenticeships ... more investment in improving school meals ... a major programme of investment in Scotland's community health facilities with 100 new and refurbished local health centres across Scotland"

and

"more investment in diagnostic equipment and staff".

If the Liberals are to be honest about their position, they must remove that stuff from their website today. They cannot possibly afford all those policies.

The front page of the website features a plea from Liam McArthur for more support for the pig industry. That is quite laudable, and we are doing what we can in that regard, but—at the very time when the Liberal Democrats are seeking to reduce public expenditure—he criticises us for not spending enough on this area. He might be talking about the pig support package, but the Liberal Democrats' proposals are more like a pig in a poke.

The Liberal Democrats have chosen their path, which leads to electoral oblivion. I wish them well in that quest; they have made a great start.

I will turn to more serious matters in the little time that I have left. No one in Scotland can have failed to notice the rapid pace of inflation, which currently sits at a 17-year high of 5 per cent—many Scots are actually finding it to be higher than that. A third of Scots households are expected to enter fuel poverty this year following dramatic rises in energy costs, and many families are facing huge rises in their grocery bills, with staples such as bread up 41 per cent this year. That is why the Scottish Government, across a range of areas, has announced package after package to help people in these difficult times. We are on the side of people in their homes and in the high street.

10:16

**Mike Rumbles (West Aberdeenshire and Kincardine) (LD):** I thank Wendy Alexander for pointing out to the chamber that it has taken the Liberal Democrats to focus the attention of the chamber on the economy and the credit crunch and our solution to the current problems, and that, to do so, we had to use our own debating time, of which we get only four sessions a year. We should not look at other issues—even important ones, such as the British-Irish Council—when the whole country is talking about the credit crunch and families and individuals are tightening their belts. It has taken the Liberal Democrats to bring the matter to the chamber.

Jeremy Purvis opened the debate by identifying the hypocrisy of the SNP and Conservative alliance, which has, this year, called for tax cuts for businesses without identifying where the money for that would come from but opposed Liberal Democrat plans to cut personal taxation because it says that it does not know the details of the proposal. What a pathetic excuse.

John Swinney quoted from *The Scotsman*, and I would like to quote *The Scotsman* back at him. In today's edition, that well-known SNP supporter George Kerevan has a major article in which he says that the key is

"consumer spending not public spending".

He writes:

"The best way forward in current circumstances is to cut income tax ... This is instant, bolsters consumer confidence and does not distort resource allocation ... A tax cut is also theoretically possible in Scotland, where the Scottish Government could use its devolved powers to slash the basic rate of income tax by up to 3p in the pound. Given that the Scottish Lib Dems are already on record as supporting a 2p cut, there would be a majority in Holyrood for such a move."

Of course, that would be the case only if the Scottish Government had the political will to use our powers here in the Scottish Parliament.

**John Swinney:** Will the member give way?

**Mike Rumbles:** I am just getting started; I will give way later on.

**John Swinney:** I think that that was a selective quote.

**The Presiding Officer:** Order. I have previously asked front benchers not to make sedentary interventions.

**Mike Rumbles:** I have to select quotes—I would love to quote the entire article. I recommend that Government members read the article, as it is very educational.

I remind everyone, including Bruce Crawford, that the 2p income tax cut means £800 million less spending, which is only 2.7 per cent of the £30 billion of the Scottish budget.

To be fair to David Whitton, Labour does not want to see tax cuts for everyone. His speech was, therefore, no surprise, so I do not criticise him for that.

**John Swinney:** As Mr Rumbles now has about four minutes of speaking time left, would he like to use the entire remaining time to tell us where he is going to find that £800 million?

**Mike Rumbles:** The position that we are in is precisely the position that the cabinet secretary was in last year when he entered into negotiations with the Tories about tax cuts. The pot cannot call the kettle black.

Derek Brownlee said that tax cuts were from the George Bush stable. I will quote again from George Kerevan's article, which I also recommend that the Tories read. He writes:

"Europe is presently going nuts over an Obama presidency but Obama's main policy plank is an income tax cut. So why not here?"

The Tories are still stuck in cautious, pre-recession mode and are paying a political price in the polls for having nothing to say about cutting taxes. That should be enough time to spend on the Tories, but I will stay with them a little longer, as it is impossible for me to deviate at this point.

Gavin Brown, as ever, is completely at sea on this issue. In the Tories' debate on 2 October, he said:

"Mr Rumbles ... charged round the lobby telling everyone that he would intervene during every speech by a Conservative member to ask about tax cuts—it would have been a good idea not to talk about such plans to Conservative researchers."—[*Official Report*, 2 October 2008; c 11407.]

I have news for Gavin Brown. It was Tory researchers who suggested that that be done because they are so embarrassed at the position of the Conservative MSPs, who should be joining the Liberal Democrats on this matter. I would welcome them joining us in advocating personal tax cuts.

**Alex Johnstone:** Would the member take a word from a Conservative?

**Mike Rumbles:** I think that we have heard enough from the Conservatives but, as I have time, I will give way.

**Alex Johnstone:** Does the member accept that the only principle by which his proposal could reinflate the economy of Scotland is that of trickle-down economics, which would mean that he—as a Liberal Democrat—is fundamentally suggesting that the poor should live from the crumbs from the rich man's table?

**Mike Rumbles:** That is an appalling thing to say. The Liberal Democrats are in favour not of trickle-down economics but of Obama economics.

I well remember that when I asked, during that debate on 2 October, whether the Conservatives were interested in tax cuts, Alex Johnstone shouted out that they were not. That resonated across the chamber.

At a time when the nation is in terrible economic circumstances and every family and individual is having to tighten their belt, it is the duty of the Scottish Government and MSPs to tighten our own belts and challenge the ever-growing budget that we spend, which is made up of taxpayers' hard-earned cash. If the SNP Government can cut taxes for businesses, which it has, it can cut taxes for low and middle-income taxpayers as well. Other Governments across the world are cutting taxes to put money back into taxpayers' pockets. Indeed, it is the first thing that Obama says that he wants to do when he becomes president. The UK Government refuses to do it, however, and now the Scottish Government refuses to do it as well.

Today, the Liberal Democrat motion gives us an opportunity to help people across the country. We should take that opportunity at decision time.

## HBOS

**The Presiding Officer (Alex Fergusson):** The next item of business is a debate on motion S3M-2779, in the name of Tavish Scott, on the importance of HBOS to the Scottish economy and jobs.

10:24

**Tavish Scott (Shetland) (LD):** The Liberal Democrats welcome the opportunity to initiate—in our parliamentary time—another debate on the economic issues that confront Scotland. We believe that it is the right thing to do. We remain disappointed that other parties—including the Government, which has much more parliamentary time—have not yet managed to do that. We encourage them to take our approach in the coming weeks, because we should consider the future of our economy in great detail as the pace of change that we face continues.

There are few occasions in history when global events have happened quite so quickly and have changed so thoroughly the world and the way in which we see it. The backdrop is one of global economic chaos. Stock markets and people's pensions have lost nearly half their value—more than that in places such as India. There is real concern about whether we face downturn, recession or depression. Things have moved fast—that is the point of today's debate. Decisions that seemed clear cut on 18 September are not so obvious now—that is why we lodged the motion that we are debating today. We have included the words suggested by my good friend Mr Alex Neil in order to gain maximum support for our case.

We say that the Parliament should unite to save a 300-year-old national institution—to save not just a bank, but the jobs in that bank and all the jobs that rely on the scale of the Mound's operation. I refer to the sandwich shop that serves staff through the working day, the taxi companies that cross the capital and towns throughout Scotland, and the cleaners and many more who keep the bank operating. We should unite not just for the thousands of HBOS staff, but for the many thousands more who depend on the banking sector and on HBOS, in particular.

**John Park (Mid Scotland and Fife) (Lab):** Has the member had any dialogue with staff representatives on the content of his motion?

**Tavish Scott:** I have talked to many members of banking staff over the past few weeks, both within and outside my constituency, where a bank branch will probably go if we follow the Labour Government's current proposals. I am sure that John Park does not wish that to happen. I assure him that I have met banking staff to discuss the matter and will continue to do so.

This morning we argue that we should say no to the takeover of HBOS by Lloyds TSB. A few short weeks ago the takeover was the only game in town—the UK Government was correct to make that case at the time. However, in those few short weeks the global banking system has changed more than it has changed in a generation. The UK Government now needs to change. On 8 October, it decided to create taxpayer-funded banking institutions. That decision was right, but it means that today the Government should re-examine what is in the best interest of taxpayers, because now we are shareholders in those institutions. Small businesses and customers rely on local banks, with competition in high streets and towns across Scotland.

On 22 September, party leaders joined the Government and the Scottish Council for Development and Industry here in Edinburgh. We were united then in saying that Scottish banking expertise, the tens of thousands of banking jobs and the strong Scottish financial sector are huge arguments in favour of retaining an HBOS headquarters here in Scotland. The First Minister made those arguments; I supported them in September, and I support them absolutely today. That should now mean that HBOS is retained as an independent bank, in Scotland, for the long-term benefit of the Scottish economy. The action of the UK Government can make that happen. Our First Minister should be meeting the Prime Minister and the chancellor.

One issue that has not changed is the impact of the situation on customers. From day 1, I warned about the impact of a loss of competition on the high street. I want us to stand up for the individuals and small businesses that will face loss and threat as a result. Let us look at what the Federation of Small Businesses is saying. Its members—small businesses in Scotland—are saying that they have seen increases in the cost of borrowing facilities from the clearing banks. More than half have seen an increase in payment times from invoicing to full payment, putting their cash flow at risk. Small businesses are being asked to secure overdrafts and loans on their homes. Banks are shortening business lending review dates. One small firm that is involved in the tourism industry told the Federation of Small Businesses:

"Our bank facility has recently been up for review at the moment. The bank has informed us that in addition to them taking a £150 'renegotiation' fee they are going to increase our overdraft rate from 2.5% over base to 6.95% over base."

This morning the president of the National Farmers Union Scotland said on the radio that banks are shortening credit and pulling in overdrafts on farm businesses across Scotland. The last thing that businesses need is a collapse

of competition in banking that will threaten their access to the overdrafts and borrowing that keep them going in tough weeks and months. That is the impact of what has happened.

Since the Government announced its support for the takeover in September, everything has changed. Now the Government also needs to change. The UK Government has nationalised Northern Rock, bailed out banks and even subsidised the losses of Icelandic banks, so why should we wipe out Scotland's bank? The collapse of competition in banking is already biting small business. Unless Parliament unites and the UK changes its policy, there is a real danger that more Scottish businesses will enter the jaws of bankruptcy. What was urgent for the short term in September was swept away by the transformation of banking in October. We need to look again at those decisions and to take the route that gives strength to the Scottish economy in the long term. That is the case for an independent HBOS in Scotland. The Scottish Government should make that case in the Scottish Parliament today and to the Prime Minister and the chancellor. We should unite to support that case today.

I move,

That the Parliament gives a general welcome to the measures taken by the UK and other governments to tackle the current banking crisis; considers, however, that the recapitalisation plans announced by HM Treasury in October 2008 have fundamentally changed the landscape under which competition rules were waived to enable a merger between Lloyds TSB and Halifax Bank of Scotland (HBOS); further considers that inconsistent statements have come from the UK Treasury about whether or not the banks would independently have access to the recapitalisation funds; believes that this ambiguity is not serving anyone's interests in the present environment; further believes that losing HBOS corporate headquarters and jobs in Edinburgh would seriously jeopardise the city's position as a financial centre; sees no reason why HBOS should not be able to access UK Treasury recapitalisation and, therefore, liquidity funding on the same independent basis as other major banks, and, with this in mind, considers it a very real possibility that an independent HBOS solution could be found that may well be in the best interests of shareholders, employees, customers and the Scottish economy at large.

10:31

**Derek Brownlee (South of Scotland) (Con):**

All members want to ensure that Scotland retains as many jobs as possible in the financial sector and that as many decision makers in the sector as can be are based in Scotland. We are all concerned to ensure that, if the merger proceeds, Scotland retains as much as it can. There is cross-party consensus on the importance of the financial services sector to the Scottish economy and to our long-term prospects.

Initially, there was a great deal of cross-party consensus on the subject that we are debating.

Perhaps it was unrealistic to expect that that should remain for long. In his speech, Tavish Scott talked about the events of the past few months, which are certainly unprecedented. He said that decisions that appeared appropriate on 18 September have been overtaken by events. That may be true, but it is worth considering that, given that the situation has changed so quickly over the past six weeks, it may yet change significantly over the next six. This is truly an unprecedented situation.

Regardless of whether it is borrowed from Alex Neil or is the Lib Dems' own work, the language of the Lib Dem motion is, in part, reckless and unwise. Whatever the consequences of the merger of Lloyds TSB and HBOS may be, the suggestion that it seriously jeopardises Edinburgh's "position as a financial centre" is a gift to our competitors and does a gross disservice to the many other financial institutions in Edinburgh that will remain here regardless of whether the merger proceeds.

**Alex Neil (Central Scotland) (SNP):** Is the member aware that this morning an eight-person senior management team for the merged organisation was announced? Only one member of the team is from HBOS and all will be based in London—not one will be based in Edinburgh.

**Derek Brownlee:** I move on to the consequences of our supporting the motion tonight.

Scotland and Edinburgh have a successful track record in attracting investment in the financial services sector. We have won against competitors within the United Kingdom and overseas. If, for whatever reason, we support Tavish Scott's motion tonight and the merger proceeds, imagine what our competitors will say when in future we argue the case for investment? Does anyone think that, if the Scottish Parliament—and, possibly, the Scottish Government—believes that Edinburgh's status as a financial centre is seriously jeopardised, that will help to protect and attract Scottish jobs? That is one reason to reject the Lib Dem motion, but there are others.

Some have argued that there are alternatives to the merger—that another party might step in or that HBOS could survive as an independent entity. Mr Scott has made the latter argument today. Although there has been much speculation about an alternative suitor, so far it remains just that—speculation. We must consider what would happen if the merger fell through without the emergence of a new party and HBOS remained an independent entity. In all candour, no one can be sure what would happen, but further falls in its share price, a collapse in investor and depositor confidence and—ultimately—nationalisation cannot be ruled out. That, too, should give

members pause for thought before they support the Liberal Democrat motion.

**Tavish Scott:** The UK Government has made available £57 billion of his and my money—taxpayers' money—so I presume that Derek Brownlee would concede that his suggestion that the bank would simply collapse and disappear is not the case.

**Derek Brownlee:** The point is that if the bank were nationalised there would be serious implications for the taxpayer. I will elaborate on that point in a moment.

Questions have been asked about whether Government support would or should be available to Lloyds TSB and HBOS independently if the merger was not in prospect. That is a reasonable question, although it remains hypothetical. It is important that the UK Government should have a plan B if the merger does not proceed for whatever reason. Some people tell us that HBOS could remain an independent entity because the Financial Services Authority says that it is financially sound. However, the FSA said the same thing before the merger was proposed and, only a few weeks ago, the voices that now pray in aid the FSA were berating it for being asleep on the job and failing to regulate properly.

To offer an independent HBOS the same recapitalisation package as the combined Lloyds TSB-HBOS might be enough, but it might also not be sufficient and the taxpayer's exposure might be significantly higher. Suspending the competition rules does not require the merger to proceed, but it permits it to do so. Shareholders retain the final say. If the HBOS board believes that there is a better alternative, it can advocate it and, if the shareholders believe there is one, they can vote for it.

The Conservatives do not believe that politicians should interfere in commercial decisions taken by financial institutions and shareholders unless there is no other option. Others may take a different view. That is their right, but they ought to remember that it is as easy to lose business confidence as it is to win headlines. In a few months' time, the Lib Dems will be chasing different headlines, but our financial sector will still be dealing with the consequences of whatever decisions are taken in the next few weeks, including those made in this Parliament. Supporting the Lib Dem motion may win favourable comment in some newspapers and might even win public support, but it is not a risk-free option by any stretch of the imagination. It is quite the reverse.

I move amendment S3M-2779.1, to leave out from first "considers" to end and insert:

"reaffirms the importance of the financial sector to the

Scottish economy; notes that the boards of both Lloyds TSB and Halifax Bank of Scotland remain in favour of the merger and that shareholders will soon have the opportunity to vote on the proposal, and believes that decisions on the future of individual institutions should be made by shareholders, not politicians."

10:37

**Patrick Harvie (Glasgow) (Green):** In recent weeks and months, we have heard members from all political parties and people from outside politics express their concern about the financial crisis, particularly the proposed merger between HBOS and Lloyds TSB. Tavish Scott is right to assert the need for debate. The concern about Scotland's economy and jobs is genuine and widely shared. The Greens share it too. Unlike Derek Brownlee, I do not feel the need to oppose the motion if it reaches the vote unamended, but to come to the Parliament merely to emote together without addressing the deeper causes of the financial crisis that we face is pointless. It amounts to little more than a group hug on the deck of the Titanic. It might feel like it helps a little bit, makes us feel a bit better and gives us some comfort in the short term, but it does nothing to change the problem that is at the heart of the crisis.

We can understand why the Government sees the need to bail out some of the major banks. Sadly, however, the bailout amounts to an attempt to refloat the same failed model of deregulated financial services that has been supported by all other political parties in this Parliament and at Westminster. Attempting to tweak and reboot the system that has crashed without finding out what went wrong in the first place simply will not cut it. However, the recognition is growing that reshaping our economy is as important for our financial system as for our society and environment.

The question at the heart of the matter is whether Government has the guts to challenge the perverse notion that growth is as essential as the air that we breathe and that we must aspire to unbridled economic growth. That notion is a fundamental flaw in the Scottish and UK Government approaches. Gordon Brown tried to encourage us to think that he had abolished boom and bust; what he meant was that he thought that he had abolished bust and could have boom for ever. The Scottish Government's central purpose—that is how it describes it, but I describe it as a central contradiction—of sustainable economic growth amounts to the same: more stuff for ever!

Growth is an exponential function and cannot be continued for ever without causing a collapse. The Prime Minister, the First Minister and others know that their action in response to the current crisis is only a short-term solution—it aims to get everybody back to business as usual as soon as

possible. The bottom line for both Administrations is that the demented pursuit of economic growth must be protected at all costs. In effect, the captain of the Titanic is trying to set sail for the next iceberg. If members regard the financial sector as the engine of the Scottish economy, that course of action should give no comfort to the people who work in the engine room. Tim Jackson, an adviser to the UK Government on sustainable development, wrote recently in the *New Scientist*:

"With the environmental situation reaching crisis point, however, it is time to stop pretending that mindlessly chasing economic growth is compatible with sustainability. ... Figuring out an alternative to this doomed model is now a priority before a global recession, an unstable climate, or a combination of the two forces itself upon us."

In his opening speech, Tavish Scott described a 300-year-old institution, but HBOS is not the same as the Bank of Scotland any more than Lloyds TSB is the same as the Trustee Savings Bank. Before the mergers—and, indeed, before the latest proposed merger—we had organisations that began as different beasts and operated on a more socially sustainable and socially just basis.

I do not have time to go into the detail of that argument and I think that members are familiar with it. The essential purpose of Government in responding to the current economic crisis must be to assert that the future of the financial sector in Scotland should be based on the old-fashioned values of sustainability and thrift, which are more important now than they have ever been.

**Jamie Stone (Caithness, Sutherland and Easter Ross) (LD):** Will Patrick Harvie give way?

**Patrick Harvie:** Do I have time for an intervention, Presiding Officer? I apologise. I will attempt to address Jamie Stone's remarks in my closing speech.

I move amendment S3M-2779.2, to leave out from "gives" to end and insert:

"recognises the need for short-term action by the United Kingdom and other governments to tackle the current banking crisis; rejects, however, any effort simply to refloat the failed model of deregulated financial services, which has been supported by Labour and Conservative UK governments and by Labour/Liberal Democrat and SNP administrations in Scotland; calls on the UK and Scottish governments to commit to a future for the financial services sector that is based on sustainability and self-reliance rather than the impossible objective of limitless economic growth fuelled by reckless lending and excessive leverage, and, in the short term, demands that an element of democratic control be exercised over the lending and investment activity of banks that have been bailed out by taxpayers' money to ensure that economic, social and environmental sustainability are prioritised through that activity."

10:42

**The Cabinet Secretary for Finance and Sustainable Growth (John Swinney):** I welcome the debate. It follows the statement that the First Minister made to the Parliament on 24 September on the Lloyds TSB takeover of HBOS, which was followed by a debate in Government time. As I made clear to the Parliament yesterday, the Government will take to the Parliamentary Bureau proposals for further debates on the wider economy, although we used the opportunity of yesterday's debate on the British-Irish Council and the earlier Liberal Democrat debate this morning to set out our points on that matter.

**Ms Wendy Alexander (Paisley North) (Lab):** Will the cabinet secretary cast any light on why, over the past 10 weeks, his Government has initiated no debate on the impact of the credit crunch on Scotland? I think that that is a unique position in the western world. Perhaps he could clarify that.

**John Swinney:** Perhaps Wendy Alexander did not listen to what I said. I just mentioned that we had a Government debate on 24 September that examined many of the issues and that those issues have been discussed in the Parliament.

The Scottish Government has a duty to work at all times to protect the Scottish interest. We have set out our position on the transaction that Lloyds TSB proposes. Our preference would be for HBOS to continue as an independent organisation. The fears about the effects of a merger on jobs and decision making, including the concern about the lack of competition, are well known. Equally, however, we have a responsibility to put to Lloyds TSB the case for retaining jobs and decision making in Scotland, which is the focus of what the Government has done in recent weeks. As members know, we encouraged a dialogue with other parties through the Scottish Council for Development and Industry. That was warmly supported by other political parties, which we welcome, and we continue to operate on that basis to ensure that the Scottish interest is protected.

**Jamie Stone:** Will the cabinet secretary give way?

**John Swinney:** I ask Jamie Stone to forgive me, but I have to make some progress.

Lloyds TSB is, of course, pursuing a legitimate interest in the transaction. It is entitled to pursue its interest, and the Government will continue to engage in dialogue with its senior management and leadership—as the First Minister did—to ensure that the Scottish interest is protected.

We have already referred to the fact that the Lloyds TSB transaction is the only game in town.

That remains the case, but the circumstances have changed significantly in the intervening period. That is why the First Minister wrote to the chancellor to ask a number of questions about the Lloyds TSB transaction and, in particular, to establish what conditions would be available if other bidders decided to enter a contest to engage in the takeover. The First Minister asked for details of the terms of the recapitalisation of HBOS and Lloyds TSB. He asked whether the competition law concessions that the UK Government announced in September would be available to any other credible bidder. He also asked whether the recapitalisation of HBOS was in any way conditional on the merger going ahead and, if so, on what basis. The chancellor has replied to that letter and I would like to share the contents of his helpful reply with the Parliament. The correspondence will be available in the Scottish Parliament information centre in due course.

Although the chancellor does not answer all the questions, his response is a helpful intervention. In it, he makes clear:

“When the recapitalisation scheme was triggered the boards of both HBOS and Lloyds TSB had decided it was in their interests to merge, and it was in the expectation of the merger going ahead that the FSA made the assessment of each bank’s recapitalisation requirements. If for any reason the merger did not go ahead, the FSA would need to re-assess both banks to determine the extent to which each would need to recapitalise.”

That would take place within the context of the Government’s recapitalisation scheme.

The chancellor has made an important statement that opportunities exist for other propositions to be considered, and we will continue to have dialogue with him to ensure that those propositions are fully and properly considered by the UK Government.

10:46

**John Park (Mid Scotland and Fife) (Lab):** Like many other members, I think that it is absolutely right that we are having this debate, which follows on from the statement that we had a month or so ago. It is right that people can look to the Parliament and see that we are discussing issues that really concern them.

We cannot deny that HBOS and Lloyds TSB have made a significant contribution to the Scottish economy in recent years. That contribution should not be underestimated. I am sure that all members will agree that no matter what happens in the future—as John Swinney outlined, other possibilities exist—we want that contribution, whether by both banks or by a joint bank, to be sustained for as long as possible and to continue to be as big as it has been in the past.

The discussions that we have in the Parliament in the coming period must be about securing Scottish jobs. The Parliament must listen to and respect the views on the proposed merger of shareholders and, most importantly, the workforce. There are well-established industrial relations structures in place in both organisations, and we should respect them and listen to what the workforce has to say. We should remember that many members of HBOS’s workforce are shareholders, too.

This week, along with Iain Gray, I met officials from Accord and Unite who represent HBOS workers. They have significant concerns. Although we can hold debates such as today’s, we should not forget that the workers are the people who really matter and the people to whom we should listen first and foremost. They are the people who will do everything that they can, whether as union reps or individuals workers, to maximise employment opportunities in Scotland. We must remember that, as shareholders, many of those workers will have a direct say in what happens to HBOS.

As we all know, HBOS provides 16,000 jobs across Scotland. Lloyds TSB is a big company, too. There are huge centres of employment in Edinburgh and Glasgow and smaller but not insignificant centres of employment in Motherwell and Dundee. I am acutely aware of what those jobs mean for the local economies and can remember HBOS setting up call centres in my constituency. I know many of the workers who could be affected by the merger.

Many of those jobs are part time, flexible and relatively well paid. They provide a level of flexible working that has greatly improved standards of living across Scotland. Above all, the development of such jobs in Fife over recent years has facilitated the restructuring of our economy. In the coming months and years, regardless of how the proposed merger develops—even if HBOS and Lloyds TSB remain separate institutions and the recapitalisation scheme that has been put in place helps other banks—I have no doubt that we in Scotland will go through a period of significant change in our economy.

We will support the measures that the Scottish Government is taking to maximise the number of jobs in Scotland in the current crisis, but it must place a renewed emphasis on helping workers who might face redundancy in the future. There are vacancies in a number of key sectors, and we should not lose sight of the fact that people in the banking sector have transferable skills. The PACE—partnership action for continuing employment—teams do a valuable job, but I urge the Scottish Government to beef up support for those who face unemployment. There is no reason

for it not to take a proactive stance on the matter, and I encourage it to do so. In addition, I believe that all banks, not just HBOS and Lloyds TSB, have a moral obligation to their workforces to ensure that redeployment, retraining and other opportunities are available.

We are a little concerned about the Lib Dems' motion, which we think does not focus on a number of the issues that Derek Brownlee mentioned or on some of the workforce's concerns. It looks as if the only deal on the table is the proposed merger with Lloyds TSB. We will listen closely to the workforce but will not support the motion, which iterates some matter-of-fact statements about the merger. I am not sure that any member can say for certain that they know what will happen. The workforce in the financial services sector faces a difficult period and its members need our support as a Parliament and as parliamentarians on a day-to-day basis.

**The Deputy Presiding Officer (Alasdair Morgan):** We move to the open debate. Speeches should be of around four minutes.

10:51

**Pauline McNeill (Glasgow Kelvin) (Lab):** It is said that a week is a long time in politics but, as we have come to appreciate over the past few months, it is clear that a day is a long time in the banking sector.

As the member for Glasgow Kelvin, I represent Glasgow city centre, to the western edge of which, between Finnieston and Anderston, lies the international financial district, which is often nicknamed the "Square Kilometre" or, as I prefer to call it, "Wall Street on Clyde". In developing a district that we hope is to become the third-largest financial quarter in the UK after the City of London and—of course—the city of Edinburgh, Glasgow City Council adopted a visionary strategy. Glasgow's financial district has a strong reputation. Of the 10 largest general insurance companies, eight have a base or their headquarters there. The current global financial situation will not give the district the certain future that it was on course for, so there is a lot at stake for the Glasgow economy. There will, of course, be a wider impact, given that Glasgow and Edinburgh are the twin economic drivers of the Scottish economy.

There are too many branches of the Bank of Scotland in my constituency to count. Like many other members, I am a customer of the Bank of Scotland and have a strong affinity with it on account of its good products, good services and strong Scottish identity. The Liberal Democrats have chosen to debate whether HBOS can have a future that is different from the one for which it is

on course. I believe that the debate should not be about who cares most about retention of HBOS as a Scottish bank; it should be a serious debate about how we can preserve the Scottish interest. That should be measured by how we can best safeguard the best terms for ordinary account holders and Scottish businesses and, as John Park outlined, Scottish jobs.

The motion is written in cautious language—indeed, the Liberal Democrats are not its authors—but in the current climate it is fair and legitimate to raise the issues that it raises. However, it is risky for politicians to assert that they have the right answers for the current situation. Although the whole country has lost confidence and trust in the banking sector's ability to make sound decisions we must, as Derek Brownlee said, support the decision-making processes that exist so that we arrive at the solution that will best safeguard the future of HBOS and all its interests.

Tavish Scott argued that we should take the route that gives strength to Scottish banking interests. I do not disagree, but I do not think that the motion focuses 100 per cent on that option; I believe that it leaves questions. I am sure that, ultimately, those who take the decision will be—they should be—well aware of the demands that we continue to make on Scottish jobs. On that issue, we must be heard. When the time comes to stand up for those interests, Labour will not be slow to do so. We are only at the beginning of the process—there is a long way to go.

The Parliament and all the parties must unite around the demand to protect Scottish jobs and Scottish interests. Although we have a difference of opinion about the conclusion, we must stand together on that point.

If the merger proceeds, the new body will almost certainly be a strong institution, and it will represent almost one third of the UK savings and mortgage sector. HBOS shareholders will have a 44 per cent share of the new company and, arguably, a strong share in the future of the company. The Bank of Scotland is a powerful brand. As Eric Daniels, chief executive of Lloyds TSB said, it has international iconic status. To some extent, we must trust market forces and the HBOS brand.

It is absolutely correct for the Government to call for decision making to remain in Scotland and for Bank of Scotland bank notes to continue—I support that approach. However, in the current financial situation, Parliament has a responsibility to use its powers—as it is expected to do—to assist people in these difficult times. The First Minister must spend less time on the UK stage and a bit more time at home. If the Government were to design an action plan, not only will it get

the support of other parties, but people will feel that Parliament is taking its responsibilities seriously. If the Government takes that approach, it will have Labour's support.

10:56

**Alex Neil (Central Scotland) (SNP):** I congratulate the Lib Dems on copying my motion word for word and suggest that if they made more of a habit of that, their standing in the opinion polls might rise substantially.

On the face of it, the debate is about banks: in fact, it is about people. Up to 40,000 people could lose their jobs as a result of the merger. We all know and expect that there will be significant job losses in the banking sector, and the two banks that are involved in the merger will not escape that. However, on top of the natural—if you like—job losses that will result from the financial tsunami, there will be many thousands of unnecessary job losses as a result of the merger. Those job losses will not occur only in Edinburgh and Halifax, and I am as concerned about job losses in Halifax and elsewhere south of the border as I am about job losses north of the border. If Lloyds TSB's corporate policy of offshore and backroom activities is carried through, many thousands of jobs will be lost in Scotland, and many of those will be in Fife.

The two unionist parties say that politicians should not interfere, while the reality is that the merger has been driven by two politicians: Gordon Brown and Alistair Darling. Now that we, as taxpayers, have a major investment in both banks, including £7 billion in Lloyds TSB, we are entitled as shareholders to require them at the very least to minimise job losses and the damage that they can do unnecessarily to people's lives.

Let us not kid ourselves by hiding behind the idea that this is a decision only for the private shareholders. It is a decision that affects the public interest and, especially since recapitalisation, the public interest should be properly represented, which means that the UK Government must act. With all due respect to John Park, he did not mention that Gordon Brown has it in his power to stop the merger going ahead.

There are three possible scenarios for the future of HBOS. One is to allow the merger to go ahead, which is the worst possible scenario from the point of view of competition, and the impact on Scotland and on every high street the length and breadth of the UK. It is what the Labour and Tory parties have been arguing for this morning. Many of Mr McLetchie's constituents will be directly affected by the merger that he supports, so I hope that he can explain to them why he did not defend them.

**John Park:** Will the member take an intervention?

**Alex Neil:** I do not have time, unfortunately.

The second scenario is for someone from outside the UK to come in and take over HBOS, which would be better than the first scenario. Coming from outside the UK, the chances are that they would keep HBOS's headquarters in Edinburgh. Not only that, but by taking over HBOS entirely, or a bit of HBOS—particularly the BOS bit—they would reinforce those headquarters. I and many others have been working towards that solution. We have said from the beginning that if there is to be a takeover, it would be better to have a takeover from outside the UK, from an institution that does not have its headquarters in London.

The third, probably optimal, solution is to allow HBOS to remain as an independent organisation. According to Hector Sants, the chief executive of the Financial Services Authority, that is a perfectly workable solution. The decision on the merger lies with Gordon Brown and Alistair Darling. Every unnecessary P45 that is issued as a result of the merger will have their signatures on it, as well as those of their Tory poodles.

11:01

**James Kelly (Glasgow Rutherglen) (Lab):** I welcome the opportunity to take part in the debate, which addresses some important issues. There is no doubt that many of us have HBOS employees, shareholders and mortgage holders in our constituencies, and that we see the extent of the impact on the Scottish economy of the crisis.

It is disappointing, therefore, that nothing has really been achieved as a result of Alex Salmond's meeting with Lloyds TSB in London the other day. It appears that the iron laddie has been patted on the head and sent homewards. That is reinforced by this morning's announcement on the stock exchange that many of the senior positions at Lloyds TSB have been filled. Indeed, the crisis has raised questions about Alex Salmond's credibility. At the start of the crisis, he told us that in an independent Scotland, he would come up with a mythical £100 million from a Scottish central bank, and that he would reduce corporation tax. That is one to tell to the fairies at the bottom of the garden, particularly as one of Mr Salmond's economic advisers recently told us that a move to independence would result in a shortfall of £1.1 billion.

I disagree with Alex Neil's comments about Gordon Brown and Alistair Darling. Recently, they have exhibited strong leadership and have very much steadied the ship. The people of Scotland are looking for practical advice. I will offer some suggestions. First, the Scottish National Party

Administration could ditch the local income tax policy. If it is trying to attract jobs and investment to Scotland, it should not introduce a policy that would make Scotland the highest-taxed part of the UK. In addition, the SNP should abandon the discredited Scottish Futures Trust. Here we are, 18 months into the Administration, and no finance has come forward from the trust and it is not funding any capital investment programmes. The Government should speed up the capital investment programme and projects such as the Raith interchange.

In addition, the Government should ensure that it pays its bills on time. Recent analysis of the consolidated accounts for last year shows that rather than meeting the 100 per cent target for paying bills, the Government was paying its bills only 93.6 per cent of the time, thereby putting business cash flows under pressure.

It would also be practical to introduce incentives to council tax payers to introduce microgeneration into their homes. That would encourage business innovation, help to stimulate growth and encourage the economy. Those are important matters.

The merger is an issue for the shareholders. However, if HBOS were to stand alone, a greater amount of money might have to be invested in recapitalisation, which could undermine shareholder confidence. We do not want to end up in a situation that is worse than it was a month ago.

This is a time for practical suggestions, not for punditry or posturing. Parliament has to give practical suggestions to the Scottish people today.

11:05

**Rob Gibson (Highlands and Islands) (SNP):**

When Tavish Scott spoke to the motion, he talked about the backdrop of economic chaos in the world. We are talking about one of the worst-ever experiences at the end of a trade cycle, which has developed into a banking crisis of massive proportions.

I am old enough to have been involved in the battles when the TSB tried to stop the Lloyds takeover. I was also active in the SNP when we had to try to save the Royal Bank of Scotland from takeover by various other banks. Lessons can be learned from that process, and they will have to be learned quickly in Scotland, in Britain, in Europe and elsewhere.

In this debate, we can acknowledge the way in which deregulation of banking in the 1980s has led to many of the problems that companies now face. The companies all took the bait in pursuit of the kind of profits that seemed possible from the

derivatives markets. Countries now have to sort that out. In the 1980s, Norway and Sweden sorted out their banks after deregulation, which showed what small countries can do when they have the powers.

I want to talk about the European situation. There has been a big silence from Gordon Brown and company, after years of lecturing Europe about deregulation. Internal market commissioner Charles McCreevy of the European Commission said:

"I would like to have by the end of this year concrete proposals as to how the risks from credit derivatives can be mitigated."

This Parliament, our Government and others have to feed into the European debate. Smart regulation will liberate us from the pitfalls of the past.

I was amazed by John Park's suggestion that everything is fine and dandy and that Gordon Brown and Alistair Darling are serving Scotland well. I have to disagree. In *The Herald* last week, Eamonn Gallagher wrote:

"It was extraordinary that in the midst of an international financial crisis—and even as his own country is slipping into recession—Gordon Brown chose to argue that somehow global banking problems mean that Scotland should dare not consider questions of good governance any further. Is this not a rather curious assertion from the man who has held the reins of financial power in the UK for the past 11 years? The argument seems to be: 'Things have gotten really bad on my watch—best to let me keep handling things.'"

The question now is whether this Parliament can state that there are ways of applying Government controls to enhance the ability of HBOS to survive as HBOS rather than as part of a merged company. What issues arise as a result of European competition rules? No one has discussed those yet.

The scenarios that my colleague Alex Neil laid out have to be considered seriously. We have to give HBOS the space to rebuild. We have to allow liquidity for it to rebuild the real economy in the place where the Bank of Scotland was based for so many centuries and we have to secure the jobs in the bank to support the real economy. The wider economy will benefit from clear-headed thinking. This debate is not just about the immediate prospect of a merger but about learning lessons on the way in which banking has to be regulated. There has to be a European framework for that, and Scotland will have to have a direct say in that framework.

Members should support the motion. It is the only proposal that allows us to consider the options and allows us not to accept the way in which Scotland has been downplayed. Mr Brown has said that he can deal with a recession, but he caused many of the conditions in this country that

have led to the problems for HBOS and many others in the real economy. Members should support the motion and reject the amendment from the Tories.

11:10

**Sarah Boyack (Edinburgh Central) (Lab):** It is a real pity that Rob Gibson and Alex Neil did not listen to John Swinney when he quoted from Alistair Darling's letter. It is easy to score petty political points in a debate such as this, but if we are really debating the future of the banking system, let us listen to what the bankers have been saying, let us understand the dynamics of the system and let us have a much more critical and honest discussion of why the banks in this country have gone wrong over the past few years. Let us have that discussion; let us not have simple points scoring.

Corporate social responsibility should not just be a paragraph at the end of an annual report; the idea should inform the values that all our banks work to uphold. Gordon Brown was right to criticise excessive short-termism, the culture of massive bonuses and the lack of long-term investment, which are not in the interests of ordinary shareholders. As John Park said, those shareholders are the staff of the banks and are among the thousands upon thousands of Scottish consumers who have shares as part of their pensions packages. All our local authorities have pensions tied up in the banks.

There are huge issues to be debated. However, as Pauline McNeill said, the debate has been about how much we care for HBOS. That is not what the debate should be about. It should be about what the Scottish Parliament can do to support the people who are currently in charge of the banking system, to work with the UK Government, and to work with the trade unions, so that we can ensure that the maximum number of jobs stay in Edinburgh and Scotland, and so that we can ensure that the maximum amount of headquarters functions stay in Edinburgh. We should also be considering what we can do to support the banking sector in Scotland—not just to stay here, but to attract more jobs and to invest more. We have to be positive about what Edinburgh and Scotland can offer and not simply adopt a defensive posture. These are tough times, but people expect us to do what we can and not just to moan. We have to get on to the front foot.

The Scottish banking system is part of our identity—there is a lot to be proud of. The system is linked to our legal and higher education institutions. As an Edinburgh MSP, I completely understand how tough the past few years have been. We have had the Lloyds TSB shake-up, we have had demutualisation of Standard Life and,

most recently, we have had the takeover of Scottish & Newcastle. Times have been tough for our major traditional companies in the city. It is not our job to tell them exactly how they should operate or how they should be structured: our job is to support them and to work with the UK Government to ensure that the framework is right. Parliament has to do what it can in terms of investment, in order to keep Edinburgh attractive and to maintain relations between Glasgow and Edinburgh and the rest of central Scotland. People have to want to invest here.

**Robert Brown (Glasgow) (LD):** Will the member take an intervention?

**Sarah Boyack:** No, thank you. I have only one minute left.

No bank will invest out of sentiment, but they will invest if we have good schools, good public transport and good housing to offer to their staff. They will invest if we have high-class transferable skills, and if we give people the confidence to work in the industry. That is why I want the Scottish Government to do more on investment and it is why we do not want the local income tax, which would set us back. It is why we have been so angry about the lack of progress in investment and about the diversion that has been caused by the Scottish Futures Trust. We need practical investment.

It was an irony to hear Mike Rumbles quoting from George Kerevan and posing consumer expenditure and public expenditure as alternatives. Surely we need both. Consumers will be confident if they have jobs and if they can afford to pay their mortgages or rents and their taxes.

We need to invest now to make a difference, so I call on the Scottish Government to consider housing in particular. The SNP-Liberal council here in Edinburgh has a new plan to ensure that we can invest in housing, but it will require investment from the Scottish Government. We have to put the £100 million that Alex Salmond launched a couple of months ago in context. We have criticised the announcement for not involving real money. We need huge amounts of money in Edinburgh every year—£83 million in 2009-10 and £95 million in 2010-11. That would give local companies the money to invest. They are not getting the money from the banks now, so we need to play our part in ensuring that the money comes through the public sector. That is what the Scottish Government should focus on.

11:14

**Patrick Harvie:** Before I begin my winding-up speech, I cannot help but observe that it would have been nice if the member who lodged the

motion for debate had stayed in the chamber for longer than a few minutes at the beginning of the debate.

The debate has been characterised in part by an emotional attachment to what Tavish Scott described as “a 300-year-old national institution”. I agree with Sarah Boyack that the debate should not be about simply how much we care. Nevertheless, I could have an emotional attachment to a financial sector that was characterised by the values that I described in my opening speech. I am thinking of institutions such as the old Halifax Building Society, which began as a prudent building society that operated for the mutual benefit of local working people, and the Trustee Savings Bank, which was an aggregation of small savings banks that was run by trustees according to democratic and philanthropic principles. I could have an emotional attachment to that kind of financial sector—one that was not dominated by a few megabanks but was composed of many smaller institutions rooted in local communities.

As well as the emotional attachment, the here-and-now issue of jobs has characterised the debate. I apologise to Jamie Stone, who is just leaving the chamber, for not being able to take his intervention when he wanted to mention jobs in his constituency. Many communities, not just those in Edinburgh, are affected by the current situation. I argue that there could be not only more jobs, but more satisfying jobs in an alternative financial sector that was composed of smaller institutions rooted in communities and motivated by those communities’ values.

John Park rightly talked about the need to work with representatives of the workforce. Those people are elected to advocate for their members’ interests, so it is right that we should regard their views. However, there is another argument to make about democratic control of newly public assets. Alex Neil urged us to use such democratic control to protect jobs and nothing else. I agree with that as far as it goes, but we would serve Scotland’s long-term interests better by ensuring that our banks—they are now, in large part, directly our banks—put sustainability, self-reliance and the community values that I mentioned ahead of executive pay and the interests of hedge funds and shareholders.

If the public are to own a substantial share of the banking sector, we should ensure that those assets work in our interests by shifting money away from the polluting technologies of the previous century and toward the renewables technologies of tomorrow. At a Sustainable Development Commission event last night, Ian Marchant argued that the financial crisis requires a specifically green investment-led recovery. James

Kelly’s remarks in support of investment in microgeneration are quite compatible with that vision of a green investment-led recovery. Therefore, I fully expect Labour to support the Green Party’s proposals on the budget that are designed to achieve just that.

We also need financial institutions to give priority to that agenda not only by shifting their investment, but by developing financial products that make it affordable for householders and businesses to retrofit their buildings. All that would mean that something far more substantial would emerge from the present disaster than simply the protection of existing jobs. The rebuilding of our economy could be based on those sensible values and provide a genuinely sustainable future for us all.

11:19

**David McLetchie (Edinburgh Pentlands)**  
**(Con):** I welcome the fact that the Liberal Democrats have allocated part of their business time today to a debate on the future of HBOS and its significance to the Scottish economy. HBOS has 17,000 employees in Scotland, many of whom are resident in Edinburgh and in my constituency, as Alex Neil pointed out. Along with the bank’s shareholders, savers and customers—both private individuals and businesses large and small—they are genuinely worried about their jobs, mortgages, savings and business loans.

Although the debate is commendable, I am concerned that it may advance a false prospectus. Essentially, the Liberal Democrats and the SNP are trying to suggest that there can somehow be a painless escape for HBOS from its present situation if only the chancellor does not make a merger with Lloyds TSB a condition of Government financial support and, instead, offers to recapitalise an independent HBOS. The subtext is that, if that were to come about, not only would every job be safeguarded, every business be financed, every mortgage be extended and every pound of savings be assured, but Scotland would still have a major bank headquarters here in our capital city. If that happy state of affairs could be assured, I would be the first to sign up to the proposition. However, I fear that that may not be the case.

First, given the financial state of HBOS, could a recapitalisation be achieved for the same amount of taxpayers’ money as would be expended following a Lloyds TSB-HBOS merger? Or would we end up with a wholly nationalised bank? Secondly, would the capital investment that was made by taxpayers be more or less secure in a single entity than in a merged operation? Before the SNP or the Liberal Democrats rush to thwart or

denounce a merger of HBOS with Lloyds TSB, they must get answers to those questions.

We need to know—and have not yet heard—what alternatives the private sector offers to the Lloyds TSB bid. For weeks, we have been constantly told that there are any number of white knights who are ready to ride to the rescue. Alex Neil has raided his piggy bank, and Tavish Scott and the Liberal Democrats are keen to follow suit. But are those white knights real or illusory? Is there any hard cash, or is it just hot air?

In *The Scotsman* yesterday, I read the headline, “Buyers line up for parts of HBOS empire”. It appears that the HBOS subsidiaries Clerical Medical and Insight Investment are being eyed up. Eagerly expecting more hard news and details, I read on. On page 4, I was told that there are two obstacles to that:

“First, the pricing of financial assets and businesses in today’s turbulent conditions would present a major problem. Secondly, while rival UK insurers might be interested, firms in the sector face pressures of their own and do not have the cash for a bid.”

The article continued:

“In addition, raising finance from banks in the current conditions would be virtually impossible.”

It seems that those particular white knights do not have the money, cannot borrow the money and do not even know what price to pay—and that is meant to be the good news.

As matters stand, and as many members have commented, a merger with Lloyds TSB is the only offer on the table. Everything else is a mixture of speculation and wishful thinking. If anyone out there has a viable, realistic alternative, they should come forward. The Government and the directors of HBOS would be obliged to give serious consideration to any such proposal, and I would be the first to criticise them if they failed to do so. However, it appears that, until a white knight with deep pockets puts his head above the parapet, there is no alternative. It would be wrong and a cruel deception for Parliament to pretend otherwise.

11:23

**John Park:** We have had a useful discussion. I mentioned that I had been in contact with union representatives earlier this week, and I will highlight some of the concerns that they raised with me. The unions have a number of general concerns, but there are three main concerns that we need to take on board and do something about as a Parliament.

The first main concern is the potential for the offshoring of jobs. One of the partner banks has that as a policy whereas the other does not. The

second main concern is over pension guarantees and the future of pensions. That would be a concern for workers in any company that was going through a merger. The third main concern is over bonuses. When we talk about bonuses in the financial services sector, everybody thinks about the executives. However, we must remember that there are people who work in the banks who rely on bonuses as part of their salary package, along with the share-save schemes and other options that they may have.

**Alex Neil:** I absolutely agree with the member about the concerns that have been raised. However, given that, if the merger goes ahead, the Government will control 43 per cent of the shares, has Mr Park put those concerns to Gordon Brown and Alistair Darling? If so, what are they going to do about them?

**John Park:** Mr Neil has stolen my thunder yet again. I was just about to say that I made a commitment to the people I spoke to—who, I point out, were not union general secretaries, but local shop stewards and representatives—that I would put their concerns directly to the Treasury and the Scotland Office and ask for their comments. I have done so today, and I am sure that the Scottish Government will want to do the same.

When, at the very beginning of the debate, I asked Tavish Scott whether he had had dialogue with representatives, he said that he had spoken to individuals in various bank branches and different areas of the company. However, we must recognise that, like the Parliament, the unions have to take a wider view, not just represent the views of individuals. The unions are quite clear that, at the moment, the current option is the least worst one; indeed, that is what they have said to me in the meetings that I have had with them.

Although I welcomed Derek Brownlee’s comments about jobs and although he made many good points in his speech, his amendment mentions nothing about the workforce having a say in what will happen. Patrick Harvie made a valid point about regulation, and I have no doubt that there will be structural change in the financial services sector and that more robust financial regulation will be introduced in the future.

**Patrick Harvie:** Will the member give way?

**John Park:** I am sorry; I must get on. I will say, though, that it is only right that such change happens. After all, the landscape in Scotland has completely changed.

Mr Swinney highlighted the importance of working together on this issue, and I am pleased that he mentioned the correspondence that he had received from the Chancellor of the Exchequer. That shows clearly that we can work together—

which is, after all, what the people expect the Parliament to do.

Pauline McNeill talked about standing up for Scottish interests. We on this side of the chamber will certainly do so, no matter whether the issue concerns backroom functions, Scottish jobs or anything else.

I admire Mr Neil's passion; however, he needs to speak directly to workforce representatives on these matters. In my regular discussions with those representatives, there has not been much support for some of the proposals that he has highlighted.

Finally, as Sarah Boyack pointed out, the skills and talent that we have in Scotland give us a competitive advantage. Of course, we also have a productive and efficient workforce.

It is absolutely right for the Parliament to focus on the jobs issue in this debate. Indeed, I cannot reiterate that point enough. It is up to the Parliament and parliamentarians to maximise the debate's impact and ensure that we secure the maximum number of Scottish jobs.

11:27

**The Minister for Enterprise, Energy and Tourism (Jim Mather):** I appreciate the speeches that have been made from all sides of the chamber in this important debate and will reflect on them as I sum up on behalf of the Government.

As many members have pointed out, the Bank of Scotland is one of the cornerstones of our nation's economic life, and the detrimental impact on the Scottish economy of any loss of decision-making functions from or employment in Scotland would reach far beyond Edinburgh into every part of the country. In the current climate, that impact would most certainly not be painless.

This Government has been doing everything possible to secure the best deal in the event of the merger going ahead. The First Minister made early representations to the management of Lloyds TSB and HBOS and those lines of communication very much remain open and active. However, our overriding consideration must be to get the best deal for Scotland in line with the broad, worthy goals of avoiding job losses and contraction; retaining key decision-making functions in Scotland; and creating a climate that will allow our banking sector to play the fullest possible and most positive role in the new beginning that will follow the impending recession. I believe that all that is best served by retaining in Scotland HBOS's competitive presence as the Bank of Scotland.

**David Whitton (Strathkelvin and Bearsden) (Lab):** For the sake of clarity, will the minister

confirm whether the ministerial team agrees with Mr Neil's suggestion that we seek a solution to this problem from the middle east?

**Jim Mather:** We continue to press for the best possible opportunities that might emerge and will consider every proposal on its merits. However, there is a compelling reason to pause for consideration. Since the merger proposal was first announced on 17 September, the international financial landscape has changed dramatically. On 19 September, the short selling of UK financial stocks was banned; on 3 October, the UK increased its deposit insurance coverage to £50,000; on 8 October, the UK Government announced its credit guarantee scheme and plans to recapitalise the UK's major banks; and yesterday we had the successful take-up of HBOS's £2.4 billion two-year bond scheme. That is not to mention the material movement in share prices and the growing realisation of what all this could mean for Scotland. The UK Government must now confirm whether recapitalisation funds would be available to HBOS as an independent institution.

In that respect, I am pleased by Alistair Darling's letter, which leaves the door open. The letter says:

"If for any reason the merger did not go ahead, the FSA would need to re-assess both banks to determine the extent to which each would need to recapitalise."

That sends a clear message to the shareholders of Lloyds TSB and HBOS. In addition, we must have either the early and open publication of the Office of Fair Trading's report on the proposed merger or—at the least—an interim report.

Our duty in the meantime has been to work positively on both scenarios. That is what we are doing: the amicable meeting that the First Minister had on Tuesday morning with Sir Victor Blank, Eric Daniels and Archie Kane of Lloyds TSB was the continuation of that process. The Lloyds TSB integration team know that this Government and its agencies can offer the type of location and other targeted assistance that will help with any integration process that might come to pass. The response so far has been encouraging and, throughout the process, we will continue to defend Scotland's interests. Indeed, a strong business case is being made to those managing the merger to retain jobs and headquarters functions in Scotland and a promotional booklet in that respect will be lodged in the Scottish Parliament information centre for members to take a look at.

In the current climate, we welcome Lloyds TSB's assurance in its acquisition document that

"the management focus is to keep jobs in Scotland".

In response to John Park, I point out that the First Minister has had very useful meetings with Unite and Accord.

The question remains whether the merger between HBOS and Lloyds TSB should go ahead. As we know, it remains the preferred option of both banks, but as the Cabinet Secretary for Finance and Sustainable Growth and I have made clear, the Scottish Government's job is to ensure that, no matter whether the final outcome is a merger or some other alternative, as many as possible of the decision-making functions and jobs are retained in Scotland. That means that the UK Government must reassess the merger in the context of the new financial regime. The merger might have made sense six weeks ago, but when we take into account long-term public interest considerations, past experience and the indication that even the chancellor is recognising the force of these arguments, it might no longer be the best option.

My plea to members and, in particular, the Conservatives is that we consider what has happened with previous mega-consolidating mergers. As research and intelligent opinion have made clear, such mergers have rarely benefited shareholders and have almost never—absolutely never, I would say—benefited customers, employees, suppliers, taxpayers or the communities that they serve. Such a situation is very different from what is happening in Norway, Sweden and Finland, which are properly moving towards regulation and are developing proper levels of corporate social responsibility.

11:33

**Ross Finnie (West of Scotland) (LD):** In summing up, I will try to distil the debate to its key elements.

The Liberal Democrats have some sympathy with the Green party's amendment. We certainly support any call for the introduction of a very different regulatory regime and agree that certain issues must be examined seriously. However, that debate is for another day. This debate is on the urgent issue of HBOS's future and what the proposals might mean for its employees, shareholders and everyone else who is associated with the bank.

As for the Conservative amendment, I must be honest and say that we have no difficulty with the proposition that shareholders should decide on the proposals. However, in response not only to David McLetchie but to John Park, I make the point that the Liberal Democrats believe that employees are being asked to vote on a false prospectus. At no time have we suggested that there are any easy options and solutions to this difficult proposition. That is not the language that we are using and it is not what we are saying in this debate.

**John Park:** I do not know whether the Liberal Democrats have had any dialogue with the workforce representatives. I am sure that those representatives will have information at hand on the matter. Does the member think that it is possible that members of the workforce might know what they are going into, given that many of them are shareholders, which is why they are taking a particular approach to the merger?

**Ross Finnie:** I will explain why I think that shareholders are being asked to vote on the basis of a false prospectus. I do not think that all the information has been made available to anybody. The Liberal Democrats accept that the false prospectus was created, curiously, in good faith. It was created by the Government, which asked, "How do we save HBOS?" and said, rightly, that it would support the HBOS-Lloyds TSB merger not just implicitly but explicitly by undertaking to waive competition considerations. However, that failed. The second question that the Government asked was, "How do we save the UK banking system"? Its answer was to introduce a recapitalisation support package, which appears, by and large, to have succeeded.

Our contention is that, given that the politicians and the Government created that false prospectus, we are entitled to ask whether it is still legitimate today. We can now move forward. We can ask the Government to ask different questions, rather than just, "How do we save HBOS?" Having saved the banking system, what sort of system does the Government want? What kind of financial centre do we want to see in Edinburgh and in London? Are we content that a near duopoly should exist? Should we encourage alternative bidders or should we signal to the market—to allow the market to decide—that, under recapitalisation, HBOS might survive as a separate institution?

Of course, the Liberal Democrats believe that it would be better for Scotland and for the UK's financial services sector if HBOS were to remain an independent institution that was allowed to trade its way out of the present difficulties and restore value to all aspects of its business. However, that is not quite the issue. The issue is, as John Swinney said, if the Treasury has not ruled out the question of recapitalisation on its own, it has to be more explicit about that.

The motion asks the Westminster Government to confirm that HBOS would be eligible for support. Shareholders and employees would then have a proper choice. They could vote to be subsumed into Lloyds TSB. They could make their own judgment about whether that would be a better or a worse option. They would know that the deal would involve a fire-sale price and terms and a massive dilution of shareholders' interests.

Nevertheless, that would be a decision for the shareholders to make.

It is nonsense that we have to have another bidder before there is a proper choice. We need the politicians who created these circumstances to create a genuine choice, so that the shareholders and employees could vote for HBOS to remain as an independent company, albeit with substantial Government support. The bank could be allowed to add value to its employment and its shares going forward. We believe that the Scottish economy, Scottish financial services and the wider UK economy would be improved immeasurably if that proper option were available to all parties.

We call, therefore, for the Parliament to allow that question to be put. We do not suggest that others will not have to come to a final view, but they cannot come to a view unless that opportunity is available to them. The only way in which it can be made available is if the Government signals that it is not just a question of backing a merger and that it is perfectly possible for HBOS to reconstruct itself to survive as an independent company. I hope that members will support the motion.

## Question Time

### SCOTTISH EXECUTIVE

#### General Questions

11:39

**The Presiding Officer (Alex Fergusson):** I raised with all business managers before and following the recess the issue of the manner in which I expect questions to be asked, and the business managers should have informed their members of that. In the interests of fairness to all members, and in order to allow for as many questions as possible to be asked, I repeat that I expect members to keep their questions brief and in the form of a question, rather than a statement. In addition, I do not expect multiple questions to be asked. Although I have no desire to do this, should members fail to adhere to that guidance, I may be forced to stop the questioner. I also expect ministers to respond accordingly.

#### Alcohol Policy (Student Organisations)

**1. Pauline McNeill (Glasgow Kelvin) (Lab):** To ask the Scottish Executive what discussions it has had with student organisations regarding alcohol policy and binge drinking in particular. (S3O-4619)

**The Cabinet Secretary for Justice (Kenny MacAskill):** The Scottish Government has been engaged in a wide public consultation on its proposals to change Scotland's relationship with alcohol. As part of the consultation, the Minister for Public Health met representatives of the coalition against raising the drinking age in Scotland and the National Union of Students Scotland on 26 August.

We are pleased that CARDAS and NUS Scotland support our proposals to crack down on loss-leading and irresponsible promotions in off-sales and recognise the need for minimum pricing to be part of a comprehensive alcohol strategy.

**Pauline McNeill:** Is the cabinet secretary aware of the existence of Carnage, an annual event that is aimed at students? In essence, the event is a giant pub crawl, which students themselves have questioned. One event is planned for my constituency this week. When such an event was held in Dundee, there were eight arrests. Does he agree that companies that might be seen to promote binge drinking should be included in the classification of irresponsible promotions in the context of tackling alcohol misuse? Will he agree to consider that matter?

**Kenny MacAskill:** Absolutely. I am happy to look at that. The issue is one of reconfiguring

Scotland's relationship with alcohol. Pauline McNeill and I, and others who have been students, are well aware of the fun times that students have, but it is a matter of balance. It is clear that some aspects are totally irresponsible, and those who promote and suggest them should be brought to heel. I am more than happy to take on board the points that Pauline McNeill has raised. We are seeking to allow students to enjoy student life without endangering themselves or blighting the lives of others.

**Ian McKee (Lothians) (SNP):** What discussions has the Scottish Government had with residents groups and others whose lives have been rendered intolerable by binge drinking and associated disturbance?

**Kenny MacAskill:** I am grateful for that question. We have asked people to contribute their views on those issues to the consultation. I have met residents groups in my constituency, and I also had the opportunity, as did my ministerial colleague, to meet people in communities where action has been taken, such as Stenhousemuir, Armadale and Cupar, where there has been a substantial reduction in antisocial behaviour as a result of pilots to restrict the ability of people between 18 and 21 to buy alcohol in off-sales.

**Murdo Fraser (Mid Scotland and Fife) (Con):** The cabinet secretary will be aware that student organisations oppose his plans to raise the age at which alcohol can be purchased from off-licences from 18 to 21, as does this Parliament. When he cannot even persuade chief police officers in Scotland and 48 per cent of delegates at the Scottish National Party conference that the policy is a good idea, surely it is time that he showed some humility as a minister and agreed to withdraw the policy.

**Kenny MacAskill:** As Mr Fraser is aware, we are engaged in a consultation and we will respond shortly. I recall that earlier this year, NUS Scotland complained bitterly that student unions were facing collapse because students were preparing to fuel up—that seems to be a recent concept that has arisen since I was a student—and were buying their alcohol from off-sales. We have met NUS Scotland and CARDAS, but we do not forget that CARDAS in particular has taken funding from alcohol companies, which perhaps tempers how we view matters.

#### **Police Response Times (Non-emergency Calls)**

**2. Duncan McNeil (Greenock and Inverclyde) (Lab):** To ask the Scottish Government what efforts are being made to shorten police response times to non-emergency calls. (S3O-4618)

**The Cabinet Secretary for Justice (Kenny MacAskill):** In September 2007, Audit Scotland, in its report "Police call management—An initial review", recommended that police authorities should regularly receive and scrutinise reports by chief constables on the effectiveness of local call management arrangements. My officials have written to the Association of Chief Police Officers in Scotland and the Scottish police authorities conveners forum encouraging forces to make information on non-emergency response times available to boards. Forces and boards both confirm that the subject is actively considered by boards.

Later this year, Her Majesty's inspectorate of constabulary for Scotland will publish its first annual report on the Scottish policing performance framework, which will for the first time report comprehensive police performance data on a national basis. It will include agreed national indicators for emergency calls. National indicators for non-emergency calls are being developed.

**Duncan McNeil:** The cabinet secretary knows of the public's lack of confidence in and scepticism about the call management system because of the delays in responses, which can occasionally occur days after a problem was reported. I welcome what he said about information being brought together.

Does the cabinet secretary believe that the annual publication of national statistics on the time that the police take to attend all incidents—not just emergencies—would provide clarity and improve performance throughout forces?

**Kenny MacAskill:** Statistics are one factor. We seek to ensure that chief constables can meet their operational requirements. Police boards represent their communities and challenge chief constables and hold them to account on the operation of police forces. The role of the trident's third part—the Government—is important to funding and resources.

Statistics have a role to play, because we must be able to check against delivery, but they have difficulties. For example, a response time in a rural area of Northern Constabulary or of Lothian and Borders Police will be different from a response time elsewhere. I take on board the fact that statistics are an aspect, but they are only one part. The best way to proceed is to work together as communities with boards and chief constables to make Scotland safer and stronger.

#### **Harris Tweed Industry**

**3. Jamie McGrigor (Highlands and Islands) (Con):** To ask the Scottish Executive, in light of further job losses at Scotland's largest Harris tweed mill, Kenneth Mackenzie, and the potential

impact on home weavers in the islands, what action the Scottish Government can take to save this old-established industry for the Western Isles. (S3O-4585)

**The Minister for Enterprise, Energy and Tourism (Jim Mather):** Job numbers are a commercial decision for the company. Our enterprise agencies are in close dialogue with Harris Tweed Scotland, which owns the former Kenneth Mackenzie mill, to assist in any and all ways possible.

The Scottish ministers are committed to supporting a strong and vibrant Harris tweed sector and will work jointly with the Harris tweed industry liaison group to assist the sector's sustainable development and growth. In addition, our enterprise agencies are dedicating significant resources to helping the industry to compete. That includes capital investment, working to understand better the industry's economic impact, a skills audit and assistance with domestic and international marketing and promotion.

**Jamie McGrigor:** Does the minister share the concern of businesspeople who are involved in the tweed sector that the industry's present structure and position are not conducive to attracting private equity? Given the importance of Harris tweed to the livelihood of many weavers in Lewis, and given the social aspects, will he reconsider the industry's demands for extra funding for the Harris Tweed Authority and a strategy to deal with mill financing needs that exceed what is available from private sources?

**Jim Mather:** I thank Jamie McGrigor for his supplementary question. We are working with the Harris Tweed Authority on marketing and promotional activity and on a range of initiatives to promote Harris tweed. We are working hard with the Harris tweed industry liaison group to bring the industry together more cohesively. We have three mills, which represents an advance. The skills and training audit will commence on 10 November. The Harris tweed investment fund is being discussed in detail; it might receive match funding from Harris Tweed Hebrides, which would be Shawbost in partnership with the Government. Sub-groups will meet on 4 November to consider fully the fund and other options. A new level of cohesion has been reached. We are keen to foster that and to work intensively to achieve the result.

**Alasdair Allan (Western Isles) (SNP):** What representations will the Scottish Government make to Her Majesty's Government about the failure of the benefits system to recognise that weavers who are left without work as a result of the downturn in the industry are unemployed? As a result of that anomaly, they cannot claim relevant benefits.

**Jim Mather:** I have made representations to the Secretary of State for Work and Pensions about enabling weavers who are adversely affected by a seasonal downturn in demand for Harris tweed to be eligible to claim unemployment benefit. I will continue to make such representations and I will keep Mr Allan updated on the outcome.

#### Transport Scotland (Meetings)

**4. John Lamont (Roxburgh and Berwickshire) (Con):** To ask the Scottish Executive when it will next meet representatives from Transport Scotland. (S3O-4576)

**The Minister for Transport, Infrastructure and Climate Change (Stewart Stevenson):** Transport Scotland is part of the Scottish Government and internal meetings take place in the normal course of its business.

**John Lamont:** I draw the minister's attention again to the temporary traffic lights on the A7 at Branhholm in my constituency, which have been in place for two years. When I previously raised the issue with him, he said that reasonable progress was being made to take them down. Despite that, the traffic lights remain. What does it say about the Scottish National Party's Scotland when temporary traffic lights on a major trunk route can stay in place for more than two years?

**Stewart Stevenson:** I am pleased to say that we expect the work to take place before the end of the year, which will allow the traffic lights to be removed. That contrasts markedly with temporary traffic lights on the A82 on the other side of the country that were there for well over a decade under the previous Administration. We are doing rather better than our predecessors.

#### Scottish Enterprise (Project Reviews)

**5. Hugh O'Donnell (Central Scotland) (LD):** To ask the Scottish Executive when it expects Scottish Enterprise to complete and publish details of any reviews of major projects that it is carrying out. (S3O-4665)

**The Minister for Enterprise, Energy and Tourism (Jim Mather):** Scottish Enterprise has a robust monitoring regime for all its major projects. It publishes a considerable volume of study and review material, which includes—when appropriate—the output of reviews and major projects.

**Hugh O'Donnell:** It will come as no surprise to the minister that my concern is about the Ravenscraig project. Is he aware that shareholders in that project are close to deadlocking it legally, thereby scuppering the development, 3,500 homes, 12,000 jobs and an investment of £1.2 billion from the private sector? What steps is he taking to facilitate the project's expeditious progress?

**Jim Mather:** In the middle of our major event on planning this week, I took time out to meet the Capella Group's chief executive, Jim Fitzsimons, to discuss in detail the Ravenscraig project and that company's role in it. At that meeting, I agreed that we would bring together all the main stakeholders to discuss the way forward and consider all the proposed options.

### **Police Services (Charging)**

**6. Margo MacDonald (Lothians) (Ind):** To ask the Scottish Executive whether it is satisfied that the requirements of core policing are not compromised by the practice of private hire of police personnel. (S3O-4574)

**The Cabinet Secretary for Justice (Kenny MacAskill):** Yes—I am satisfied that the requirements of core policing are not being compromised by police forces charging for their services in appropriate circumstances. The police's primary duty is to protect the public and to ensure the safety of our communities. They also have a duty to ensure that local taxpayers are not called on to subsidise policing operations that do not benefit the wider community. That is why I consider it right that they should recover the costs of policing highly significant commercial events such as major sporting fixtures, pop concerts and film shoots. We are committed to increasing policing levels in our communities and we are supported in that by all Scotland's chief constables and police boards.

**Margo MacDonald:** I am still a little puzzled. I think that the cabinet secretary has told me that it is all right to police a pop concert if it is in the general community's interests, but I would have thought that that is not in the general community's interests and that security firms are much better qualified to do such work than are off-duty policemen, whose recreation time is eaten into, or policemen who are transferred from other core policing jobs.

**The Presiding Officer:** I am not sure whether there was a question, but the cabinet secretary might wish to comment.

**Kenny MacAskill:** Such matters involve a balance. We want events such as pop concerts and football matches to pay for policing because they are commercial. Equally, the police should go to remembrance Sunday, Boys Brigade and other events to ensure that the community provides benefit.

Private security firms have a role. The Parliament endorsed the Security Industry Authority and the Private Security Industry Act 2001, and the profession is now much better monitored and regulated. However, it is still inappropriate to hand over to private security firms

what happens on the public street, which must remain a part of core policing. At a rugby or football game or a pop concert at Murrayfield, Hampden or elsewhere, Rock Steady Security and other private companies deal with many matters, but police are also present in many instances. However, external to stadia, it would be appalling to hand over to private security some activities that should remain a part of core policing.

### **HM Treasury (Meetings)**

**7. Derek Brownlee (South of Scotland) (Con):** To ask the Scottish Government what recent discussions it has had with HM Treasury. (S3O-4581)

**The Cabinet Secretary for Finance and Sustainable Growth (John Swinney):** Scottish Government officials met HM Treasury officials on 24 October 2008 to discuss a variety of issues.

**Derek Brownlee:** That is a cryptic reply. I understand that interesting discussions have taken place on my favourite subject—a local income tax. Is it the Government's understanding that more people in Scotland will have to file an annual tax return under the local income tax than is presently the case?

**John Swinney:** As Mr Brownlee will know, the Government is considering the contents of the consultation exercise on the local income tax proposal that we carried out earlier this year. When we have taken decisions on that consultation, we will set out proposals to Parliament and allow it to judge them. At that stage, I am sure that Mr Brownlee will get a detailed answer to the question, if that is required.

### **National Health Service (Cleaning and Catering)**

**8. Jamie Hepburn (Central Scotland) (SNP):** To ask the Scottish Government what benefits it believes may be derived from the phasing out of private cleaning and catering contracts in the NHS. (S3O-4645)

**The Minister for Public Health (Shona Robison):** We believe that NHS clinical services should be provided by the NHS. Cleaning and catering services are regarded as core to the delivery of our clinical services, and as such are better provided directly by NHS staff.

**Jamie Hepburn:** Will the minister outline in a bit more detail how the initiative might improve the patient experience in the NHS?

**Shona Robison:** I am happy to do so. It is clear to us that when cleaning and catering services are part of the NHS, it is easier to have control over them and they can be better integrated. That adds up to better patient care, a more seamless joining

up of services and the ability to vary services within hospitals, particularly cleaning services, when required. Such services are better delivered as part of the NHS.

### House Repossession

**9. Mary Mulligan (Linlithgow) (Lab):** To ask the Scottish Executive what measures are being taken to help home owners facing repossession. (S3O-4621)

**The Minister for Communities and Sport (Stewart Maxwell):** We are building on the existing mortgage to rent scheme to develop a new home owners support fund, with a budget of £25 million over two years. Mortgage to rent helps people who have little or no equity to stay in their homes. A new mortgage to shared equity scheme will be launched early in 2009 to help home owners who have built up a level of equity in their properties. We are also launching a new awareness-raising campaign for the national debtline in November, to encourage people to take action at an early stage to address their debt problems.

**Mary Mulligan:** In a recent news interview, the Cabinet Secretary for Health and Wellbeing said that people who are in negative equity could apply for the Scottish Government's mortgage to rent scheme. Will the minister confirm that such people would need to find the money to make up the gap in the equity and that that could amount to hundreds, if not thousands, of pounds?

**Stewart Maxwell:** It is correct that people who unfortunately find themselves in negative equity can still apply for the mortgage to rent scheme. Some of the press comment about that was incorrect. Such people can negotiate their remaining debt with their lender to find a repayment package that suits. In some cases, lenders have written off the debt when it has been reasonably small, but in other cases people will have to find a way of paying the debt over a period. They took on the debt and it will remain with them. The major advantage of the mortgage to rent scheme is that the vast majority of people's debt can be paid off and they can stay in their home, which is very welcome.

**Malcolm Chisholm (Edinburgh North and Leith) (Lab):** What action will the Scottish Government take to put the onus on the courts, rather than individuals, to ensure that repossession is a last resort, especially given that individuals who exercise their rights under the Mortgage Rights (Scotland) Act 2001 do not normally have access to legal aid?

**Stewart Maxwell:** The Mortgage Rights (Scotland) Act 2001 provides significant protection for those who are at risk of repossession. Owners

have the right to ask a sheriff to give them time to pay off arrears and lenders are obliged to comply fully with Financial Services Authority regulations.

The Scottish Government will urgently consider whether the act requires any additional provisions, and will keep the matter under close review. It is clear that there has been a lot of misinformation about the scheme of late. I quote Kennedy Foster of the Council of Mortgage Lenders, who made matters clear this week when he said:

"There has been much media comment that the new protocol introduced in England and Wales places Scottish borrowers who are in arrears with their mortgage and face repossession at a disadvantage. We do not believe this to be the case, as the protocol reflects the requirements which already apply on lenders in terms of"

mortgage conduct of business rule 13,

"which applies throughout the UK, as does our industry guidance".

## First Minister's Question Time

**The Presiding Officer (Alex Fergusson):** In the understandable absence of Iain Gray today, question 1 will be asked by Johann Lamont.

### Engagements

**1. Johann Lamont (Glasgow Pollok) (Lab):** To ask the First Minister what engagements he has planned for the rest of the day. (S3F-1115)

**The First Minister (Alex Salmond):** I welcome Johann Lamont to her place—I fully understand the reasons for Iain Gray's absence today.

I will have meetings later today to take forward the Government's programme for Scotland.

**Johann Lamont:** We share on all sides of the chamber a commitment to seek to protect all those in Scotland who are facing the consequences of the global economic crisis. While the First Minister was down in London this week meeting the bosses of Lloyds TSB, Labour was meeting the unions that represent Scottish bank workers. Before he went to London, he said that his first priority was to protect jobs. What guarantees on jobs did he extract from the Lloyds TSB board?

**The First Minister:** I spoke to the unions that represent the bank workers before I went to meet the Lloyds TSB board. I cannot say that Lloyds TSB gave undertakings in terms of either numbers or decision making with regard to jobs in Scotland. The argument that it is putting forward is that until it goes through the merger process and the merger is complete, it is not in a position to look at the organisational structure of any merged organisation.

However, with regard to putting forward the case for Scotland, the operational excellence document to which the Cabinet Secretary for Finance and Sustainable Growth has referred goes through in great detail the substantially good reasons, in terms of quality of workforce and cost effectiveness, why the key functions of any bank—Lloyds TSB, HBOS or any other financial institution—should be located in the Scottish financial sector.

**Johann Lamont:** I take it from his answer that the First Minister has as yet secured no guarantees in relation to employment.

The First Minister told us that the Lloyds TSB board would be

"left in no doubt of their obligations to Scotland in terms of employment and corporate presence."

What guarantees has the First Minister extracted from the Lloyds TSB board about corporate headquarters?

**The First Minister:** My answer is the same as the one that I gave to the member's first question.

I managed to catch some of the earlier HBOS debate, and I detected enthusiasm among members on the Labour benches about the merger between Lloyds TSB and HBOS. It is clear—as has been identified from the start—that there are serious concerns about the number of jobs not just in Edinburgh but throughout Scotland. There are also serious concerns about decision making in relation to locations and about competition affecting small businesses and economic welfare in Scotland. That is why some of us have been pursuing the arguments, rather than just accepting that the process that the Labour Party supports is inevitable. It seems entirely reasonable that the job of the First Minister of Scotland—and, I hope, the job of the entire Parliament—is to defend the Scottish interest as best we can, whatever the circumstances.

**Johann Lamont:** I reassure Mr Salmond that he does not stand on his own in wanting to protect the interests of workers in Scotland. However, the fact is that he sought two guarantees and has secured none.

At the most recent First Minister's question time, Labour urged the First Minister to contemplate the possibility of changing his mind to protect Scottish jobs. Was the subject of the local income tax raised by him or the Lloyds TSB board at his meeting on Tuesday?

**The First Minister:** If the local income tax proposal is agreed to by the Parliament, it would benefit the vast majority of bank employees in Scotland, as it would the vast majority of the people of Scotland.

The question of guarantees is extremely interesting. Lloyds TSB indicated that it would follow what was stated in the letter of intent. That letter said that there was a focus on jobs in Scotland; that the Bank of Scotland headquarters will remain on the Mound; and that the note-issuing function will continue—in other words, that the Bank of Scotland will continue as an organisation.

However, those indications were made before the recapitalisation of the banks. Whatever our views about the best possible outcome for Scotland, is it not entirely reasonable that the major shareholder in any merged organisation, Her Majesty's Government—if you like, Alistair Darling and Gordon Brown—should make an indication as that major shareholder? Are they asking for jobs and decision making to be located in Scotland?

**Johann Lamont:** I am not an economist, so I will keep it simple for the First Minister. First, it would be helpful if he could answer the question

about whether the local income tax was discussed at the meeting. We are talking about what he can do, rather than what he singularly failed to do at his meeting. Throughout Scotland, in these difficult times, trade unions and businesses agree that the local income tax is a serious disincentive to jobs, business and Scotland's ability to attract corporate headquarters. I would be astonished if that was not discussed at the meeting.

Given the range of concerns about the impact of the local income tax on jobs in Scotland, even if it is too much to contemplate the possibility that the First Minister will change his mind and drop the proposal, will he at least, as a first step, consider the plea from the Scottish Chambers of Commerce? It states:

"We believe that it is entirely unacceptable for ministers to refuse to conduct research into the direct costs to SMEs of the administration of such a tax."

The First Minister tells us that he will "strain every sinew", but that is assertion and not action. In response to the concerns about the local income tax, will he at least commission research on the impact of such a tax? Will he swallow his pride and do that little bit to establish what his local income tax would actually cost?

**The First Minister:** We know exactly what the impact of the local income tax that we propose would be on the people of Scotland, which is why the overwhelming majority of the people of Scotland support it. I remind Johann Lamont of the details. Four out of five Scots will be either better off or no worse off under the LIT proposals, which is one reason why they are so popular.

In her question, Johann Lamont ranged far and wide. She said that she is not an economist, and I fully agree with that statement. Neither is John Park a footballer, but that does not mean that we cannot answer questions. Introducing a fair tax that is based on the ability to pay, under which the vast majority of people will be better off, is not just a good thing to do but an extremely popular thing to do.

### Prime Minister (Meetings)

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

To ask the First Minister when he will next meet the Prime Minister. (S3F-1116)

**The First Minister (Alex Salmond):** I have no immediate plans to meet the Prime Minister.

**Annabel Goldie:** Our First Minister's priorities are revealing. Yesterday, when he could have been in London not just to meet but to question both the Prime Minister and the Secretary of State for Scotland, his priority was to campaign in Glenrothes and put his party before his country.

As the First Minister was in Glenrothes,

however, he will understand the importance of doing everything possible to drive forward the local economy including, for example, improving transport infrastructure. His colleague Tricia Marwick has supported the Scottish Conservatives' calls for the A92 around Glenrothes to be dualled on economic and safety grounds. However, I am told that the Scottish National Party candidate for the Glenrothes by-election said at a hustings this week that such a move was "not a top priority". Where there should be clarity about a key transport project in Fife, there is now total confusion. What is the First Minister's position?

**The First Minister:** My position is that the strategic transport review, indicating the billions of pounds of investment going into infrastructure projects in Scotland, will be published shortly. It will be published for the whole country and it will indicate the better financial mechanisms that will allow that infrastructure plan to be pursued.

I hope that Annabel Goldie will join me in agreeing that there is a particular question about capital investment at the moment. I hope that members of all parties agree that capital investment should be taken forward. That view has been reflected, of course, in the Scottish Government's response to the economic situation.

The lack of clarity about the capital cover for the future of this spending review's capital plans is a serious impediment to that process. From next April, everything is to come on balance sheet. I welcome that step, but I am sure that the Parliament will acknowledge that clarity on capital cover for previous off-balance-sheet finance is crucial if we are to deliver the transport infrastructure projects and the range of capital investments that are vital for the Scottish economy.

**Annabel Goldie:** If there is confusion in the SNP on roads, confusion does not begin to describe its attitude to buses. The people of Fife depend heavily on bus services that are operated principally by a long-established family firm and by Stagecoach—a name that is more than familiar to the First Minister.

On buses, I understand that the same SNP candidate said last night:

"I hope the party's not listening. Bus companies don't work when privately owned."

Oh really? Is that the SNP's position? Is that the First Minister's position? Is it goodbye to family firms and "Sling your hook, Mr Souter"? Are the days of Stagecoach in Fife over? What is the position?

**The First Minister:** The position is that the Government gives huge support to the bus

companies of Scotland to allow every old-age pensioner in the country the free bus travel to which they are entitled. Annabel Goldie does not welcome every single thing that the SNP Administration does, but I am sure that she will join me as both of us look forward to the free bus passes that we will get in the not-too-distant future, with the SNP Government's guarantee of a bus pass for every old-age pensioner in Scotland, not just for a by-election and not just in Fife, but across the country. That is wholly to be supported and welcomed.

### **Cabinet (Meetings)**

**3. Tavish Scott (Shetland) (LD):** To ask the First Minister what issues will be discussed at the next meeting of the Cabinet. (S3F-1117)

**The First Minister (Alex Salmond):** As ever, the Cabinet will discuss issues of importance to the people of Scotland.

**Tavish Scott:** In the chamber in April, the First Minister spoke about the Human Fertilisation and Embryology Bill. This week, Cardinal Keith O'Brien said that the proposals in the bill were akin to "Nazi-style experiments", and he said that it was behaviour

"last seen under the Nazis".

Does the First Minister think that that is the right sort of language to use?

**The Presiding Officer:** I do not believe that the First Minister has responsibility for what Cardinal O'Brien has said. I give the First Minister the opportunity not to respond to that if he so chooses.

**The First Minister:** I have made my own comments on the Human Fertilisation and Embryology Bill. It is a matter of personal conscience. I am sure that members would at no stage deny Scotland's cardinal or any other person the right of free speech.

**The Presiding Officer:** I should caution you, Mr Scott, that your further questions should be on a subject for which the First Minister has direct responsibility.

**Tavish Scott:** I quite agree that free speech is a pillar of our society, but I do not think that a First Minister of any persuasion should equivocate on such language. The debate is extremely important, but the last thing that it needs is extreme language.

The First Minister's Government is investing—as previous Governments were right to do—in building Scotland's life sciences industry. It is one of Scotland's priority industries, and it gets millions of pounds of support from his Government. Equivocation is not an option when language about Nazis could put Scottish jobs at risk. What

steps is he taking to put right the damage that might be done?

**The First Minister:** When it comes to choosing how to treat an extremely serious issue, I do not think that Tavish Scott has given a good example at today's question time. The life sciences industry is extremely important for Scotland. We have indicated our support for it across a range of activities. That is what I am responsible for as First Minister of Scotland, and we will continue to discharge that responsibility.

**The Presiding Officer:** I will take a constituency question from Dr Elaine Murray.

**Elaine Murray (Dumfries) (Lab):** The First Minister might be aware that last Friday Shasun Pharma Solutions Ltd announced its intention to close its plant at Newbie, in Annan, with the potential loss of 86 highly skilled jobs. What will he do to assist the efforts of Scottish Development International and Scottish Enterprise to find a buyer for the site and retain valuable jobs and a facility for life sciences research and development in Annan?

**The First Minister:** The full facilities of SDI and the arrangements for helping people with skills and retraining will be deployed in Annan, as they are being deployed in my constituency at the moment—I suspect that they will be required in a range of constituencies throughout Scotland in the current economic circumstances. Annan will get the same priority from SDI and other agencies. If the constituency member wants to discuss the matter with the Cabinet Secretary for Finance and Sustainable Growth or the Minister for Enterprise, Energy and Tourism, we will be pleased to set up a meeting.

**The Presiding Officer:** We have another constituency question, from Angela Constance.

**Angela Constance (Livingston) (SNP):** Is the First Minister aware that Cable & Wireless has made a share acquisition of Thus, a leading telecommunications company that provides more than 200 highly skilled jobs in my constituency? There will be redundancies of Thus employees only, which greatly disadvantages the Livingston constituency. What representations will the First Minister make to protect jobs in my constituency in the current economic climate?

**The First Minister:** I have already made representations on the matter during the past few months, as the issue emerged. Jim Mather, the Minister for Enterprise, Energy and Tourism, has been making representations as well. It is clearly a matter of serious concern to the workforce. There have been indications from Cable & Wireless that some suggestions about job losses are wide of the mark. We have sought, and will continue, to make representations. In all circumstances, ministers in

this Government will act in the interest of the workforce and the Scottish economy.

### Capital Investment Projects

**4. Ian McKee (Lothians) (SNP):** To ask the First Minister what effect the global financial downturn will have on major capital investment projects in Scotland. (S3F-1121)

**The First Minister (Alex Salmond):** We will continue to make substantial investment in public capital programmes across Scotland. In March we announced our £35 billion infrastructure investment programme for the next 10 years, including £14,000 million over the current spending period to March 2011. Last week, the Inverclyde Council schools project, with an investment value of £80 million, was signed. That project and the many projects currently under construction show that investment is moving forward in Scotland. In addition, in August I announced the acceleration of £100 million spending on the affordable housing investment programme, which will act as a valuable stimulus to the economy in these difficult times.

**Ian McKee:** Does the First Minister agree that the return to Scotland of £120 million of fossil fuel levy money, with no financial strings attached and no compensatory clawback elsewhere, would allow the Government to use that extra finance to initiate a capital investment programme of renewable energy projects? *[Interruption.]* Such projects would not only help hard-pressed Scottish businesses and preserve Scottish jobs but reduce our dependence on energy generated from fossil fuels.

**The First Minister:** Such was my enthusiasm to answer Ian McKee, I almost started too early.

The member puts his finger on a hugely important issue. The Office of Gas and Electricity Markets money, which is sitting in a bank account in London and was raised by contributions in Scotland to the fossil fuel levy, is funding to which we can have access. It is unfortunate that the Treasury's current position is that the money would be deducted from the departmental expenditure limit, which means that Scotland would get no advantage from that revenue.

However, I am delighted to say that, for the first time in recorded political history, I have the support of the former Labour minister Brian Wilson, who of course was an energy minister and understands the topic, in pursuing what could be vital and valuable investment for Scotland. I hope that the Parliament can put aside party interest, as Brian Wilson has managed to do, and unite in seeking access to that £120 million for renewables investment. We need look no further than just across the Forth to Tullis Russell in Markinch for a

great example of how we can harness the natural resources of Scotland to increase the competitiveness of Scottish industry. There, Government investment of £8 million is helping to build a biomass generator, securing the future of a great, 200-year-old Scottish company and securing 550 jobs in the paper mill workforce and new jobs in the new generator. Would that the chamber united to get that £120 million so that we could see such projects throughout the country.

**Margaret Smith (Edinburgh West) (LD):** Let us seamlessly travel back across the Forth. The First Minister will be aware of my constituency interest in the new Forth crossing, which is likely to cost in the region of £3 billion to £4 billion, and how it might be financed. The Government has obviously ruled out a private finance initiative and tolls, and there has been a lack of real progress on the Scottish Futures Trust.

I appreciate that the First Minister has been looking far and wide for the necessary funding, including looking at middle eastern sovereign funds.

**The Presiding Officer:** Come to a question, please.

**Margaret Smith:** Given the global financial downturn and the fluctuations in oil prices, will the First Minister give assurances about how, when and where the necessary funding will be secured to deliver the new bridge?

**The First Minister:** As we promised, we will set out the funding mechanisms for the new Forth crossing in a statement from the appropriate minister before the end of the year. At least under this Administration, in sharp contrast to the eight wasted years of the previous Administration, a decision has been made to proceed with the Forth crossing—something that the previous Administration was singularly unable to do.

**David Whitton (Strathkelvin and Bearsden) (Lab):** Given that the First Minister and his back benchers could not get their question and answer together, will he end what the Confederation of British Industry Scotland describes as the "current hiatus" by finally telling us today what the Scottish Futures Trust will do and how it will do it to provide some relief to Scotland's hard-pressed construction industry?

**The First Minister:** The Scottish Futures Trust adds value and gives more competitive terms to the public sector in Scotland in pursuing the billions of pounds of investment programme. David Whitton was clearly not paying too much attention when I answered Annabel Goldie. The only difficulty and delay in Scotland's capital programme, apart from the financial crisis that is besetting us all, is the inability so far to get clarification from the Treasury on key questions

about capital cover.

Given that both the chancellor and Prime Minister have—rightly—responded to the need for a Keynesian expansion in capital investment, perhaps the member can prevail on his friend the chancellor, and I will prevail on my friend the Prime Minister, to spell out the capital cover so that we can get on with the job of building things across Scotland to help combat economic recession.

### NHS Boards (Elections)

**5. Rhoda Grant (Highlands and Islands) (Lab):** To ask the First Minister whether the Scottish Government will guarantee that any costs associated with its plans for direct elections to national health service boards will not impact on front-line patient care. (S3F-1132)

**The First Minister (Alex Salmond):** The estimated costs of pilot elections to health boards are in our forward plan to be funded centrally from the health directorates' budget in 2010-11.

**Rhoda Grant:** NHS Highland has had to cut £36 million from its budget to stay out of the red. Some of that is a direct result of the SNP Government's policies. On top of that, the health board has to find £600,000 for car parking charges and to fund elections, as the Government is not stepping in to do that. What can the First Minister say to first-class clinicians who are being asked to make cuts in areas that

"were previously thought to be 'scary' or 'untouchable'?"

In what areas does he recommend that they make cuts?

**The First Minister:** I am sure that NHS Highland and NHS boards across Scotland will be severely relieved that the efficiency savings of 3 per cent suggested by the former Labour Party leader, which would have put NHS Highland in the position of having to find £54.9 million, were not carried into policy. They will also be relieved that the Labour Party manifesto, which was supported by Rhoda Grant and which said that there would be no allocations beyond Barnett consequential for the health service in Scotland and that funding would all go to education, was not put into practice either. I am sure that they will be puzzled to see that Rhoda Grant now seems to have turned against the abolition of car parking charges, which the Labour Party urged us to abolish for a long time.

In facing the pressures that affect every area of the public sector, people will be relieved that the finance allocated to the national health service in Scotland will be pursued to record levels over the next three years, in contrast to what would have happened if the Labour Party had remained in

government.

**Gil Paterson (West of Scotland) (SNP):** Does the First Minister agree that a cost of the current system of unelected health boards is the lack of accountability to the public that they serve, which is felt most acutely when hospitals are feared to be under threat?

**The First Minister:** In the *Sunday Herald* a few days ago, Dave Watson, the Scottish organiser of Unison, said:

"Health boards have always been opposed to the introduction of democracy in the NHS but it's the right thing to do. It's a cultural thing—they just don't get it."

There is resistance to the idea of democratisation of the health boards from some members of the existing structure. However, I agree with Dave Watson that it is the right thing to do, and I think that it will bring benefits to patients and the people of Scotland.

**Mary Scanlon (Highlands and Islands) (Con):** Is the First Minister aware that, even before any more money is taken from front-line services to pay for direct elections, mental health patients in the Highlands already have to wait up to four years and seven months to see a psychologist? How long does he think that a mental health patient should or can wait to see a psychologist? Is four years and seven months acceptable?

**The First Minister:** No, it is not, which is why I have said before to the member that we are considering bringing mental health within the waiting time guarantee. We want to deal with the situation that she describes so well. In turn, I am sure that she will concede that, with regard to the performance of the NHS, waiting times across the subjects that are covered by the guarantee have been moving towards record lows. Each and every one of us should be grateful for the efforts of the workers in the NHS who have made that possible.

### Local Income Tax

**6. Alison McInnes (North East Scotland) (LD):** To ask the First Minister what progress the Scottish Government is making in developing its plans for a local income tax. (S3F-1140)

**The First Minister (Alex Salmond):** The Scottish Government is committed to abolishing the unfair council tax. We are analysing the many substantive and important responses that members of the public and organisations—including the Liberal Democrats—have submitted. We shall release those responses, and an analysis of them, by the end of the year, and outline how the Government intends to take forward its proposals. We look forward to working with the Liberal Democrats and others across the chamber to bring forward that important legislation

in 2009.

**Alison McInnes:** I believe that I speak for many people across Scotland in welcoming the progress that is being made towards abolishing the unfair and regressive council tax. I have been greatly encouraged to hear that the Scottish Government is coming around to the Liberal Democrats' way of thinking on a truly local LIT that protects students and allows councils to retain powers on both sides of their balance sheet.

Does the First Minister also agree with the Liberal Democrats that those who enjoy a high income from dividends should contribute their fair share to local government expenditure? Can he give us any details today of how the Government will be developing proposals to achieve that?

**The First Minister:** The areas that Alison McInnes has identified are the areas that the Government is looking at to strengthen our proposals and to get wider parliamentary assent for them.

Alison McInnes phrased her question in a valuable way, as she reminded the chamber and, therefore, the people of Scotland, that the introduction of the local income tax means the abolition of the unfair council tax. The reason why the council tax is the most hated form of taxation, certainly since the poll tax, is quite clear: after its introduction, it was increased by 40 per cent in the Tory years and by a further 60 per cent in the 10 years following 1997. It doubled in the Tory and Labour years; that is why it is unpopular. The fact that it is unfair is exactly why the abolition of that hated tax is so welcomed by the people of Scotland.

**Ms Wendy Alexander (Paisley North) (Lab):** In light of that response, can the First Minister tell us why his Government decided this week to publish no estimates of any kind of the cost to Scottish business of the local income tax? Is it because the Government will make no estimates or is it simply because it refuses to publish them?

**The First Minister:** No, we will bring forward estimates as we bring forward the timetable for the legislation. That is what happens with every bill that comes before the Parliament. I know that Wendy Alexander does not approve of the local income tax, but I also know that there is substantial public support for it. I am sure that she would expect all estimates that are attached to the bill to be brought forward in a timely response to the consultation exercise, in time for the introduction of the legislation.

12:30

*Meeting suspended until 14:15.*

14:15

*On resuming—*

## Question Time

### SCOTTISH EXECUTIVE

#### Europe, External Affairs and Culture

**The Presiding Officer (Alex Fergusson):** I have raised the manner in which I expect questions to be asked with all business managers, who I hope will have discussed the issue with members. In the interests of fairness to all members, and to allow for as many questions as possible to be asked, members should keep their questions brief and in the form of a question, rather than a statement. In addition, I do not expect multiple questions to be asked. Although I have no desire to do so, if necessary and should members fail to adhere to that advice, I may be forced to stop questioners. I also expect ministers to respond accordingly.

#### Malawi (Sustainable Development)

**1. Ian McKee (Lothians) (SNP):** Briefly, to ask the Scottish Executive what steps it is taking to encourage sustainable development in Malawi. (S3O-4649)

**The Presiding Officer:** A splendid example, Dr McKee.

**The Minister for Europe, External Affairs and Culture (Linda Fabiani):** As announced last Monday, the Scottish Government is funding 29 projects from the international development fund to continue our programme of support for sustainable development. The projects include programmes in education, health, civil society and economic development in Malawi. The new funding allocation means that we have met the annual commitment to allocate at least £3 million to the Malawi development programme, taking into account existing projects.

**Ian McKee:** Are any of those projects concerned with the needs of disabled people in Malawi, whose needs are even greater than those of the average citizen there?

**The Presiding Officer:** Equally perfect.

**Linda Fabiani:** Several projects that received funding in our recent Malawi round will address specifically the needs of people with disabilities by enabling them to access educational, vocational and employment opportunities. Those include a project by the Global Concerns Trust that will provide carpentry and tailoring courses for adults with disability, and one by Malawi Tomorrow that promotes equality in education for blind and

visually impaired children. All the details of the projects are on our website—those are only two of the projects that affect the sector.

**Ted Brocklebank (Mid Scotland and Fife) (Con):** Does the minister agree that Malawi should remain the focus of Government overseas aid and that, until we have evaluated our contribution in Malawi fully, it would be foolhardy to dilute that effort by spreading our limited resource funding? Does she agree that only after that evaluation should we perhaps apply the experience that is gained in Malawi to neighbouring sub-Saharan Africa countries?

**Linda Fabiani:** There is general recognition of the special work that we are doing in Malawi. For the first time, an amount has been ring fenced for Malawi each year and we have focused the international development policy. As members know, we have a section for sub-Saharan Africa. Fourteen applications for that have been received and are being assessed. I will make announcements on that in due course, but I expect the applications to be focused and to take into account our experience in Malawi.

**Mr Frank McAveety (Glasgow Shettleston) (Lab):** The minister has visited Holyrood secondary school in the south side of Glasgow in my constituency. What efforts will the Scottish Government make to encourage other schools in Scotland to follow the incredible example of Holyrood secondary on investment in sustainable development activities for Malawians, particularly young children who face big challenges in education?

**Linda Fabiani:** That is an extremely important question. I was hugely impressed by Holyrood secondary school and would like to hear the outcome of the visit from the school. The Scotland Malawi Partnership does great work in Glasgow. Our team of officials in the Government also do a lot of great work to ensure that schools in Scotland and Malawi create links, which is extremely important. For example, one successful project in the present round has been run by Stenhouse primary school. That project can be used as a model of how to create co-operation agreements.

### **Traditional Arts and Scots Language**

**2. Hugh Henry (Paisley South) (Lab):** To ask the Scottish Executive what action is being taken to support Scottish traditional arts and the Scots language. (S3O-4606)

**The Minister for Europe, External Affairs and Culture (Linda Fabiani):** Traditional arts and the Scots language are extremely important to the Government. We are undertaking an audit of current provision for the Scots language to establish what measures are in place to promote it

and what opportunities exist to make further progress. I acknowledge that concerns have arisen following the Scottish Arts Council's recent decisions in its flexible funding allocations. I therefore welcome the council's extension of funding for Scots language organisations until October 2009 and its encouragement to three traditional arts groups to apply for further funding. I am considering how we can best ensure that our traditional arts can be supported in the longer term.

**Hugh Henry:** It hardly bears resemblance to the facts to say that there is support for Scottish traditional arts, because consideration does not pay the bills. A number of organisations in Scotland face financial crisis and an uncertain future. Will the minister ensure that adequate financial provision is made to ensure that those organisations are able to survive?

**Linda Fabiani:** Since the flexible funding round, the Scottish Arts Council has announced a strategic fund of £300,000 to address the future of the affected organisations. So far, £80,000 of that money has been committed to supporting the Scots Language Resource Centre and Scottish Language Dictionaries for a further six months on completion of the current funding in April 2009. Further details of allocation will follow the Scottish Arts Council's discussions with the traditional music forum, and I will also hold discussions with the forum. The unsuccessful organisations have been invited to apply for up to £30,000 to address strategic issues.

**Bill Wilson (West of Scotland) (SNP):** In light of the multiple benefits of introducing the Scots language into the school curriculum—which have been reported by local education authorities, and include the improvement of children's English—and of the imaginative measures that some LEAs have taken to introduce the Scots language, would the minister encourage a formal mechanism or forum for the sharing of best practice in the area?

**Linda Fabiani:** I am very impressed by the recent survey that Mr Wilson carried out across education authorities in Scotland. As I said, I await the results of the audit into the Scots language, which I expect next month. I have committed to holding a major seminar of interested persons and organisations in January; I hope that Mr Wilson will attend that, in light of the findings of his survey, and contribute to the on-going discussion.

**John Scott (Ayr) (Con):** As the minister knows, many traditional groups and others in the Scottish arts and culture sector are concerned about the possible cost of a merger between the Scottish Arts Council and Scottish Screen, and the impact that that could have on their funding. Can the minister give an estimate of what the overall transitional cost will be? Will she offer an

assurance that that cost will not lead to cuts in funding to traditional arts and other grass-roots organisations?

**Linda Fabiani:** As I said at committee recently, the transition cost for creative Scotland will be in the financial memorandum to the public services reform bill, which is due to come to Parliament and to the appropriate parliamentary committee. Out of respect for the Parliament, the cost will be discussed at that time and not before.

### Piping

**3. Stuart McMillan (West of Scotland) (SNP):** To ask the Scottish Government whether it is aware of the importance of piping to Scotland's economy. (S3O-4651)

**The Minister for Europe, External Affairs and Culture (Linda Fabiani):** Piping is an extremely important part of our national identity. Its economic importance includes drawing many visitors to Scotland.

Piping competitions and events play a key part in our cultural calendar, and pipe bands and pipers from across Scotland and beyond regularly take part in national and international competitions. For the year of homecoming in 2009, piping will feature in many of the events including Celtic Connections, the north-east clan fortnight and the gathering.

**Stuart McMillan:** Is the minister aware that next year is the 65<sup>th</sup> anniversary of the College of Piping, which coincides with the year of homecoming? Is the Scottish Government aware of the significant influence that the college—which is the oldest piping educational establishment in Scotland—has had on piping in Scotland and abroad? Will the minister accept an offer to visit the College of Piping to learn more about its valuable work?

**Linda Fabiani:** Yes, of course. I join Mr McMillan in congratulating the College of Piping on reaching a landmark anniversary. I have promised to visit the college during its anniversary year. The important contribution that the college has made to piping in Scotland—and the world—through the many ways in which it promotes and encourages piping is quite astounding. The college has maintained a high standard of piping education over the years, and I am sure that it will continue to do so for many years to come.

### Policy and Spending Priorities (European Union)

**4. Charlie Gordon (Glasgow Cathcart) (Lab):** To ask the Scottish Executive how it is changing its policy and spending programme priorities in relation to the European Union in response to the

economic impact of the global financial crisis. (S3O-4604)

**The Minister for Europe, External Affairs and Culture (Linda Fabiani):** As part of our six-point action plan in response to the global financial and economic situation, the Scottish Government will front-load spending on the 2007 to 2013 European structural funds programmes to provide a direct stimulus to the Scottish economy.

We have allocated £105 million under the European social fund and £138 million from the European regional development fund to projects across Scotland. Some £51 million of that funding has been allocated to community planning partnerships, which will help to support more than 30,000 people back into work and ensure that more than 20,000 people will gain relevant qualifications to ensure that they can develop skills to help them to progress through to employment.

**Charlie Gordon:** The minister will recall that at a meeting of the Parliament's European and External Relations Committee earlier this month, I and other members pressed her on the need for flexibility of our EU priorities and funding programmes to respond to any detrimental effects of the current global financial crisis on, for example, small and medium-sized enterprises and urban regeneration projects. Can Parliament expect to hear details of such flexibility in those areas soon?

**Linda Fabiani:** Yes. As I have always stressed, our European priorities are set out in such a way that we expect them to be flexible and able to adapt to changing circumstances.

Similarly, the First Minister recently met the Secretary of State for Scotland to discuss areas of flexibility, in both Scotland and the United Kingdom. They have pledged to maintain regular contact and to work together in that regard. Of course, that will spread throughout Government with much discussion and co-operative ventures to ensure that we are doing the best for Scotland in economic terms.

**Jamie Hepburn (Central Scotland) (SNP):** Does the minister agree that the Scottish Government's approach to assisting economic recovery in Europe is far more constructive than that of the UK Government, which labels our neighbours as being somehow bankrupt or insolvent?

**Linda Fabiani:** Absolutely. The Government believes Scotland to be a strong part of Europe and wishes to work with our European partners to best advantage for Europe and Scotland, which is always at the forefront of our minds.

**The Presiding Officer:** Question 5 was not lodged.

## Scottish Screen

### 6. Murdo Fraser (Mid Scotland and Fife)

**(Con):** To ask the Scottish Executive what criteria are applied by Scottish Screen when awarding grant assistance to feature film projects. (S3O-4588)

**The Minister for Europe, External Affairs and Culture (Linda Fabiani):** Scottish Screen uses four main criteria when assessing applications across all funding strands. They are: cultural impact; creative impact; the business case and ability to deliver; and market/audience interest. Specific information related to each funding strand can be found in the investment guidelines on the Scottish Screen website.

**Murdo Fraser:** Was the minister able, during the recess, to catch the Scottish film "Stone of Destiny", which benefited from £300,000 of taxpayers' money? The film was derided by the critics, one of whom called it a national affront and said that it was

"A feeble caper full of toe-curling national stereotypes, tourist-board visuals and bluntly scripted platitudes."

Surely in times of economic recession and the squeeze on budgets, we should ensure that any public money that is spent on feature films is used for quality projects and not this sort of drivel.

**Linda Fabiani:** Sadly, I have not yet been able to see the film, although I look forward very much to seeing it because I have heard such excellent reports about it.

"Stone of Destiny" was funded jointly by Scottish Screen and the Canadian Film Council. It received a standing ovation when it opened the Toronto film festival. So far, the film has been released only in cinemas in Scotland; it goes on general release in England and Wales on 14 November. Scottish Screen has said that, if asked, I should highlight that a cinematic release is deemed to be a loss leader even for the biggest films and that the money is made in residual sales of DVDs and so on.

I feel confident that this little gem of a film—as it has been described to me by many people—will, like many other Scottish films, be enjoyed by people for years to come as it is, after all, about a part of Scotland's history.

**Christina McKelvie (Central Scotland) (SNP):** I can tell the Presiding Officer and members that I saw "Stone of Destiny" on the weekend that it opened, and my family and I loved it—*[Interruption.]* Surprisingly, yes. Does the minister think that new possibilities have opened up for Scottish Screen?

**Linda Fabiani:** Absolutely. We have many talented people in Scotland at all levels of the film

industry, from technicians all the way through to some of the finest actors and film makers in the world. When I look at some of the absolute gems that have been created in Scotland using Scottish-based artists, including that wonderful film "Stone of Destiny", I am sure that the future of the screen in Scotland is bright.

## BBC Alba (Scottish Programmes in English)

### 7. Nanette Milne (North East Scotland) (Con):

To ask the Scottish Executive whether there are plans to include Scottish programmes produced in English on BBC Alba, as highlighted in the final report of the Scottish Broadcasting Commission. (S3O-4584)

**The Minister for Europe, External Affairs and Culture (Linda Fabiani):** I congratulate BBC Alba on its success so far; with viewing figures released of more than 600,000 over its first week, it has exceeded the expectations of many. It is important that BBC Alba is able to build on that early success, establish its own identity and make progress by gaining access to other platforms.

BBC Alba advises that there are no plans to include Scottish programmes produced in English on the new channel at this time.

**Nanette Milne:** When will the future prospects of BBC Alba be reviewed and how will they be determined?

**Linda Fabiani:** It is important to remember that MG Alba's statutory remit is to commission and make programmes in Gaelic. To make English language programmes would be outside its statutory duties, so the introduction of English language programmes would cause some difficulties for MG Alba as a partner in BBC Alba. However, Ms Milne is right to raise the issue because the BBC trust would probably wish to assess the value and impact of the BBC Alba channel as it goes on. The BBC trust will do that, of course, in relation to BBC Alba moving to the Freeview platform. Over the years there will be many tests. We are working closely with the chair, board and staff of BBC Alba to ensure its continued success.

## "Scoping and Mapping Intangible Cultural Heritage in Scotland"

**8. Bill Aitken (Glasgow) (Con):** To ask the Scottish Government what steps it will take to implement the recommendations contained in the "Scoping and Mapping Intangible Cultural Heritage in Scotland" report. (S3O-4587)

**The Minister for Europe, External Affairs and Culture (Linda Fabiani):** Intangible culture heritage is a concept that the United Nations Educational, Scientific and Cultural Organization promotes, which concerns a broad range of

factors that communities and individuals recognise to be part of their cultural heritage. The "Scoping and Mapping Intangible Cultural Heritage in Scotland" report makes a number of recommendations about maintaining and promoting aspects of our nation's identity, cultural practices and living traditions. Museums Galleries Scotland, which the Scottish Government supports financially, commissioned the report and is pursuing the implementation of its recommendations with Napier University, which conducted the research that underpins the report.

**Bill Aitken:** What resources will the Scottish Government provide to ensure that the spread of ICH practice and knowledge creates business opportunities for Scotland?

**Linda Fabiani:** Museums Galleries Scotland, which commissioned the ICH report, is acting as policy leader and having further discussions with Napier University. There has been no financial impact on the Scottish Government at this stage. I await with interest the findings of Museums Galleries Scotland and Napier University.

**Rob Gibson (Highlands and Islands) (SNP):** Does the minister agree that, given that the school of Scottish studies at the University of Edinburgh collected many of our traditions in music and story before the folk revival, the scoping and mapping of intangible culture heritage must include the many festivals and storytelling events that have taken place since the folk revival? Will that material be collected and made accessible to people round the country?

**Linda Fabiani:** That is an interesting point, and I will ensure that it is passed on to Museums Galleries Scotland and Napier University. I have often stated in the chamber that the Government is committed to the traditional arts and to recognition of them. I want very much to take on board those aspects in my discussions about how we preserve and promote our traditional arts. I have arranged cross-party meetings in the Parliament of representatives with an interest in this area. What Rob Gibson has raised will inform part of the discussion, which I look forward to very much.

## Education and Lifelong Learning

**The Presiding Officer:** For the benefit of members who have entered the chamber since question time resumed, I repeat that, as they will know from their business managers, I expect questions to be kept brief and to be in the form of a question rather than a statement. I also expect ministers to respond accordingly.

As that has given ministers the time necessary to take their seats, we can move to question 1.

## Teachers (Aberdeen)

### 1. Richard Baker (North East Scotland) (Lab):

To ask the Scottish Executive what negotiations it has had with Aberdeen City Council on teacher numbers. (S3O-4593)

**The Minister for Schools and Skills (Maureen Watt):** Teacher employment is a matter for individual local authorities. We have had no negotiations on the subject with Aberdeen City Council. However, I understand that the council's budget monitoring board recently agreed to the recruitment of 59 additional teachers and a further five to provide maternity cover.

**Richard Baker:** What reassurances can the minister give me on future teacher numbers in Aberdeen? With more than 60 posts lost already this year and more redundancies looming, the local branch of the Educational Institute of Scotland has suggested that teaching posts can be saved only at the expense of closing schools. With other local authorities also cutting teaching posts, what has happened to the Scottish National Party's pledge to maintain teacher numbers? Teacher employment was not a matter for local authorities before the election, so why is it now?

**Maureen Watt:** The member seems not to have listened to my reply. Just in the past week, Aberdeen City Council's monitoring board has agreed to the recruitment of 59 additional teachers and a further five to provide maternity cover. Clearly, as we all know, the council is in a difficult financial position, which it inherited. I congratulate it on the speed of its recovery. I think that it will come to realise, as it has done recently, that it will need extra teachers. Richard Baker will no doubt have seen an interesting press article in which a prominent trade union leader states that Aberdeen should have

"an honest appraisal of the number of city schools required",

which implies that the union agrees that there may need to be more closures.

## School Meals

**2. Keith Brown (Ochil) (SNP):** To ask the Scottish Government whether it is aware of any economies arising from co-operation between local authorities in the provision of school meals. (S3O-4635)

**The Minister for Children and Early Years (Adam Ingram):** Provision of school meals is a matter for local authorities. However, the McClelland report urged the improved use of collaborative procurement activity in the public sector as a means of achieving value for money for the public purse and the sharing of expertise and best practice among public sector buyers.

I understand that collaborative catering initiatives by local authorities are already delivering economies in the provision of school meals. Economies are being delivered through improved buying power on basic items, reduced contract management and administrative activity and a more co-ordinated approach to product ranges and menu selection. I encourage all local authorities to continue to seek improved quality and value in the provision of school meals.

**Keith Brown:** Does the minister share my concern that some councils, such as Clackmannanshire Council in my constituency, which also provides school meals facilities for other councils, appear unaware of the potential opportunities for economies of scale and additional revenue that could be achieved through the free school meals initiative? Is he also concerned that some councils and council leaders seem unaware of the commitment that they freely entered into when they agreed to the free school meals initiative under the concordat? Is he concerned that they may be jeopardising this beneficial and popular policy?

**Adam Ingram:** As I said, I would certainly encourage local authorities to learn lessons from one another, which includes learning lessons from the free school meals pilot that we undertook during the past academic year. I am very encouraged by the response to the pilot initiative and by the overwhelming popularity that the initiative gained from local parents, teachers, headteachers and—not least—pupils themselves. I am very encouraged by the findings, which I suggest should be considered carefully by any local authority that wishes to object to the policy.

**The Presiding Officer:** Hugh O'Donnell.

**Hugh O'Donnell (Central Scotland) (LD):** Thank you, Presiding Officer, but the minister has already answered the question that I was going to ask.

**Murdo Fraser (Mid Scotland and Fife) (Con):** The minister will be aware of the evidence that was given to the Education, Lifelong Learning and Culture Committee yesterday by local authorities, 14 out of 24 of which said that they would have difficulty with the implementation of the policy. The Government says that the policy is fully funded, so who is wrong? Is it the Government or the local authorities?

**Adam Ingram:** I refer Murdo Fraser to the statement that was made by Pat Watters last week, in which he acknowledged and welcomed the fact that, within the financial settlement to which the Convention of Scottish Local Authorities agreed and signed up under the concordat, we have fully funded the introduction of free school meals for primary 1 to 3 pupils in 2010-11. To my

mind, some local authorities are trying to open up discussions because they have been facing exceptional pressures during the past year from increases in energy costs and the like. That is nothing to do with the financial settlement in relation to free school meals. They are using this issue to raise their concern about those pressures and I believe that some of our colleagues on the Labour side of the chamber are also being rather mischievous in developing their arguments about that. No doubt we shall be coming back to engage with them on the issues.

### Retraining

#### 3. John Park (Mid Scotland and Fife) (Lab):

To ask the Scottish Executive what support it is giving to people who wish to retrain. (S3O-4624)

**The Cabinet Secretary for Education and Lifelong Learning (Fiona Hyslop):** The Scottish Government is fully committed to the training and retraining of Scotland's people. We invest heavily in Scotland's lifelong learning system, providing individuals and businesses with access to a range of training to help to prepare them for the challenges that lie ahead.

In particular, reflecting the current economic climate, I am working with Skills Development Scotland and the Scottish Further and Higher Education Funding Council to identify opportunities to support people wishing to retrain. Recent steps to support those who wish to retrain include triggering our partnership action for continuing employment programme which, for example, is currently working in conjunction with the management of Freescale to deliver support through local PACE partners to those affected by the closure of Freescale's manufacturing facility; and opening up access to individual learning account funding to more people who are on low incomes and widening the range of work-related courses that attract ILA funding.

**John Park:** The cabinet secretary will be aware that there is a current issue in the financial services sector, in which employment will contract across Scotland. Has any consideration been given to putting in place a proactive scheme to work alongside employers to identify opportunities in other areas of the economy so that if people have to move out of the financial services sector, they can move into another area seamlessly?

**Fiona Hyslop:** We have to monitor the jobs situation. I reassure the member and Parliament that, during the past month, I met the board of Skills Development Scotland and the Scottish funding council to make the precise point that we should look for creative and different ways to work cross-sectorally and with institutions such as universities and colleges to ensure that we maximise workers' full potential, whether they are

in work, are seeking to retrain, or may have to seek alternative employment in the future depending on the jobs market.

### **School Meals (Funding)**

**4. Ken Macintosh (Eastwood) (Lab):** To ask the Scottish Executive whether it will renegotiate the concordat with local government to provide sufficient funding to fulfil its commitment to provide free school meals for all primary 1 to primary 3 pupils. (S3O-4616)

**The Cabinet Secretary for Education and Lifelong Learning (Fiona Hyslop):** We do not need to renegotiate the concordat as the local government settlement already provides sufficient funding to fulfil the Scottish Government's progressive policy to provide free nutritious school meals for all P1 to P3 pupils. We estimate that that will cost about £30 million when rolled out fully for the academic year 2011-12, with the roll-out starting in August 2010. That was confirmed by the all-party Convention of Scottish Local Authorities leadership group on Friday 10 October and again by the full convention on Friday 24 October. Labour MSPs might want to block free nutritious school meals for our youngest, but the rest of Scotland wants to see their implementation.

**Ken Macintosh:** I thank the minister for her reply and I also note the earlier answer of her ministerial colleague. On whether the policy is fully funded, will the minister respond to the evidence that the Education, Lifelong Learning and Culture Committee received this week from Falkirk Council, the City of Edinburgh Council and Aberdeen City Council—to name but three Scottish National Party-led or controlled councils? What exactly is wrong with the evidence of those councils, each of which has identified a problem with funding?

**Fiona Hyslop:** Unlike some members, I have read the written evidence that was presented to the Education, Lifelong Learning and Culture Committee, and I think that the gross distortions that have been made by some people will come back to haunt them.

In the submissions to which the member refers, there was no evidence that anyone said that we had not fully funded the proposal. As my colleague Adam Ingram indicated, there are issues with councils' decisions having to reflect the current economic situation, energy costs and so on. Some councils—I am thinking of certain Labour councils that have given evidence—might want to raid the school meals budget for other purposes, but that is a dangerous course to go down. I do not think that the health of our young people and our nation should be compromised by petty party politicking when there is a genuinely progressive, fully funded policy on the table.

**Bob Doris (Glasgow) (SNP):** We have already heard that Pat Watters of the Convention of Scottish Local Authorities said that the free school meals policy is fully funded. Does the cabinet secretary support the views of other members of COSLA who yesterday told the Local Government and Communities Committee that there is no need to renegotiate the concordat as a result of the policy, that any additional financial pressures on local government were external to the concordat, as they involved matters such as inflation in food and fuel prices, and that the free school meals policy is, indeed, fully funded?

**Fiona Hyslop:** Absolutely. Our job is to implement this progressive policy. I am pleased that COSLA is recommending that we move to the next stage, which is legislation. The legislation will remove the legal block to free school meals. We know that, in the previous session, the Labour Party refused to remove that block or, indeed, extend the policy. I hope that the Parliament can come together behind what is a commonsense, practical and popular policy that will improve the health of our youngest pupils.

### **Pupils for whom English is an Additional Language (Glasgow)**

**5. Mr Frank McAveety (Glasgow Shettleston) (Lab):** To ask the Scottish Executive what additional resources it will provide to Glasgow City Council to support schools that have a substantial number of pupils who do not have English as a first language. (S3O-4613)

**The Minister for Children and Early Years (Adam Ingram):** The Scottish Government is investing record levels of funding in local government—£34.9 billion over the period from 2008 to 2011. All education authorities have the flexibility to allocate the resources that are available to them to meet their local needs and priorities. That includes providing for pupils for whom English is an additional language.

In addition, we continue to encourage schools and colleges to work in partnership to meet the needs of learners. As part of our adult English for speakers of other languages strategy for Scotland, the Scottish Government and the Scottish Further and Higher Education Funding Council have recently allocated £2.7 million of additional funding to community learning and development partnerships and colleges, along with advice encouraging them to develop the ESOL strategy for families and to actively link with schools as one of the key priorities.

**Mr McAveety:** The purpose behind my question relates to the unforeseen pressures that have emerged in my constituency as a result of the intake of more than 2,000 new residents from the Slovakian Roma community, due to recent

changes in the European Union. That has resulted in major pressure for Annette Street primary school in particular.

Will the minister meet me and local parents and community representatives to address the pressures that that school and one or two others in the Govanhill area are facing, so that we can ensure that the good reputation that Annette Street school has for meeting the needs of diverse communities, which it has done for a number of years, is upheld, and address ways in which we can, in partnership with the city council and the Scottish Government, find ways in which resources can be used to meet the needs of those new, emerging communities?

**Adam Ingram:** I would be happy to meet Mr McAveety to discuss that situation. He will be well aware that Glasgow City Council recently reviewed its provision of English as an additional language service and found that it did not meet the needs of all its children. It is reorganising its staff, deploying them more efficiently and targeting them in areas in which the most need has been identified—Govanhill might well be in that category. I note that there have been significant increases in funding for some colleges in Glasgow. John Wheatley College, which is in the member's constituency, has received £36,000 in extra funding for the teaching of English as an additional language.

**The Presiding Officer:** Question 6 has been withdrawn.

### School Building Programme

**7. Mike Pringle (Edinburgh South) (LD):** To ask the Scottish Executive whether it is still committed to matching the previous Administration's school building programme brick for brick. (S3O-4666)

**The Cabinet Secretary for Education and Lifelong Learning (Fiona Hyslop):** Yes. Just last week, we signed off another major school building project in Inverclyde, which will see the construction of four new low-carbon schools. The project will benefit 2,500 pupils and the construction industry to the value of around £80 million. Since May 2007, the Government and authorities have committed a further £2 billion to the on-going school investment programme. We anticipate that, during the four-year parliamentary session, we will deliver or secure through a range of funding mechanisms around 250 schools, benefiting more than 100,000 pupils. That certainly matches the previous Administration's school building programme brick for brick.

**Hugh O'Donnell (Central Scotland) (LD):** It is the previous Administration's school building programme.

**The Presiding Officer:** Order.

**Mike Pringle:** The minister will be aware of the problems that the school building programme in Edinburgh faces in the current economic downturn, especially in my constituency. Two secondary schools—Boroughmuir high school and James Gillespie's high school—need to be either moved or completely refurbished. With the Scottish Futures Trust currently little more than a glorified advice shop and with no scope for capital investment, what practical steps will the Scottish Government take to ensure that Edinburgh's school building programme remains on track and on time?

**Fiona Hyslop:** It is up to the City of Edinburgh Council to ensure that its programme proceeds. At the end of the day, each and every one of us must make choices. It is regrettable that in Edinburgh the Liberal Democrats chose to support trams rather than capital investment in school building, but it is for authorities to make choices based on local circumstances. The school investment programme is progressing and has not been halted. A range of funding mechanisms is being used, including the traditional procurement method of borrowing. It is important for the construction industry to know at this time that, over the next four years, there is £2 billion-worth of construction business in the school building programme from which it can benefit.

### Schools (Edinburgh)

**8. Sarah Boyack (Edinburgh Central) (Lab):** To ask the Scottish Executive what discussions it has had with City of Edinburgh Council regarding investment in school infrastructure. (S3O-4595)

**The Minister for Schools and Skills (Maureen Watt):** Ministers and Government officials have met council representatives on a number of occasions. Issues relating to school buildings have been discussed at those meetings.

**Sarah Boyack:** Following on from that answer and the previous answer from the cabinet secretary, is the minister aware that, only yesterday, the City of Edinburgh Council announced that it faces a £20 million funding gap due to the credit crunch alone? Given that the council was already unable to fund major investment in schools such as Boroughmuir high school, in my constituency, James Gillespie's high school, to which Mike Pringle referred, and Portobello high school, what help does the Scottish Government intend to offer the council? If the Government's attitude is that school building has nothing to do with it and is a matter for the council, what comfort can it offer to parents of children in the schools that I have mentioned? Which of the 250 projects to which the cabinet secretary referred will happen in Edinburgh?

**Maureen Watt:** As they say in the other place, I refer to the answer that my colleague gave earlier. I reiterate that it is up to the City of Edinburgh Council to decide how it spends its money. Almost £3 billion, including an extra £115 million in 2008-09, is available to the 32 local authorities for investment in infrastructure, including schools. Like everyone else, we recognise the impact of the credit crunch but, in the end, decisions about school building rest with the City of Edinburgh Council. I am sure that the extra investment that has been provided and the money that will come from the Scottish Futures Trust will enable the City of Edinburgh Council, along with other councils, to continue investing in schools. As the cabinet secretary said, in the Government's first year, 11 capital projects, to the value of more than £1 billion, have been delivered in collaboration with local authorities. That is a very good start.

## Teacher Employment

**The Presiding Officer (Alex Fergusson):** The next item of business is a statement by Fiona Hyslop on the teacher employment working group report. The cabinet secretary will take questions at the end of her statement, so there should be no interventions or interruptions during it.

14:55

**The Cabinet Secretary for Education and Lifelong Learning (Fiona Hyslop):** On 5 June, I announced that I had set up a teacher employment working group, chaired by Joe Di Paola of the Convention of Scottish Local Authorities, to assess whether the current teacher workforce planning process, which we inherited from the previous Administration, was fit for purpose.

The working group was asked to review the teacher workforce planning process, taking into account relevant policy developments; to examine whether improvements could be made to maximise the compatibility of student numbers and employment opportunities for teachers; to consider the impact of the teacher induction scheme; and to make recommendations for improvements in the process. It included all those with an interest in the agenda: the Association of Directors of Education in Scotland, the Educational Institute of Scotland, the Scottish Secondary Teachers' Association, the Association of headteachers and Deputies in Scotland, School Leaders Scotland, the teacher education universities, the General Teaching Council for Scotland, the Scottish Government and COSLA as the representative of local authorities, who are the responsible employers.

I am pleased to say that the group has submitted its report. Copies of it have been placed in the Scottish Parliament information centre and are available in the chamber for members. I have also arranged for the report to be published on the Scottish Government website. I am grateful for the efforts of all involved in drawing together this important piece of work. The fact that the report's recommendations have been agreed unanimously by such a wide range of interests is instructive and provides assurance about the way forward.

I will make it clear how seriously the Government takes this issue. At this time of year, any system would result in a proportion of teachers who had completed their probationary year not yet being able to find permanent employment. If that were not the case, come the winter—when more teachers retire and others get sick—we would have children being sent home because of a lack of teachers. That is not a new problem: the proportion of post-probationary

teachers unable to find permanent employment has been increasing year on year since 2005. When the GTCS survey is published later this year, we will know whether the trend that started under the previous Administration has continued.

It is important that we understand the difficulties that are inherent in teacher workforce planning. The number of teachers who completed their probationary year this summer and who sought jobs as fully qualified teachers in the autumn is the product of decisions on teacher workforce planning taken by ministers of the previous Administration in December 2005. That applies only to the one-year postgraduate course. For teachers who undertook the four-year BEd course, workforce planning decisions were taken in December 2002. It is important that we do not underestimate the complexities involved.

Soon after taking office last year, we demonstrated our intent on this agenda by investing an additional £9 million to provide 300 extra teaching jobs—300 more jobs than would have been available had Scotland not elected a Scottish National Party Government in May 2007. In the local government settlement for 2008 to 2011, £34.9 billion was allocated to Scotland's councils—a 13.1 per cent increase across the period. Regardless of efficiency savings in other areas, we provided a package that ensured that local government could maintain teacher numbers at August 2007 levels.

In Fife, an additional £41 million is being spent over the next three years, creating 27 additional teaching posts to implement the reduction of class sizes. In South Lanarkshire, the council has taken on additional teachers in 11 primary schools and has already set a maximum class size of 18 for primary 1 classes in schools with the highest levels of deprivation. North Lanarkshire Council is reducing class sizes in its primary 1 intake from 25 to 23. Progress is being made. West Lothian Council and Orkney Islands Council are both reducing class sizes year on year.

The teacher employment working group report concludes that, fundamentally, the teacher workforce planning system in Scotland remains broadly fit for purpose. I welcome that. However, I want to ensure that no stone is left unturned in improving the system. The report makes 12 recommendations on how it might be improved, and I am pleased to accept them all. I will highlight a few recommendations on which I want to be even more ambitious.

When I took office, I was surprised to learn that the system that I inherited did not fully factor council plans into national workforce planning. It is essential that that happens. Today, I am asking that COSLA and local authorities work more closely with the Government's annual teacher

workforce planning exercise to ensure that supply and demand do not get out of sync.

National workforce planning decisions are taken at the end of the year and local staffing needs are established by authorities in spring. There is also the difficult time lag that I explained earlier. We need to be creative in looking for ways to bridge that gap. We must use the local data more effectively to inform national decisions on teacher training provision.

I am pleased that the report recommends a review of the winding-down arrangements for teachers, which were originally proposed and agreed as part of the McCrone agreement. I want to find out how we can help those teachers who would like to scale down their working week as they approach the end of their careers, thereby making space for newly qualified teachers.

The group recommends that, whenever possible, local authorities should use new post-probation teachers to fill supply vacancies. I am happy to endorse that approach, because it will help probationers to secure employment, improve their teaching skills and improve outcomes for our children.

The group recognised the changing financial environment in which we find ourselves. More than 6,000 teachers are expected to leave the profession this year alone, but some authorities that I visited over the summer told me that they had seen early signs that some teachers were delaying retirement because of financial uncertainty.

We should bear it in mind that no profession guarantees graduates a permanent job immediately. Teachers in Scotland are in a privileged position in that after they leave university they are guaranteed one year of employment, which propels them to full teacher qualification. That system is without parallel in other professions and is envied around the world. We invest in it because we acknowledge the vital contribution that teachers make to our country's future. However, I agree with the report's recommendation that probationers' expectations must be better handled. We must be clear that the guarantee is for one year's employment, after which teachers are in the same position as members of every other profession.

The preference waiver scheme is an important incentive to encourage teachers to live and teach in parts of Scotland that they would otherwise be less inclined to live and work in. Despite the existence of the scheme, it can still be difficult to fill vacancies in certain secondary subjects in certain parts of the country, including Dumfries and Galloway, Aberdeenshire, Highland, Argyll and Bute and the island authorities, so I intend to

increase the preference waiver payment for secondary teachers from £6,000 to £8,000 to help meet that difficulty. In addition, I welcome the recommendation to examine the housing, employment, family and relocation issues that are involved in attracting teachers to rural areas.

Let me make one final observation. The report notes with concern the potential impact of public debate about teacher unemployment. Over 93 per cent of newly qualified teachers who entered the profession last school year were in employment by the time that the follow-up GTCS survey was carried out in April. We should not lose sight of that fact. No one wants to create an environment in which the bright and committed people whom we need to enter teaching are put off doing so because of unfounded fears about a wholesale lack of opportunities. Not only would that present a completely false picture of the opportunities that exist in teaching, but it would have a significant impact on the quality of teachers who will be available to work with our young people in the future. That means that all politicians must be responsible in what they say on the issue.

I believe that the report's package of recommendations will ensure that the teacher workforce planning system is improved to deliver even closer alignment between national and local decisions, so I accept all its recommendations. In particular, I accept that there needs to be greater reconciliation between local and national workforce decision making; that the preference waiver payment scheme to attract teachers to areas that have vacancies should be raised to £8,000 for secondary-sector probationers; that there should be a review of the winding-down arrangements for teachers who are approaching retirement; that authorities and teacher education universities should explore whether more teachers can be educated by distance learning or in remote campuses; and that, whenever possible, post-probation teachers should fill supply vacancies and local authorities should consider making more use of permanent supply pools.

The Government will work with employers and unions to improve teacher workforce planning in Scotland. We owe it to Scotland's pupils to do so. I hope that I will have the support of all parties in the Parliament in that endeavour.

**The Presiding Officer:** The cabinet secretary will take questions on the issues that have been raised in her statement. We have around 20 minutes for such questions.

**Rhona Brankin (Midlothian) (Lab):** I thank the cabinet secretary for early sight of the statement, but the Labour Party thinks that it is a slap in the face for the hundreds of post-probationers in Scotland who are still looking for work. The statement offers virtually no new hope for those

unemployed teachers. The cabinet secretary tried to blame the situation on the previous Government. That will not wash. The key difference is that when the Labour-led coalition was in office, we did something about the situation. We ring fenced extra funding, creating an additional 450 jobs. The cabinet secretary claims that she created 300 jobs last year, but we know the truth. Teacher numbers are falling throughout Scotland.

Will the cabinet secretary go back to the First Minister and the Cabinet and, for the first time ever, argue the case for additional funding for education? Will she ring fence that additional funding to ensure that jobs are created for those unemployed teachers? In the longer term, will she consider looking at national staffing standards to ensure that we can have clarity on workforce planning?

**Fiona Hyslop:** I had been going to thank the member for the sensible and mature way in which she is treating the subject. We are talking about people's lives and livelihoods. We have to identify the workforce planning for this country. Some decisions on requirements have to be taken years in advance. It would have been helpful if the member had welcomed the report and the fact that we can bring together directors of education, the unions and the universities to ensure that we have a system that is fit for purpose.

There are important aspects to remember, such as the additional funding for universities. The arrangements within the local government settlement to maintain teacher numbers at 53,000 are also important. We have heard that recruitment has improved, with 38 new teachers being recruited in Fife and another 59 in Aberdeen. Teachers are being employed. However, if we are serious about achieving a system that is more streamlined, we should consider closely the conclusions of those who have studied the workforce planning exercise.

The member raised staffing issues that I know are being raised by some of the unions. The unified response to all the recommendations is something that we can take forward. The fact that the Government took the time to take stock of the inherited workforce planning system should be welcomed. There is much to do. I give Rhona Brankin a guarantee that the Government is absolutely committed to ensuring that our youngsters have the time and attention that they need from teachers. That is why I am delighted that, throughout Scotland, local authorities are recruiting teachers precisely to reduce class sizes.

**Elizabeth Smith (Mid Scotland and Fife) (Con):** I, too, thank the cabinet secretary for prior sight of the statement. Does she accept, though, that the fundamental problem here is the so-called

historic concordat between central and local Government? The cabinet secretary came into office on flagship policies such as reducing class sizes, increasing nursery places and introducing free school meals—all centrally directed targets—but at the same time she told the local authorities that they would have far more freedom to set their own priorities. Local authorities are now thinking that, because they do not have the right resources, they cannot deliver on those targets.

I agree with the cabinet secretary that we are talking about people's jobs and livelihoods, but the fundamental flaw is that we cannot have central Government targets and, at the same time, expect local authorities to set their own targets. Is it time to admit that the historic concordat will not work and that we should allow headteachers to have far more control over the employment of their workforce?

**Fiona Hyslop:** Although two organisations representing headteachers were represented on the working group, the member's proposal that headteachers should have responsibility for aspects of teacher employment was not one of the group's recommendations.

The problems in the system of workforce planning have not manifested themselves just this year. The GTCS survey shows that the downward trend for permanent positions started in 2005. The problem is related to the geography of the issue. It is about changing populations between east and west, and it is vital that the changes that we are introducing allow a far more responsive provision, reflecting the difficulties in different local authorities. Rural authorities are finding it difficult to fill vacancies, but teachers in other parts of the country cannot find jobs. We have to address such challenges.

People do not take family relocation lightly, but rural authorities across the country have told me that, if we want to maintain the quality of teaching in rural areas, we will have to have better dispersal. The issue is serious, and the recommendations in the report will take us some way forward. Much remains to be done, and I am committed to ensuring that this Government works with local authorities on the issue.

**Margaret Smith (Edinburgh West) (LD):** I welcome the report. We have not had much time to scrutinise it, but we will scrutinise it fully.

I agree that local and national decision making on workforces will have to be better reconciled. The EIS and others highlighted that point at a recent meeting of the Education, Lifelong Learning and Culture Committee. The EIS also highlighted the impact of short-term council decisions, which are often financially driven. Elizabeth Smith touched on the policy on class sizes, on which

councils require clarity. The policy has an impact on the number of teachers required. The Government would give councils greater clarity if the cabinet secretary were to introduce legislation or contractual measures to put the policy on class sizes on a firmer basis.

I welcome the recommendations on the use of permanent supply pools. The use of such pools is patchy across the country: some councils use supply pools, but others do not; and some councils are changing their policies because of financial stringencies.

What will the cabinet secretary do to tackle the growing problem caused by the lack of permanent contracts for primary school teachers? There is clearly a disparity between the primary and secondary sectors.

**Fiona Hyslop:** In the secondary sector, the opportunities for permanent positions are far greater than they are in the primary sector. I agree with the member that that is a challenge, and we will tackle it.

The member raises important issues about the supply pool. We want there to be a greater number of permanent positions for teachers, but we must acknowledge that there will always be a need for supply teachers.

We expect 6,000 teachers to retire each year for the next three years. We have provided an opportunity for local authorities to ensure that the teacher cohort that is coming through can gain some experience of employment as supply teachers at least, until they are given a permanent position. A large number of new teachers will do that.

I was pleased to see that more than 300 jobs were advertised in *The Times Educational Supplement*, which is not the only source of advertisements for teaching posts. So, even at this point in the academic year, an additional 300 posts have been advertised. Positions can arise during the year.

The trend that we want to change is the trend in permanent positions, and that can be done only through greater co-ordination. As I have said, I was somewhat surprised at the lack of co-ordination in the system that I inherited. I intend to change that. A more responsive approach will help with better workforce planning.

**The Presiding Officer:** We come now to open questions, which should follow the guidance that I gave earlier, as should the answers.

**Bob Doris (Glasgow) (SNP):** I will ask about the level of retirements this year—and in doing so I will not blame the Government or the historic concordat for the ageing process or for the fact that people are allowed to retire.

What will be the level of retireals this year, and what challenges—and opportunities—will that present to the teaching profession?

**Fiona Hyslop:** When the cohort of teachers is 53,000, to have 18,000 retiring over the next three years is a great challenge. The current arrangements for notice of retirement vary from area to area. Three months is required for some of the paperwork, but in some areas only four to eight weeks' notice of retirement has to be given. Because of the flexibility in retirement dates that are offered to teachers in some areas, local authorities cannot plan in the way that other organisations might be able to. The report refers to notice of retirement, and we will be considering the issue so that we can have more effective planning. That will allow permanent positions to be filled sooner than they might otherwise be filled.

**Ken Macintosh (Eastwood) (Lab):** I thank the cabinet secretary for the advance copy of her statement—a statement that, disappointingly, offers no help for councils and, bizarrely, offers no help for probationers either, other than the advice not to expect a job. Is the minister aware that the longer it takes for probationers to secure a post, the more likely it is that they will be lost to the teaching profession altogether? What measures is she putting in place to ensure that probationers are kept in touch with the classroom and have access to continuing professional development?

**Fiona Hyslop:** The proposal for permanent supply pools, which I mentioned in my reply to Margaret Smith, will help. Over the period of the post-probation year, when post-probationers will be seeking permanent employment, they will have access to a permanent supply pool. The report also recommends that local authorities should recruit post-probationers for supply positions, as opposed to newly retired teachers, and that will make a difference as well.

We have put £9 million of additional funding into the system and have created 300 new jobs, which has made a difference and has dealt with the problem that we faced when we came into Government. We found that the planning process that we inherited had had problems with it from day one. Despite the number of years for which the previous Administration was in power, it did not conduct an inquiry such as the one that has now reported. The previous Administration introduced a system that had flaws in it, which is why we established the teacher employment working group. Labour members should therefore not complain that there is a problem with the system that they owned and should not criticise those of us who are seeking a constructive solution.

The fact that 18,000 teachers are due to retire over the next three years gives us an opportunity,

and we all have a responsibility to ensure that the quality of teachers is maintained. Frankly, some of the approaches that are being taken in the debate are not helping the teaching profession. The curriculum for excellence is an exciting opportunity and we need the brightest and best teachers to be involved. We are working constructively to support them in that, and I would welcome the support of Labour members. I hope that, in future, they will be able to provide that support.

**Kenneth Gibson (Cunninghame North) (SNP):** The cabinet secretary recognises that a healthy distribution of supply teachers is essential to ensure that our schools can cope with almost any staffing issue, including illness, training needs, maternity leave and retirement. What is being done to ensure that there is a sufficient number of supply teachers in primary schools and across all subject areas in secondary schools throughout Scotland?

**Fiona Hyslop:** The responsibility for supply teachers clearly lies with councils, and having some permanence in the supply pools will assist in some of that planning. Nevertheless, it is important that we reflect the view that has been expressed to us by our constituents and by the professionals, that the permanent positions are what we must address in tackling workforce planning. That is not an easy task, as our system is sophisticated. I asked the teacher employment working group to consider whether the system was fit for purpose, and it has said that it is. That is a major reassurance, but it does not mean that the system is operating on a supply-and-demand basis that guarantees the achievement of some of the projections that it is vital that we achieve.

Kenny Gibson raises the important point that, although we are looking for permanent employment for teachers, we will always need supply cover for a range of eventualities. With a cohort of 53,000 and the different life opportunities—including pregnancy—that arise during the year, especially with a feminised workforce and particularly in the primary school sector, we must ensure that we plan and make provision not just for permanent positions, but for supply teaching.

**Duncan McNeil (Greenock and Inverclyde) (Lab):** I welcome the report's honesty in confirming the significant waste of talent that occurs and in recognising that teacher unemployment will continue for some considerable time. In my constituency, 120 newly qualified teachers recently applied for just seven jobs—that is the situation in one of the smallest authorities in Scotland. Such shocking figures—

**The Deputy Presiding Officer (Alasdair Morgan):** Can you get to the question, please?

**Duncan McNeil:** Such shocking figures would dissuade anybody from having an unrealistic expectation of employment, as outlined in recommendation 11. Given that the supply lists, not permanent employment, will be the future for many, will the cabinet secretary go further than the working group's recommendation that newly qualified teachers rather than retired teachers should be used if possible, and issue clear guidance that retired teachers be used only in very exceptional circumstances? Moreover, will she use the opportunity provided by the report to introduce the right of newly qualified teachers on supply lists to gain access to the teacher training that they require to maintain and enhance their skills?

**Fiona Hyslop:** The member raises two points. If he listened to my statement, he will realise that his point about ensuring that newly qualified post-probationary teachers have access to the supply lists is covered in detail in the report and, indeed, forms one of its recommendations. However, any attempt to establish such access as a right in guidance or in any other form will, as he will be aware, raise certain age discrimination issues.

In fact, that is why the member's second point is vital. We must ensure that the teachers who will come into the profession to replace the 18,000 who will leave over the next three years have professional experience of regular and continued employment, because that is what we need in order to give our children the education that they deserve. However, this is a very delicate area. As the member will appreciate, given his own background, we have to be aware of certain undercurrents in employment legislation. That said, as I made clear in my statement, we must ensure that the rationale behind and reasons for any move to give newly qualified post-probationers access to the supply pool firmly reflect the need for continuing professional development and have benefits and opportunities for the children in our schools.

**Murdo Fraser (Mid Scotland and Fife) (Con):** I must declare an interest in that I am married to a newly qualified teacher who, unlike many of her contemporaries, has been fortunate enough to find employment, even if only on a temporary basis.

How might the expectations that entrants to teacher training colleges have of their future employment prospects be handled better, in order to avoid the current distressing situation in which many talented people—encouraged by promises made to them—made sacrifices and gave up careers elsewhere to enter teaching and now find themselves out of work and with substantial debts?

**Fiona Hyslop:** We should reflect on the finding in the GTCS survey that 93 per cent of post-

probationers who entered the profession last year have found employment as teachers. However, that does not mean that we underestimate the difficulties that people face in getting into those positions and the problems that they will face over the year as they wait for the 6,000 teachers to leave the profession.

Although expectations about job prospects need to be handled, there is a mismatch that needs to be dealt with. We know, for example, that there is a focus on the central belt and are aware of particular problems in Edinburgh and certain other areas. Although the education authority in Glasgow, for example, has an increased education budget, it is not necessarily recruiting teachers to replace those who are retiring. That presents problems to those teachers who trained at Jordanhill, had probationary experience in Glasgow and might be seeking—and might expect to find—employment in that city.

Similar problems have arisen in East Renfrewshire. Although, for understandable reasons, a large number of students will want to train or spend their probationary year in the area, they will not necessarily have the opportunity of finding employment there. There is a geographical aspect to this issue. It is not just a simple question of the areas where post-probationers are seeking jobs; the fact is that most training opportunities are to be found in the central belt. As a result, we increased teacher training provision in Aberdeen to deal with problems in Aberdeenshire and at the Crichton campus to deal with teacher recruitment problems in Dumfries and Galloway.

Teachers will be more likely to seek employment in the places where they have trained and, in that respect, we are aware of the consequences of people training at Moray House and Jordanhill. Although both institutions provide excellent training that can be supported, we simply need to find better ways of managing people's expectations that they will be able to find employment in those locations. Perhaps information about local authorities that have job opportunities should be made available to students as they undertake their teacher training to ensure that they understand that, although they might have probationary experience in a particular local authority, that does not guarantee them a permanent position in that authority after their probationary year is up.

**Hugh O'Donnell (Central Scotland) (LD):** Notwithstanding the cabinet secretary's comments on retired teachers and issues of discrimination, I understand that mechanisms are already in place in relation to the re-employment of recently retired teachers, the timescale for which they are allowed to be employed and the amount of income that they are allowed to earn. Given that the report's

remit did not include any financial consideration, will the cabinet secretary ensure that the current rules are monitored and enforced accurately and timeously by those who are responsible for that?

**The Deputy Presiding Officer:** If the minister could respond quickly, that would help.

**Fiona Hyslop:** Local authorities have the resources in the funding settlement for provision for the cohort of 53,000 teachers. Hugh O'Donnell makes an important point. Local authorities have the ability to improve and change things now. The teacher workforce planning group included representatives of directors of education and unions. Some of the recommendations can be taken up swiftly, as opposed to managing better what is already in place.

**The Deputy Presiding Officer:** I apologise to those members whom I could not call. We must move on to the next item of business.

## Non-native Invasive Species

**The Deputy Presiding Officer (Alasdair Morgan):** The next item of business is a debate on motion S3M-2777, in the name of Richard Lochhead, on non-native invasive species.

15:26

**The Cabinet Secretary for Rural Affairs and the Environment (Richard Lochhead):** I am delighted to open the debate on invasive non-native species and to commend "The Invasive Non-Native Species Framework Strategy for Great Britain". Before we begin this debate, it is important that we understand invasive non-native species and their impacts. They are animals and plants that have arrived with the assistance of man and which cause damage to our environment, our economy, our health and the way we live.

There are about 1,000 non-native species in Scotland. Most of them are currently benign, but a minority cause serious problems. People tend to be aware of the big-problem species, such as the grey squirrel, Japanese knotweed and American signal crayfish. Unfortunately, those might be the ones that are difficult to eradicate completely. However, it is important that we take whatever steps we can to manage them. More important, we need to raise awareness about the issue, so that we can prevent future problems.

I emphasise the threat that invasive non-native species pose to biodiversity here in Scotland and around the globe. The International Union for Conservation of Nature describes their impacts as

"immense, insidious, and usually irreversible."

In Scotland, some of our most iconic species and habitats are threatened, and the impacts of invasive non-native species on Scottish biodiversity are already far-reaching. They can pass on diseases that are fatal to our native species, they predate on native species, they dilute our native gene pools and they compete for natural resources, such as light, food and water.

Action on invasive non-native species contributes to the achievement of the Scottish Government's greener Scotland objective, as well as having clear links to the Scottish Government's purpose of sustainable economic growth. People might be shocked to learn that it is estimated that invasive non-native species not only damage our natural heritage but cost the Scottish economy at least £200 million a year. The cost might even be much more than that; work is taking place to ascertain the economic cost. If we cast an eye south of the border, the impact can be illustrated by the Olympics site in London, where the cost of eradicating Japanese knotweed alone is estimated

to be anywhere between £20 million and £70 million.

The importance of the rural economy to Scotland means that impacts of non-native species on agriculture, forestry and aquaculture can be significant. The Colorado beetle, which would pose a serious risk to our potato crops were it to become established, is one such threat. There are also new concerns, such as the citrus longhorn beetle, which threatens horticulture and forestry. Invasive non-native species can also impact on tourism and land development and exacerbate flooding.

The impacts of introduced species on health should not be forgotten. They include diseases that are carried by non-native species as well as direct impacts, such as the severe burns that are caused by giant hogweed. Invasive non-native species have the potential to affect us all and the way we live: they can reduce our enjoyment of recreational activities such as angling, hiking and gardening, they are a drain on our economies and they can reduce the quality of our lives and threaten our environment. Those issues are important to the people of Scotland and to this Parliament.

As we have gained a better understanding of the problems that are caused by invasive non-native species, the need for a co-ordinated and coherent framework for action has become apparent. The Scottish Government was therefore a key partner in the development of the framework strategy. The strategy provides a clear role for those who are involved in tackling this complex issue, and it ensures co-ordination of policy and action. It has the important and admirable vision that biodiversity, quality of life and economic interests will, when it is fully implemented, be better protected from the adverse impacts of invasive non-native species.

The strategy has three main goals: first, to achieve widespread awareness and understanding of invasive non-native species; secondly, to achieve a stronger sense of shared responsibility across government, key stakeholder organisations, land managers and the general public; and, thirdly, to provide a guiding framework for national, regional and local initiatives. It presents a hierarchy of responses: first, prevention; secondly, detection; and, thirdly, eradication and control. The strategy focuses on the preventive approach, which has the most likelihood of success. It is the least environmentally damaging and the most cost-effective method.

Once a species has become established, full-scale eradication is possible in only a minority of cases, so we must be pragmatic. Some of the invasive non-native species that are with us today

are most likely here to stay because they may be impossible or prohibitively expensive to eradicate. For example, in 2003, it was estimated that control of Japanese knotweed across Scotland, England and Wales would cost £1.56 billion.

We can help to prevent introductions in the first place by raising awareness of the risks and the impacts of invasive non-native species. That takes me to another major section of the strategy, on building awareness and understanding. An approach that ignores greater public awareness will not succeed in the long term, so we firmly believe that greater awareness of invasive non-native species is the best defence against future threats. Evidence suggests that, once people understand the issues, they will do what they can to ensure that they become part of the solution rather than part of the problem. That is why we continue to work across the United Kingdom with the other Administrations to monitor the progress of that important work.

An informed public can also assist in detection and monitoring of non-native species, which takes me to my next point and to another key area of the strategy: early detection, monitoring and rapid response. The sooner such species are detected, the sooner action can be taken to reduce any threat. When eradication is possible, we must ensure that any action that is undertaken is cost-effective, proportionate to the threat, as humane as possible and has a minimal impact on native species. We must acknowledge that where species are a threat to Scotland's native species, habitats and economy, they may need to be controlled.

**Jamie McGrigor (Highlands and Islands (Con):** The cabinet secretary mentioned angling. He must know that many anglers are worried about the possible introduction of the parasite *Gyrodactylus salaris*. In 2007, he lodged an amendment to the Aquaculture and Fisheries (Scotland) Bill, in which he asked the Government of the day

"to promote at points of entry into the rest of Great Britain measures designed to prevent the entry into Scotland ... of clothing or equipment which had been used in any"

affected waters. Does the minister stand by that stated wish? The previous Government did not do it. Will he do it now?

**Richard Lochhead:** Jamie McGrigor raises an important issue. He will be aware that we recently published a strategy on freshwater fisheries in Scotland that addresses that disease and that issue, and which emphasises the importance of partnership working across the UK. That is why the strategy that we are discussing today is a model of the co-operative spirit and consensus among the range of the partners who are involved. I commend and record appreciation to all those

who have been involved in developing the strategy, which lays a foundation and sets a framework for action that will allow us to achieve its vision.

Again, I emphasise that increasing public awareness is essential. If we help to prevent introductions in the first place by raising awareness, we can help to protect our environment and economy from future significant threats.

The strategy is a constructive start and we know that there is still a lot to be done. I am sure that that is recognised throughout the chamber. Today, in order to progress implementation of the strategy, we are asking the Scottish working group to complete a legislative review of invasive non-native species in Scotland, so that we can identify gaps in the legislative framework and establish how we might best resolve the issues.

We are interested in hearing further suggestions today about how we can better deliver the aims of the strategy. I commend to Parliament the motion and the amendments, which we support. We can all work together to protect Scottish biodiversity, our natural heritage and the Scottish economy.

I move,

That the Parliament welcomes the Invasive Non-Native Species Framework Strategy for Great Britain; notes that this is one of the first comprehensive strategies on invasive non-native species to be developed in Europe; further welcomes the Scottish Government's commitment to work in partnership with governments and organisations across these islands to implement the strategy, and acknowledges that continued efforts are required by all partners to progress the key actions of the strategy.

15:35

**Elaine Murray (Dumfries) (Lab):** The reaction of many people to hearing that the Scottish Parliament is spending time debating a strategy on invasive non-native species might well be to ask, "Why?" People do not overtly recognise the issue but, on further examination, most would have some knowledge and awareness of problematic invasive non-native species, such as grey squirrels, giant hogweed or North American signal crayfish. However, one issue that may not be as obvious is the cost to various agencies of trying to control invasive species, which runs into millions of pounds in the UK, as the cabinet secretary said. On plant health alone, £450,000 is spent in Scotland each year and the Department for Environment, Food and Rural Affairs spends £10 million throughout the UK. British Waterways spends £1 million every year dealing with problems that are caused by just 12 non-native species that threaten native wildlife in our rivers, including red-eared terrapins, zander, mink, signal crayfish, giant hogweed, floating pennywort and

Japanese knotweed. It is estimated that non-native species cost the Scottish economy at least £200 million annually, as Mr Lochhead said.

There are strong economic as well as environmental reasons to develop a strategy for prevention and control of such species. It makes sense for the strategy to be uniform throughout the UK, because the British coast provides a natural barrier to many invasive species. Therefore, the joint strategy that has been signed off by environment ministers from the UK Government, the Scottish Government and the Welsh Assembly Government is welcome. Invasive non-native species of flora and fauna are considered to be the second-biggest threat to biodiversity after habitat destruction and are a particular threat to fragile ecosystems such as are on the islands.

Many species that are currently invasive were imported many decades ago and were not invasive at the time. Climate change can alter the viability of a species and that of those that are in competition with it. One challenge is to predict which species have the potential to become invasive and which require monitoring for changes in risk. Prevention and early intervention are better solutions than trying to eradicate or control a species once it has become invasive. In the longer term, it is cheaper and more effective to invest in research and the scientific basis for risk assessment than it is to tackle the problem once it has become established.

The invasive non-native species strategy arose from a comprehensive policy review in 2003 and a consultation that was published at the end of February 2008. The strategy is based on the three-stage approach that was agreed in 2002 by the parties to the "Convention on Biological Diversity". The first stage consists of raising awareness of risks and understanding of impacts to prevent the introduction of potentially invasive species; the second stage is to improve early detection and rapid response to introductions before problems escalate; and the third is to develop longer-term control programmes that are based on sound science. The aims of the strategy are to minimise risk and reduce the negative impact of non-native invasive species by improved co-ordination of the responsibilities of Government and other agencies; to increase public awareness of the problem and encourage behaviour that reduces the risk of the introduction of more such species; and to draw up contingency plans, should a species become invasive for whatever reason.

The implementation of the strategy will be overseen by the Great Britain non-native species programme board, supported by the Non-native Species Secretariat. A UK consultation has also been launched on possible revisions to section 9 of the Wildlife and Countryside Act 1981 to add

non-native species to the list of species that it is an offence to release into the wild. The European Commission is developing proposals for a Europe-wide strategy. The Government's motion is correct to identify that the UK and the devolved legislatures in Scotland and Wales are at the forefront of tackling the issue in Europe.

Many of the species have been introduced through human ignorance. The general public need to be aware of the possible consequences of bringing plants into the country or of releasing unwanted pets into the natural environment. Red-eared terrapins became popular during the "Teenage Mutant Ninja Turtles" craze of the 1990s. I had young children, so I remember it well. Many of those terrapins ended up in the wild when their young owners' interest in them waned. American mink escaped or were released from fur farms during the 1930s and are now widespread throughout Scotland and can cause major destruction to seabird colonies. Signal crayfish were introduced for aquaculture in the 1970s, but they spread and now threaten native crayfish through transmission of a fatal disease to which the non-native species is immune. In addition, they burrow into water banks in order to nest, causing damage to the habitat of other creatures, and they compete with other species such as trout and salmon by eating their food and their young.

The most famous non-native invasive species in Scotland is perhaps the grey squirrel, which was introduced in the late 19<sup>th</sup> century. It damages deciduous trees by stripping their bark and has caused the rapid decline of the red squirrel population through competition for food, and—like the signal crayfish—transmission of a fatal disease to which it is far less susceptible. On a more positive note, there is recent evidence that the reds might be developing some immunity to squirrel pox, which is certainly helpful.

The giant hogweed was—oddly enough—introduced as a decorative plant, but it has invaded river banks and is harmful to humans as well as to other plant species.

The existing measures to exert control over invasive non-native species are contained primarily in the Wildlife and Countryside Act 1981 and the Nature Conservation (Scotland) Act 2004, although other legislation such as the European Union habitats directive and birds directive, and the Convention on Biological Diversity, are also relevant.

RSPB Scotland, in its briefing for this debate, contends that the legislative framework is not coherent, and that very few prosecutions have been brought. The Labour amendment—which I am pleased the Government will agree to—asks ministers to examine the current legislation to assess whether it acts, as has been suggested, in

a piecemeal fashion, and whether it could be strengthened.

We will support the Liberal Democrat amendment, which makes it explicit that action is not solely the responsibility of Government and Government agencies. That is implicit in the Government motion and in the strategy, but there is no harm in making it clear in the amended motion that will, I hope, be passed by Parliament this afternoon.

Many local organisations play a vital role in identifying species that are, or are becoming, invasive, and preventing their spread. The Wildfowl and Wetlands Trust in London is fighting an on-going battle against the azolla fern, which could choke the wetlands and destroy the habitat of the vast range of wildlife that is dependent on them.

Angling organisations around Loch Ken in Galloway have been at the forefront of the battle to control the signal crayfish. Controlling and—more importantly—preventing the spread of non-native invasive species is everybody's responsibility.

I move amendment S3M-2777.2, to insert at end:

"and asks the Scottish Government to review existing legislation and report back to the Parliament on whether it considers that current legislation requires to be strengthened to ensure that the issue of non-native species is addressed more effectively."

15:42

**Jim Hume (South of Scotland) (LD):** The Liberal Democrats welcome the publication of the strategy. Its implementation will be crucial in safeguarding Scotland's most vulnerable native plants and animals and will, in the long term, help to protect ecosystems. Scotland is world-renowned for its flora and fauna, and we all have a responsibility to protect those jewels in the crown of our environment. Indeed, the UK has an obligation to deal with invasives as part of the Convention on Biological Diversity.

Many true alien species may now be regarded as native, such as the rabbit, which was introduced by the Normans, and the sycamore, which was introduced by the Celts, but no one is proposing eliminating those from our countryside. Harmful invasive species, however, can alter the structure of ecosystems through repressing or excluding native species, either by directly out-competing them—as is the case with grey and red squirrels—or by indirectly changing the way in which nutrients are cycled through the system. The danger is that entire ecosystems become permanently skewed.

It is important, therefore, that we deal with the problem timeously rather than wait for it to become

unmanageable and expensive. That approach is endorsed by the strategy, which views prevention as a key to tackling the problem of invasive species. The strategy acknowledges the good work that has been achieved through the Nature Conservation (Scotland) Act 2004 and the Natural Environment and Rural Communities Act 2006, but it also identifies the need for a more cohesive and comprehensive policy approach. The strategy's intention is to build on existing legislation, but any legislation must fast-track the existing system. The point of my amendment, which I will come to, is to address that.

I mention at this point the work of Tweed Forum, which deals with the particular problems of giant hogweed, Himalayan balsam—or touch-me-not, as it is commonly known—and Japanese knotweed in the Tweed catchment. Those plants are all, as Elaine Murray pointed out, garden introductions.

The Tweed invasives project has been successful but, like other projects, it now needs resources to complete the job and, as the Cabinet Secretary for Rural Affairs and the Environment mentioned, to save money in the medium and the long term. The project's key to success is, of course, the local knowledge within the forum, but the difficulty is the time it takes to gain licences through agencies so that non-native species can be tackled before they become invasive.

The same goes for the American signal crayfish, which has now reached endemic proportions in the south of Scotland—in Loch Ken in particular, and in the Tweed. It is being tackled by the Tweed Foundation and the Galloway Fisheries Trust: fishing in those areas brings in large incomes and the amphibious crayfish is a serious threat to the economy of Scotland. Resources are needed to tackle that alien now because not only is it a faster breeder than our native crayfish, it is a more ferocious eater of salmon parr and trout alevins, which, I inform the cabinet secretary, are small fry.

The point of my amendment is that local groups need to take the lead by having responsibility and authority for an agreed catchment area that potentially takes in more than one local authority area and local groups with an environmental focus. Tweed Forum treated the Tweed as a whole catchment because the seeds and rhizomes of the giant hogweed and knotweed were shown to travel through watercourses. Treating the whole river system as one catchment is rather more effective than simply stopping at any borders. Tweed Forum worked with Northumberland County Council, for example, because co-operation is key.

The biosecurity planning project that is under way again is welcome. It will build on the existing knowledge base to realise a biosecurity plan template and plans, rapid response protocols and

databases, together with awareness raising and training. That is good planning, but what is needed now is for the Scottish Government to take a lead in the UK to deal proactively with the problem of invasives. Crucially, it has been repeated to me that the Scottish Government also needs to agree that control and eradication measures can be put in place when invasive species are first detected and not just when they are shown to be damaging, which can be years later, often too late and—by then—too expensive to tackle.

Localised measures do not commit the Scottish Government to limitless expenditure on invasives, but could be taken by empowering local groups with professional staff, such as the Tweed Foundation, Tweed Forum, the Galloway Fisheries Trust and the Rivers and Fisheries Trusts of Scotland, so that they can take local action to meet local problems as they identify them through local plans on the ground and in the water.

Quick access to funding is an issue. If they have resources, local bodies can control non-native species early on, not just when they are established as an invasives problem. Dealing with any problem early on will keep costs down. Best value is good government.

I have carped on a wee bit about fish today, but I believe that we have the knowledge and means in Scotland to deal with the problem of non-native invasives in a practical way. I have outlined briefly in my speech the importance of local action plans and quick responses. Many groups and organisations are involved, so communication will be paramount in setting up local initiatives to tackle invasive species now. I hope that the minister and cabinet secretary will consider speeding up the licensing process to tackle non-native species.

I am glad that the Government and Labour support my amendment. We will support the Labour amendment, although ours goes a little further and focuses on the need for fast local action.

I move amendment S3M-2777.1, to insert at end:

“recognises that prevention and early intervention are vital in protecting native species, habitats and ecosystems, and therefore calls on the Scottish Government to work with local organisations with a remit for the protection of Scotland's natural environment to find ways to expedite the timely implementation of measures at a local level and to report back to the Parliament with the findings.”

15:48

**Nanette Milne (North East Scotland) (Con):** I apologise in advance if my voice gives out before my time is up. Giant hogweed, Japanese knotweed, *Rhododendron ponticum*, grey squirrel

and American mink are just five of the invasive non-native species that currently threaten Scotland's biodiversity by squeezing out native plant species, competing for food with indigenous animals such as the red squirrel, or killing vulnerable animals, such as the water vole, and ground-nesting birds in the case of the American mink. Those five examples are only a small proportion of the 900-plus non-native species in Scotland that have been identified by Scottish Natural Heritage. Most are benign—indeed, many have made positive contributions to our landscape and heritage, such as the horse chestnut and the little owl. However, a few are serious threats to our native species, with an estimated one in 10 species that are prioritised for conservation action being under threat by non-native species.

The damage that is caused by such species worldwide is reckoned to equate to 5 per cent of the global economy, with the cost to Britain alone being in the order of several billion pounds annually. As a result of climate change and increasing trade and travel, there is a risk that more new species will become established here in the future to further threaten our biodiversity and economic interests such as agriculture, fisheries and forestry.

This is an important time for the Government, industry and the public to recognise the threats that invasive non-native species pose, and to try to reduce the risk of new ones becoming established. That is why we welcome the framework strategy that we are discussing today, and why we are content with the motion. The Labour amendment will be a useful addendum, and we are happy to support it. The Liberal Democrat amendment elaborates what I would have thought is implicit in the motion, but we accept that Parliament should be informed of progress towards achieving the strategy's key aims, so we will also support the Liberal Democrat amendment.

As I said, we welcome the framework strategy and we are particularly heartened to see the various Administrations of Great Britain pulling together on such an important issue. I hope that this co-operative way of working can become a model for dealing in the future with other vital cross-border issues, such as food security.

We note the intention of the strategy to deliver a more balanced focus between reactive management and a more preventive approach, and to make better use of existing resources. We welcome its comprehensive approach to dealing with invasive species in Europe. The true extent of the threat that these species pose has become much better understood in recent times, and we are becoming more aware of the potential consequences of introducing such species. Prevention of their introduction is clearly important,

but, to achieve that, people must be made to understand the threats to biodiversity that non-native species pose. There must therefore be on-going action to improve public awareness. Long gone are the days when it was acceptable to freely import plants and animals without thought of the consequences. The intention to promote better access to information about non-native species is to be welcomed.

When such a species is identified, it should be speedily dealt with locally before it can take over. Once an invasive species becomes widely established, it may not be possible to eradicate it completely: indeed, it has been found that full-scale cost-effective eradication is achievable in only a minority of cases. Therefore, we fully support the strategy's objectives, which are:

"To develop effective mechanisms for detection, surveillance, monitoring and responding to any invasive threats posed by both new and established non-native species ... To minimise and manage the negative impact of established non-native species in a cost effective manner."

Until now, there has been no cohesive approach to tackling the problem. It is clearly important that existing powers be used more effectively through better liaison and co-ordination between the bodies that have the appropriate powers.

It may also prove necessary to modify legislation to allow a more coherent and comprehensive approach to tackling invasive non-native species. We will look carefully at any legislative proposals by the Government in the future. In that regard, Scottish Conservatives want to see a particular legislative adjustment, to which Jamie McGrigor referred in his intervention. I hope that the Scottish National Party Government will be sympathetic to it. We very much regret that, when the Aquaculture and Fisheries (Scotland) Bill went through Parliament last year, the opportunity was not seized to put in place robust measures to prevent the deadly *Gyrodactylus salaris* parasite from reaching Scotland. As members will know, it has already decimated salmon stocks in Norway. The cabinet secretary said in a recent news release that, should the parasite ever arrive in Scotland, it could result in a

"collapse in our iconic, valuable and important salmon angling heritage."

We still think that there should be a requirement to declare potentially contaminated fishing gear and to decontaminate such gear at ports of entry. We ask the Government to consider amending the Aquaculture and Fisheries (Scotland) Act 2007 to include what we proposed in our stage 3 amendment, which was voted down at the time by Labour and the Liberal Democrats. The cabinet secretary is known to have been supportive of our proposal—I hope that he still is.

"The Invasive Non-native Species Framework Strategy for Great Britain" is important and forward looking. We welcome the Government's commitment to work co-operatively with all interested parties to achieve the document's key recommendations, and we look forward to a progress report in due course.

**The Deputy Presiding Officer:** We move to the open debate, with speeches of no more than six minutes.

15:54

**Roseanna Cunningham (Perth) (SNP):** So exciting was the debate so far that I managed to break the podium on the desk over there. I hope that we can all calm down a bit now.

**The Deputy Presiding Officer:** It will, no doubt, be deducted from your salary.

**Roseanna Cunningham:** Obviously, there is a need for a strategy because the invasion of non-native species is a huge issue that affects a wide range of economic activity in the country—agriculture, forestry, horticulture, fisheries and, of course, our pets.

Such species can contribute to habitat loss and biodiversity changes and can destroy fragile ecosystems in many areas including the islands, which are mini-areas of the country that may need special protection. The control or eradication of non-native species is extremely difficult and costly, so prevention is by far the best way forward.

I am indebted to the RSPB Scotland briefing for the information that one in 10 priority native species is threatened by the rising number of non-native species. The briefing also highlights the fact that non-native species have caused more bird extinctions since the 1800s than any other single factor. Obviously, the issue has a massive impact.

Because of climate change, we will probably see more such problems. I suspect that it will be impossible to deal with the problem completely, as we cannot roll back climate change, although we are trying to stop it in its tracks. However, climate change is already beginning to take effect.

As Elaine Murray mentioned, there are serious economic costs, with several billions of pounds already being spent annually. I understand that Japanese knotweed has to be eradicated from land that is being used for the 2012 London Olympics infrastructure. Just in passing, I wonder whether anyone ever put a final figure on the great North Uist hedgehog hunt—

**The Minister for Environment (Michael Russell):** It is not over yet.

**Roseanna Cunningham:** So—there is no final figure. Obviously, research is extremely important as well.

As has been mentioned, one of the three strands of the invasive non-native species framework strategy is prevention, which is obviously the best way forward. Given that a significant number of the biggest pests appear to emanate from across the Atlantic—American mink, American grey squirrels and American signal crayfish—I am moved to repeat the accusations that were made against American GIs during the war, who were said to be oversexed, overpaid and over here. One might add that they are—as has been discovered in Iraq—darned difficult to get rid of once they are over here. We are finding that that is true of these species.

Clearly, early detection and rapid eradication are important where it has not been possible to prevent non-natives species from arriving. The best way of dealing with them is to get at them early. Where that is not possible, we need to look at long-term control and containment.

However, I want to concentrate on building awareness and understanding, which is key to the whole issue. There is a significant debate to be had about how to achieve that. I do not believe that we need a survey to determine baseline awareness of the issue, as has been proposed. In my view, public awareness beyond the red versus grey argument is probably close to zero, even among the Greens. Although, unfortunately, neither of our Green MSPs is present in the chamber today, Patrick Harvie will not mind my saying that he has admitted to me that he knows absolutely nothing about Himalayan balsam.

There are groups of people who could quickly be conscripted into the defending army, if that is how we want to view ourselves. Gardeners, walkers, farmers and freshwater fishermen are captive audiences both as receivers of information and as sources of intelligence. We need only consider the RSPB's annual garden birds survey to see how ordinary people can be mobilised to provide astonishingly useful information. All those groups read specialist press, most of which would likely be only too happy to help.

Once upon a time, I used to read *Cosmopolitan*. Sadly, the passing of the years means that I also now read magazines such as *Amateur Gardening*, which this week includes two items that relate directly to today's debate. The first is a piece headed "Could bug halt superweed menace?" The piece is about Japanese knotweed, which is described as

"a menace that thrives in poor soils, can crack concrete and strangles plants that lie in its path."

In the light of the proposal to release a bug to kill the Japanese knotweed, I would like to hear the minister's views on the use of other imported non-native species in that fashion. As the Australians found with the cane toad, that may not always be the best way forward. The second item is about how gardeners can help to eradicate the destructive South American primrose from blocking British waterways. There is a vast resource out there of potential information and intelligence gathering and assistance. We could utilise and mobilise those routes of information gathering and information dissemination, because such people are on our side.

If either the cabinet secretary or the minister wants to know where Himalayan balsam can be found in Perthshire, any walker in Perthshire would be able to tell them, and they would get a map of it all very quickly indeed. I commend that approach to the problem: using it will be vital.

16:00

**Peter Peacock (Highlands and Islands) (Lab):**

Non-native species do not normally get an airing in Parliament. Perhaps that is one of the benefits of a by-election taking place in a certain place shortly.

I was interested to see that, within the past couple of weeks, the BBC ran a special item on this subject in its news bulletins for a week. That shows the issue's importance, even if it is not on the radar of most Scots.

We must distinguish between non-native species—Scottish Natural Heritage reports almost 1,000 terrestrial and freshwater species and a further 24 marine species—and non-native species that are invasive and cause damage to natural habitats and native species. SNH estimates that about 76 non-native species are clearly causing damage. We should be concerned about only those species.

It is sometimes difficult to imagine that some of the species are a problem. I think of the beautiful rhododendron displays that we get throughout Scotland in mid to late spring, and seeing them as I drive down the Great Glen from Inverness to Fort William. On the west coast, in Ardnamurchan and Argyll, we can see their glorious colours, and they are used on picture postcards of Scotland. However, they are certainly not a native species and they are damaging, because where rhododendrons grow, little else does. That is a good illustration of one of the negative effects of non-native invasive species on biodiversity, to which others have referred. Although the problem is widespread, there is a particular problem for sites of special scientific interest, which can be threatened.

Members have referred to the grey squirrel and its effect on our very delicate and beautiful red squirrel. We had a debate on that subject the other evening, so I will not repeat all that was said, but it is a good example of a non-native invasive species threatening one of our species by forcing it out of its environment. There are many other examples, as members have mentioned. Giant hogweed is taking over many of our river banks and presenting a danger to young people, as well as pushing out other species. Mink are having an effect on water voles, and Japanese knotweed is taking over in many places, not just in Scotland but in other nations as well, as I saw during my visits this summer.

Particular parts of the country, especially our islands, have distinct ecosystems and can be affected disproportionately by mainland species reaching them. Roseanna Cunningham mentioned the hedgehogs in the Uists and the cost of eradicating them to stop them having a profound effect on ground-nesting birds. Not only have the hedgehogs had an effect on biodiversity, they have had an economic effect, because a lot of tourists go to the Uists to see those birds.

The economic effects can be important. I think of the slipper limpet—as I often do, Presiding Officer—making its way up the west coast and getting closer to our commercial mussel farms, which could be severely affected by the limpet's advance. I think of the New Zealand flatworm, which threatened our earthworm in the past, and what it could do to the productivity of our soils. Others have alluded to the dangers of the Norwegian freshwater parasite getting into Scottish rivers and affecting our salmon population, which would not only affect biodiversity but have a huge economic impact, particularly in my part of the world. I think of the Harris superquarry and the many arguments that were levelled against it, such as the effect of taking aggregate across the world then bringing back ballast water from other parts of the world and releasing it into our waters.

That takes me to my third point, to which Nanette Milne has referred. World trade, globalisation and the greater ease of travel increases the risk of importing invasive species. We need to be more vigilant. Compared with other countries, I wonder whether we are as vigilant. Three years ago, I visited Australia. As I went through customs, I had my shoes taken from me and disinfected, because I admitted that I lived in the countryside and the staff, I presume, wanted to ensure that no parasites got in on the bottom of my shoes. Similarly, in the United States of America this year, I was stopped at customs because I was carrying an apple, and there was concern about a particular kind of fruit fly. I confess that it occurred to me that the fruit fly

could have flown out of the building that I was in. Nevertheless, those are examples of countries being vigilant.

Climate change is also a threat. As the air and the seas get warmer, the opportunities for species to survive further north increase. Equally, because of changing temperatures, some of our species are moving further up our mountains and hillsides, which changes those habitats.

We are discussing important issues, which is why the framework strategy is in place at the GB level. The strategy needs to be multipronged, and involve prevention, surveillance, detection and monitoring, rapid response, early intervention, eradication and control, more research, greater public awareness and a partnership approach.

If the Government comes forward with sensible measures—which it has indicated it will do—we will support it, because these are important issues.

16:06

**Jamie McGrigor (Highlands and Islands) (Con):** I welcome this debate, as I welcomed the publication of the strategy document earlier in the year. I agree with the framework strategy's stark message that the impact of non-native invasive species ranks second only to habitat loss and destruction as a threat to the world's ecosystems, and is one of the major factors causing biodiversity loss.

The impact of non-native species in Scotland, in particular in my region of the Highlands and Islands, is already significant in a number of areas. I was pleased to speak in Murdo Fraser's recent debate on protecting Scotland's red squirrel from its invasive American grey cousin, and I pay tribute to Murdo Fraser for his work on that issue.

Signal crayfish are another obvious example of a misguided importation. As someone who is massively aware of the importance of salmon fishing to the economy of his region and as a keen fisherman, I was interested in and encouraged by the recent media coverage of efforts to keep the pernicious *Gyrodactylus salaris* parasite from entering the United Kingdom. I agree with the Spey fishery board that the economic and ecological consequences of *Gyrodactylus salaris* entering the country would be catastrophic. We must guard our GS-free status, which means that everyone must know that, if they come back from a fishing trip in Finland, France, Germany, Norway, Portugal, Russia, Spain or Sweden, they must disinfect their fishing gear to ensure that the highly contagious parasite is destroyed. I hope that the cabinet secretary will do what he called on the then Government to do in an amendment to the Aquaculture and Fisheries (Scotland) Bill in 2007.

I stress that large escapes of farmed rainbow trout or salmon into a wild fishery environment are every bit as bad as the introduction of a non-native species, and I hope that the minister has taken that on board as well.

It would be remiss of me not to use this opportunity to raise my constituents' concerns about the reintroduction of species that have certainly not been native to Scotland in recent times and which many argue could be invasive or, at the very least, have a significant impact on biodiversity. Those species are, the minister will be pleased to hear, the European beaver and the sea eagle. From the significant amount of correspondence that we have both received, Mr Russell will be aware of my interest in those issues on behalf of my constituents. I know that the Association of Salmon Fishery Boards recently wrote to the minister outlining its opposition to the reintroduction project, pointing out the complete lack of any objective appraisal or scientific studies of the impact of beavers on salmon and sea trout populations.

**Michael Russell:** Does the member accept that the beaver is not an invasive species and that, indeed, the beaver has been in Scotland for longer even than the McGrigors, who probably do equal damage to the salmon and trout population?

**Jamie McGrigor:** Many of my constituents simply do not see the beaver trial as a reintroduction, because they are not convinced that beavers ever lived in Argyll.

I draw the minister's attention to the escape of swamp beavers in East Anglia in the 1940s. The few that escaped had become 200,000 by the late 1950s and, due to the huge damage that they did to drainage and irrigation systems, a costly eradication scheme was undertaken, which was completed only in 1989. At least beavers do not predate on animals or fish, unlike mink, whose numbers have again multiplied in Scotland, and which cause widespread death and destruction to other animals and fish.

On sea eagles, I am grateful to Michael Russell for acknowledging the sheer desperation of crofters in the Gairloch and elsewhere in Ross-shire, who have had many lambs killed. I met many of those crofters recently, at a packed public meeting in Poolewe. Although SNH will study the diet of the Gairloch sea eagles next year, can the minister guarantee that the management scheme options that are available in other areas will be made available to my constituents in Ross-shire without delay? My crofting constituents in Ross-shire should not be discriminated against, as is happening at the moment. Will the minister also take into account the RSPB's admission that sea eagles predate heavily on sea birds, especially fulmars, which are a highly regarded species? I

cannot believe that the minister wants to treat the fulmar purely as a larger species for predators. Today, the RSPB voiced concerns about the fall in numbers of Arctic terns, guillemots and skuas. What is the RSPB doing to protect those birds, and the fulmars, from sea eagle predation?

Sea eagles are cousins of the vultures that used to wheel over burned-out wagon trains in the Arizona desert. They are magnificent birds, but they are also magnificent killers. Crofters and farmers can shoot a dog or fox that kills their lambs, but they can hardly say boo to a sea eagle. The birds may be encouraging tourism in Mull, but they are not encouraging many people in Wester Ross. What will the minister do about that? When will he do something about it?

Today's debate is important. I welcome the Scottish Government's recognition that close co-operation on major environmental issues is required between governmental and other organisations at national level. However, close co-operation between Government and people whose livelihoods may be affected by the introduction of non-native species is also required.

**The Deputy Presiding Officer:** The member's time is up.

**Jamie McGrigor:** I will sum up. It is important that people are included in the equation. That point should guide us constantly as we move forward.

I do not want to give the impression of being against all reintroduction—

**The Deputy Presiding Officer:** Order. The debate is oversubscribed.

**Jamie McGrigor:** Thank you.

16:12

**John Farquhar Munro (Ross, Skye and Inverness West) (LD):** I will make a short declaration in Gaelic, which I will then repeat in English. Bu chaomh leam a ràdh ris an SNP nach do bhàsaich mi fhathast agus gu bheil iad ro thràth ga mo thiodhlacadh. I am paraphrasing the great quote from Mark Twain that

"Reports of my demise are greatly exaggerated."

I imagine that that is of little interest to the chamber, but I am sure that it is understood on the Government benches.

Like other members, I am delighted to have the opportunity to address the problem of non-native invasive species. Although I am aware that Skye has an increasing problem with Japanese knotweed, about which we have heard a great deal this afternoon, the real reason for my interest in the debate is that I wish to speak on behalf of

the crofters of Wester Ross and other areas on the west coast—Jamie McGrigor mentioned the people up in Poolewe. Crofters in Wester Ross have suffered substantial financial losses as a result of the introduction of the white-tailed eagle from Norway.

It may be of interest to members that the last Scottish sea eagles were shot on Skye during the First World War. They were eradicated because they had become a menace to crofters, whose sheep and food were in short supply at the time. In my view, when a species has died out in an area, it has died out for good. The example of the sea eagle is one of caution for those members who are seeking to introduce the wolf, the lynx and the bear to remote parts of Scotland. Introducing species that are related to those that were once native to the British isles is a gross mistake.

No crofter near Gairloch would deny that the introduced—or reintroduced, as people say—eagles are invasive. Similar problems have been experienced with the introduction of the goshawk. According to the scientists who study birds, it is the same species as, or a similar one to, the extinct British goshawk. However, it is of an entirely different temperament and is far more aggressive. I do not know why that should be, but the experts will probably have a reason for it.

What concerns me about the introduction of those top predators—and there are many of them—is the effect that they have on the food chain beneath them. Although the RSPB seems concerned about the introduced sea eagle, goshawk and capercaillie, to mention only a few, it seems to show little concern for small hedgerow birds and other wildlife.

I make it clear that I do not blame the eagles in any way—they are only doing what comes naturally—I blame and take issue with the misguided individuals who introduced them in the first place. I do not deny that the introduction of the white-tailed eagle from Norway has benefited tourism in some small way, but it is really starting to interfere with crofters' livelihoods.

**Michael Russell:** I counsel the member to be cautious in what he says. It is important to point out that Scottish Natural Heritage, with the community, is investigating what is taking place. We have made commitments to find out exactly what the situation is and to ensure that we do things to help the crofters in Gairloch—that is where the problem is—with the difficulty. Unfortunately, the tenor of the member's remarks veers towards suggesting that crofters themselves might take other actions and implying that the eagles should not be there. That is a dangerous thing to start to say, and I remind him of the law on birds of prey.

**John Farquhar Munro:** I thank the minister for that rebuke, but the evidence has been produced not only in Gairloch but in the north end of Skye and Glenelg. One of my crofting neighbours in that village lost nearly 200 lambs this year—many, he suggests, to white-tailed eagles.

I appeal to the Scottish Government and its agencies to recognise the increasing eagle problem now. The standard SNH and RSPB line that crofters are exaggerating their losses is angering agricultural communities. How much more evidence do they require? The Government urgently needs to come up with a scheme to compensate farmers and crofters for their losses before they are forced to take action to protect their stock.

16:18

**Kenneth Gibson (Cunninghame North) (SNP):** I speak as a member of probably the world's most corrosive species: our own *Homo sapiens*, which originated in Africa and entered Scotland only in the past 10,000 years or so, after the ice finally melted. Indeed, if we go back far enough, every species currently in Scotland is invasive, so we are considering a matter of degree.

I found the two previous speeches somewhat depressing. I do not agree with John Farquhar Munro that once man has exterminated a species it should not be reintroduced. There should be a balance between humanity and the natural world, and we should discuss the basis of that balance rather than allow one species to eliminate another and make the world a poorer place.

We have heard about Japanese knotweed, which was introduced as an ornamental plant only to spread triffid-like across the land. It is a particularly nasty invader, which can reproduce from a sliver the size of a thumbnail. It has been suggested that the sap-sucking psyllid leaf louse—the *bête noir* of Japanese knotweed—be imported to deal with this pest, saving a fortune in potentially damaging weedkiller. If the Greens had bothered to show up for the debate, I am sure they would have told us how environmentally sensitive that would be. However, I believe that we should adopt a precautionary approach when we consider introducing yet more species into our environment.

After peeking at my speech, my colleague Roseanna Cunningham plagiarised something that I was about to say about cane toads, but I will deal with the topic in more depth. Cane toads were introduced into many regions of the Pacific and Caribbean as a method of agricultural pest control. Their failure to eliminate the sugar cane grub in Australia was notable. From a mere six pairs, their numbers multiplied to some 200 million. When indigenous predators and predators that had been

introduced by Europeans in the previous two centuries, such as dogs and foxes, attacked the cane toads, they were killed by the toad's toxins. Ultimately, insecticides had to be used to control the grub, so although it might seem more environmentally sensitive to introduce one species to eliminate another, I caution that it can create greater difficulties and result, eventually, in weed killers having to be used.

In my constituency, we have the mink, which is a semi-aquatic, carnivorous mammal. As Jamie McGrigor mentioned, mink were introduced for their fur, but have since escaped and caused devastation on Scotland's western seaboard. Action should be taken to further reduce the numbers of that non-native species; if possible, it should be eradicated. Mink prey on fish and other aquatic life, as well as small mammals, especially rabbits. Rabbits were introduced into this country only in historic times, during the Norman conquest of England, after which they migrated north.

The framework that we are discussing is important, because there needs to be increased awareness and understanding of the risks and adverse effects that are associated with non-native invasive species. We must be more vigilant. There also needs to be a greater sense of shared responsibility on the part of Governments.

In Scotland, there are 988 non-native species. The climate has reduced the number of such species here relative to the figure south of the border, where there are 2,271, but climate change might make Scotland more attractive, with the result that more non-native species move north, so continued vigilance is necessary. Butterflies, marine molluscs, migratory birds and plants are likely to be affected by climate change and impacted on by invasive species.

The introduction of non-native invasive species causes great problems in our aquatic ecosystems, as Mr Hume described in great detail. It is not just a question of dealing with the sexier examples, such as mink; we need to deal with less distinctive species.

The guiding principles of the Convention on Biological Diversity emphasise that preventive measures are better than cure. It is important that we detect non-native species early. I think that it was Peter Peacock who talked about America being careful about non-native apples. When I went to Australia, such was the fanaticism of the efforts to prevent yet more species from entering the country that I felt that if I had had explosives or heroin I would have been allowed to walk through customs, whereas if I had had a golden delicious I would immediately have been arrested and thrown to the ground. That shows how sensitive that country is to something that has the potential to

devastate its environment and economy. We should be equally vigilant here.

Of course, there must be sufficient operational capacity and resources for the Scottish Government, working in partnership with the UK and other devolved Administrations, to ensure that we can identify invasive species and rationally assess the risk that they pose. Some of those species might be benign, but we must take a long-term view. A wide range of organisations are carrying out migration control work, which I trust will continue for the benefit of all.

16:24

**Rhoda Grant (Highlands and Islands) (Lab):** I welcome the debate. It is good to see that Governments are co-operating on how to deal with non-native species. Their co-operation is welcomed and encouraged by stakeholders.

A number of non-native species have detrimental impacts on our environment, as other members have explained. Some of those impacts are quite unexpected, as was brought home to me when I watched on TV the efforts that were made to ensure that rats did not get on to St Kilda, when a boat was grounded there recently. We should congratulate SNH and others on their speedy response to avert that potential problem. I guess that it was the last thing that most of us thought about when we heard of a ship in difficulty. The strategy, with its aim of raising awareness, ensuring responsibility and putting in place a framework for dealing with such problems, means that if there is a similar occurrence, we might all be a wee bit more aware of the risks.

We are all aware of the species that cause most of the problems. The problem of the grey squirrel has recently been debated in the Parliament, and there have been high-profile campaigns to trap mink and hedgehogs where they cause environmental damage. However, there are many more non-native species of which I am unaware and which I would be unable to identify.

Like others, when I travel abroad I am acutely aware that other countries appear to take a much stricter line than us. Airports and harbours abroad tend to have more publicity discouraging the import of plants and animals. Not only does the strategy talk about working with stakeholders on education, but it emphasises the need for education to be broader so that we all exercise our responsibility to ensure that we do not import invasive species. Rigorous animal controls tend to come as a result of our reaction to diseases such as rabies.

We often hear of exotic animals and reptiles being found in the wild, mainly due to the people who imported them being unable to look after

them. No one is saying that people should not own exotic pets, but we need to make it clear that if they plan to own such a pet, they should research the animal's care needs over its lifespan before committing to such a purchase. They must ensure that they can cope with those needs, and only then should they make their purchase through a reputable dealer.

Organisations such as the RSPCA are happy to help out when owners cannot cope with their pets for any reason, and they will usually try to rehouse those pets with people who have a history with and knowledge of the breed. Rather than releasing animals or reptiles into the wild, where they can cause damage to the environment or where they might perish because they are unable to survive alone, people should contact those organisations for help. The strategy's emphasis on individual responsibility and education is therefore welcome.

Education has a part to play in helping us to identify species. Animals are often easier to identify than plants because they tend to be given more publicity. I would struggle to identify many of the non-native plants that have been mentioned, and I am not sure how education can be improved to ensure that all of us have a greater understanding. Although I welcome consideration of education and the potential for greater public awareness, it may be worth focusing education not on turning us all into botanists but on telling people about the potential risks of importing plants to prevent them from coming here in the first place. However, that would mean that we would still need people who can identify species and deal with the problems that they bring. The strategy highlights how much that work would cost—Elaine Murray outlined many of those costs earlier.

Marine ballast creates another problem to which we need to find a solution. The more we trade, and the more our horizons increase, the more shipping movements take place. Ships can carry microscopic algae and sea life from very far afield. There are already concerns that much of the algae and fish disease that affects shellfish and fish farming has come from shipping movements. It is difficult to see how we can deal with those issues and protect our environment. I am glad that the strategy at least acknowledges the problem, which I hope signals that there will be an attempt to find a solution to it.

The report rightly emphasises the impact of climate change, which other members have mentioned. Climate change means that exotic species survive here that would not previously have done so. It also means that our native species can struggle to survive, and an invasive species can often be the final straw for them. Climate change is well recognised, and measures to address it have a great deal of public support.

We should build on that public support and use it as a vehicle to spread knowledge and awareness of the problem of non-native species.

Native species should always be encouraged. I have a bugbear, which is that, for many years, I have disliked the use of non-native species in forestry. It has been proven that the quality of timber from those species is not high because of our environment and climate. I have a plea: can more work be done to consider the use and management of our native forests? At this time of year, people appreciate the fact that our native species are not only more environmentally friendly, but beautiful.

I welcome the debate, and I urge the Government to continue to work with other Administrations in the United Kingdom. Our request for a review of existing legislation will only strengthen current actions. I therefore urge the minister to accept the Labour amendment.

16:30

**Ian McKee (Lothians) (SNP):** It is with some caution that I enter this debate, being myself a non-native species that wafted into Scotland some 55 years ago. I hope, however, that I will be judged to fulfil the definition, in the introduction to the framework strategy of an invasive species that is benign—and perhaps even one that contributes to our natural heritage. That is for others to judge; perhaps they have already done so.

If all non-native species had been banned from these shores in the past, we would not now be going home to a fish supper or eating potato crisps. The potato was brought back to the British isles by Sir Walter Raleigh in the 16<sup>th</sup> century. True, he also introduced us to tobacco, but fortunately that deadly import cannot be grown in this country.

The truth is that, for every benign import, there are a few that can cause incalculable harm to our countryside, our pockets, and even our way of life. Many have already been mentioned. I note in passing that all the specimens of Japanese knotweed in this country are female, but I make no comment further than that. Although at first a seemingly attractive newcomer to the garden, it spreads relentlessly and is extremely difficult to eradicate. In Scotland, we have so far been spared colonial sea squirt, but leathery sea squirt from Korea threatens our shores. On land, the Hottentot fig threatens some of our most sensitive coastal areas.

As Peter Peacock has said, in some areas of the Highlands such as the Ardnamurchan peninsula, we are all too familiar with the onward march of the non-native rhododendron. Even the Canada goose is an unwelcome invader to our country,

flattening fields and squashing the nests of other birds—although, in true British fashion, we bemoan its presence while giving it, its nests and its eggs legal protection under the Wildlife and Countryside Act 1981.

It is for those reasons that I welcome the announcement of the framework strategy. A lead co-ordinating organisation—mandated to assess risk, monitor events, educate and inform—can only be for the good.

Yet will it be enough? Past experience of listening to speeches in this chamber has warned me against resorting to nursery stories, but I cannot help but think of the fable of the mice who decided that the best way to guard against the cat catching them unawares would be to tie a bell around its neck. This seemed a good idea at the time, but soon it dawned on the mice that the major problem would be tying on the bell in the first place. Similarly, although I support all the good intentions in the framework document, they may be difficult to put into practice.

In the past, species were often imported by well-intentioned world travellers, but few out of our total population were wealthy enough to fall into that category and so the risks were, to a degree, limited. However, international travel is commonplace today, with cheap flights bringing most areas of the world within reach of large sections of the population. The speed of travel means that seeds, for example, can be imported into this country on shoes or clothes without the bearer even being aware of the fact.

Another factor is ignorance of the risks attached to importing non-native species or cheerfully helping them to spread. I recall with embarrassment being pleased at the first specimen of Japanese knotweed that appeared in my garden. I was totally unaware of the dangers that it presented and I rather admired its appearance. If we are to combat successfully the threat presented by some non-native species, we need a massive public education programme. At present, the public is, as I was, sadly underinformed. A campaign needs to be aimed at the population at large and not just, as illustrated in the document, at people coming home from foreign holidays. It is not unknown for keen gardeners to take cuttings from exotic plants when on holiday and to pack them into hold baggage so that the cuttings are not even available for discarding at the airport terminal on arrival back in UK, even if the gardeners are impressed by publicity material at that point. Furthermore, good intentions can soon evaporate when cases are unpacked.

What we need is a massive campaign, with posters everywhere, of the most dangerous visitors or potential visitors to our shores, so that

the traveller knows in advance of the risks and can guard against them. Schools should be informed in a similar way.

I remember, as a child, seeing photographs of the Colorado beetle everywhere, with captions pointing out how anyone who saw such a beetle should immediately report its presence to the authorities. I had no idea what danger it presented, but I am certain that, had I ever seen such a creature, I would have known exactly what to do. I see very few such warnings about any invasive non-native species today, and I argue that an intensive campaign is needed.

I support the composite motion and wish it every success.

16:35

**Liam McArthur (Orkney) (LD):** I have often found it helpful, in preparing for such debates, to consider whether there is a local angle so that I can embellish my thoughts with some local colour. Unfortunately, on this occasion, one contact—who shall remain nameless—whose views I sought on invasive non-native species was clearly confused. He asked, entirely uncharitably, whether I was referring to the various SNP ministers who had been spotted parading through Orkney over the summer. He went on to note, however, that their presence did not seem to be, in Mr Lochhead's words, "insidious and ... irreversible", as winter and our recent storms appeared to have put paid to such fair-weather invasions.

Richard Lochhead can rest assured that I reprimanded his accuser for his discourtesy. Although it is undoubtedly tempting to see Mr Russell as some form of giant ministerial hogweed, I am on record as welcoming those summer visits—so long as they stop short of the approach taken by wartime GIs, to whom Roseanna Cunningham referred. I will rejoice even more if they lead subsequently to action being taken by the Government in response to my constituents' needs. However, having spent all yesterday afternoon listening to speeches that strayed far and wide from the not entirely obvious point of a debate on the British-Irish Council, I will not fall into a similar trap.

As has been acknowledged by all the members who have spoken this afternoon, this is an important debate. I particularly enjoyed the speeches from Peter Peacock and Kenny Gibson, and I can confirm that Ian McKee has benign status.

As the joint governmental response makes clear, invasive non-native species pose a serious threat to biodiversity and economic interests in Britain. The cabinet secretary himself has conservatively estimated the cost to Scotland at

around £200 million. The response is also right to highlight the increased risk that has been brought about by trends in global trade and travel. To those two factors, I add the threat of climate change. The response bears testimony to the partnership approach taken by all the Administrations in Britain and states unambiguously the need for that to continue. The Government's motion reaffirms that commitment, which is very much to be welcomed.

That said, as Jim Hume set out clearly and persuasively, implementation of the strategy can and should be more localised and should enable bodies such as Tweed Forum to use their expertise to achieve the strategy's objectives. For that to happen, as the cabinet secretary has accepted, a clearer legal framework is required—a point that underpins Elaine Murray's amendment, which we have no difficulty in supporting. However, the strategy's success will almost certainly have resource implications. It will be difficult to provide those resources but, as the strategy accepts—and as most members have acknowledged—delaying action to tackle alien species invariably leads to higher costs because of the damage that is done and the complexity of putting things right.

I am pleased that our amendment has attracted support from the Government and Opposition parties, but it would be helpful to hear from the minister, in his winding-up speech, what early thoughts the Government has had on resource allocation and how better value might be derived from the resources that are already available.

Orkney is perhaps afforded a little more protection than other parts of the country. As an archipelago with the formidable barrier of the Pentland Firth between us and mainland Scotland, our remoteness can play to our advantage. That is the case not just in relation to the introduction of alien species, but in the context of disease outbreaks and disease control. Nevertheless, as RSPB Scotland makes clear in its briefing, offshore island ecosystems are particularly vulnerable to the introduction of non-native vertebrate predators and herbivores. Like Peter Peacock's confessed obsession with slipper limpets, that issue will not be found in any of my campaign literature but it is an important consideration nonetheless.

For example, the impact of rats on the bird population on Canna is well documented. Rats were initially introduced to the island as stowaways on fishing boats, and the problem started to emerge only as milder winters failed to keep the population under control. Dealing with the problem required concerted and sustained effort over around three years. Thankfully now rat free, the situation on Canna illustrates the

difficulties and costs that are involved in tackling infestations once they have escalated.

Egilsay, in my constituency, has experienced similar difficulties, although not to the same extent. The island boasts not only an impressive bird population that includes lapwings, snipe and the occasional corncrake, but the increasingly rare great yellow bumblebee. However, concerns are growing about the number of rats on Egilsay and their impact on local biodiversity. From my discussions with islanders, local RSPB staff and others, it appears that a genuinely difficult calculation has to be made with regard to the need for and the timing and costs of the upheaval that would be entailed by any action. History and common sense appear to suggest that the strategy's hierarchical approach of prevention, early detection and rapid eradication, and long-term control and containment is the right one.

Welcome though the framework strategy for Great Britain is, that is all it is. It requires to be fleshed out with action, which means not only the legislation that the cabinet secretary and Elaine Murray referred to but the training and awareness raising that Rhoda Grant mentioned, improved co-ordination and an increased capacity to respond to and effectively to mitigate the risks presented by non-native invasive species.

The debate has been useful in teasing out some very complex issues and identifying the challenges ahead. In that context, I echo Nanette Milne's comments on the need to maintain the partnership approach that was initiated by the previous Scottish Executive and, I am happy to say, has been embraced and taken forward by the current ministerial team.

I caution ministers against heeding any of the siren voices on the SNP back benches urging them to declare epidemiological independence for Scotland. Such calls were made during previous debates on foot-and-mouth disease. However, they stand science and sense entirely on their heads, and I was delighted to hear Mr Lochhead give those nationalist flat-earthers no cause for optimism.

I welcome the Government's motion, which is improved by the amendments from Jim Hume and Elaine Murray, and I look forward to hosting future invasions of my constituency by the giant ministerial hogweed, the Moray knotweed and other non-native ministerial species when the weather improves.

16:41

**John Scott (Ayr) (Con):** The debate has been unexpectedly good. The Scottish Conservatives recognise the importance of controlling the invasive non-native species that threaten biodiversity in Scotland and the UK.

As our uniquely and identifiably Scottish biodiversity is a cornerstone of our natural and cultural heritage that supports and enhances not just our tourism industry but our daily quality of life, any threat to it must be taken seriously. I have to confess that, until recently, I was unaware of the startling fact that, after habitat loss, invasive non-native species are considered the largest threat to biodiversity worldwide. As Scottish Natural Heritage has identified 988 non-native species in Scotland, the issue certainly demands concerted action. As Nanette Milne said, today's debate is a welcome first step in that direction.

Not all non-native species are a threat to biodiversity, although well documented examples such as the Japanese knotweed, which the cabinet secretary and Elaine Murray referred to, the grey squirrel, which Jamie McGrigor mentioned, and the introduction of sparrows and starlings into North America, have had a disproportionately damaging effect, usually as a result of completely unforeseen circumstances and probably, as Kenneth Gibson noted, exacerbated by climate change. That is why we have to be much more careful about moving species around the world.

Roseanna Cunningham, herself a non-native species, made a passionate speech about the problem of cane toads in Australia and—surprisingly—about amateur gardening. Jamie McGrigor rightly highlighted the importance of taking preventive measures against *Gyrodactylus salaris* and of keeping Scotland free of the parasite. Escapees from fish and mink farms have inflicted huge damage on our wildlife, our biodiversity and our economy and we must continue our efforts to control the situation in both areas.

Jim Hume mentioned the need to contain signal crayfish, although Jamie McGrigor has told me that they are very good with mayonnaise, so we might be able to eat our way through the problem. John Farquhar Munro was right to draw our attention to the proposal to introduce wolves into Scotland. The measure, which has long been considered, must be resisted, given its potential impact on wildlife.

The Scottish Conservatives welcome the publication of the invasive non-native species framework strategy, which is intended to strike a better balance between reactive management and a more preventive approach. As Peter Peacock made clear, its three-stage hierarchical approach of prevention, early detection and rapid eradication, and long-term control and containment seems to provide a sensible way of dealing with the problem, but the fact remains that it is only a strategy, not a commitment to action. If we are to address the problem seriously, the

strategy might well need to be underpinned by education, legislation and budgets. That will be the acid test for Governments in Scotland and the UK, as Ian McKee helpfully noted.

Although controlling non-native invasive species is absolutely desirable, the question is whether it is affordable and who will pay for the new long-term commitment. That is why it is important to recognise that the debate is not an end in itself but only the beginning of a potentially expensive process.

If legislation is to be introduced to protect our most vulnerable environments, it cannot be done in the UK or Scotland in isolation from the rest of Europe. Cleaning up existing problems and future enforcement will come at a cost. I would be interested to know whether the minister has looked into the possibility of introducing legislation and, if so, whether he has costed such a proposal. For that reason, we are attracted to Elaine Murray's amendment and we agree with Liam McArthur's comments on the matter.

Of course, much can be achieved simply by raising awareness of the problem, and today's debate is useful in that context. Perhaps a simple way to reinforce the message and address the issue would be to use existing schemes, such as the Scottish rural development programme, and to invite farmers and landowners not to introduce non-native invasive species on to their land as part of cross-compliance. That would not be a problem for most farmers and landowners.

The establishment of a working group to consider the matter, which the cabinet secretary announced today, is a welcome step forward. The Scottish Conservatives welcome the debate, support the strategy in principle and will support the motion and the Liberal and Labour amendments.

16:46

**Elaine Murray:** At the beginning of debates such as this, I often wonder whether I ought to declare that, many years ago, we took out a family membership of the RSPB. Of course, that involved our giving it money—not the other way round—and it does not mean that I necessarily adhere to all its points of view.

The debate started out generally consensual, and it was interesting and informative throughout, but Jamie McGrigor managed to inject a note of discord with his dissent on the reintroduction of beavers and sea eagles. I was careful how I pronounced "sea eagles", because seagulls are an entirely different matter. Although they are a native species, they can be pretty invasive, as people in Dumfries and other areas know. I was a little confused by Jamie McGrigor's argument about the

relationship between sea eagles and vultures, because vultures are not predators but scavengers, despite the fact that they are seen wheeling over the remains of various animals and indeed people.

**Jamie McGrigor:** Is the member saying that the white-tailed sea eagle is not related to the vulture?

**Elaine Murray:** I am not sure whether the sea eagle is related to the vulture, but vultures are not predators and the issue, to which John Farquhar Munro also referred, is predation. There is serious concern about that among some crofters and I am glad to hear that SNH and others are looking into it. I do not think that we should pre-empt the findings of those investigations.

I am sorry that Kenny Gibson is not in the chamber at the moment because, on this occasion, I am in the unusual position of agreeing with him. The fact that human beings eradicated a species at some time should not militate against its reintroduction. I cite the example of the reintroduction of red kites, first in the Highlands and now in Dumfries and Galloway. Sadly, those beautiful birds are still sometimes the victims of ill-informed individuals who do not understand the difference between predators and scavengers. Red kites, like vultures, are scavengers, although they are hawks. However, this is not a debate about wildlife crime, so I shall return to the topic.

Roseanna Cunningham and Peter Peacock discussed fragile island environments that can be threatened by native species migrating from the mainland. Hedgehogs, which, as we know, were introduced by humans to the island of Uist, caused a dramatic reduction in wading bird colonies by predating their eggs. They also managed to cause a dramatic public outcry when the original method of controlling their numbers—by cull—was suggested.

Rhoda Grant mentioned rats on St Kilda. Liam McArthur referred to the rats that arrived on the island of Canna in the 1900s. For a long time, the rat population was controlled by harsh winters, but climate change in the form of recent mild winters brought about a population explosion and it was some time before the island was declared rat free, earlier this year. I suspect that there was less of a public outcry about the fate of the poor old rats than there was about the hedgehogs—cute animals, whether they are invaders or victims, always seem to get more public sympathy than less attractive animals.

Much reference has been made to signal crayfish. As Jim Hume said, as it is amphibious, it is unfortunately able to travel over land. The species first appeared in the catchment of the River Dee in Kirkcudbrightshire in 1995, but it has travelled as far north as Inverness-shire. A similar

non-native species, the Chinese mitten crab, is also threatening the UK. It began to increase in number in the 1980s and it is possibly even more voracious and dangerous to the environment than the signal crayfish. In its native China, it has been shown to be capable of migrating up to 1,500km and it is said to be prepared to eat anything in its path. There has been recent speculation about what will happen when those two species meet—they will be fairly dangerous to the environment and possibly to each other.

Plants form a fairly large part of the invasive non-native species problem. The horticulture code was launched in 2005 to provide voluntary guidance to prevent the spread into the natural environment of invasive garden species. Ian McKee and Peter Peacock referred to displays of rhododendron. It is a beautiful plant in the garden, but it has become a pest in many woodlands. Although it looks pretty in the spring, it overtakes and forces out native woodland species.

Himalayan balsam—I know what it looks like but I do not know how to pronounce it—is also an attractive species, but examination of the banks of the River Nith demonstrates how invasive it is. I recently took part in a clean-up of the River Nith. The only thing that shocked me more than the quantity of that plant on the riverbank was the quantity of empty alcohol containers and plastic bags.

Competition for the same habitat is not the only problem; interbreeding can also threaten diversity. The wild hyacinth, for example, while still widespread, is under increasing threat from hybridisation with garden varieties such as the Spanish bluebell and the hybrid bluebell. I think that it is the latter that has taken hold in my garden—I can confirm that it is invasive and difficult to control.

Without doubt, prevention is better than cure. As other members have said, non-native species have been introduced into these islands over the centuries. Not all of them are invasive and the more invasive ones have tended to be introduced more recently. The ancient introductions have become integrated into the environment.

Education and personal responsibility are important, in addition to Government action, but we must ensure that the legislative framework is coherent and underpins action by Government or individuals. That is why we have lodged our amendment. I am pleased that the Government and the other parties in the chamber have agreed to accept it.

16:53

**The Minister for Environment (Michael Russell):** The debate has been positive and

constructive, but before I get into the substance of it I will deal with what might be called the two invasive contributions, which were somewhat different from the rest.

Jamie McGrigor strayed off the subject of the debate and stayed off it. By contrast, John Farquhar Munro never got on to the subject of the debate. Let me make it clear that the issue that we are talking about is clearly defined in the strategy and in the motion. Sea eagles are not an invasive species. Let me also make it clear, for the avoidance of doubt in the reporting of the issue, that the Government is concerned and has been active. SNH is also active. Yesterday, I had another discussion with Andrew Thin, the chair of SNH, about the issue. We are determined to help the affected crofters. We know that there is a problem, but a constructive rather than a destructive approach will be taken. I hope that that is understood by everyone involved.

The debate has been positive and well informed, just as the strategy that we are dealing with is positive and well informed. I am pleased to accept both amendments, but with two slight caveats. First, on the Labour amendment, legislation is not the sole answer to the problem. Indeed, legislation tends to be at the extreme end of the problem, because very few people deliberately take invasive species in and deliberately mean to do damage. There are an awful lot of accidental actions in this regard—ballast waters, for example, which Rhoda Grant referred to. A lot of problems are caused by material coming in that we have difficulty stopping because of global trade. Equally, some of the problems that we face are because, over several centuries, people have brought in plants—ornamental plants in particular—that they thought were well adapted to the area. They did not know that they were too well adapted. Of course we will continue to consider legislation. We are happy to accept Labour's amendment—we are looking at the matter seriously—but legislation is not the sole solution.

Local action, of which we have seen good examples, is required. Mr Hume referred to the Tweed invasives project, under which an immensely impressive series of actions are being taken by a range of stakeholders who know that their livelihoods and their area are being badly affected. A national overview is needed, although we must recognise that the problem varies from place to place. National overviews allow us to link things together.

Roseanna Cunningham made the wise point that there is a particular problem on islands. Hedgehogs and mink have been referred to. Each area has its own difficulties with invasive species. We need to ensure that there is local action and a national strategy. I am happy to accept both amendments with those observations.

There are, of course, differences north and south of the border. We have willingly signed up to the strategy, which we are implementing, but it is important to recognise that the strategy document is not just a discussion document; there is a framework in it that we have signed up to, which is already in place. It is devoted to action. That said, there are climate differences north and south of the border, and differences in the effects of climate change, in habitats and in natural environments. We have a set of common tools by which we can address problems, but we will of course address them piece by piece, paying attention to particular things that we can do in Scotland.

I will conclude by referring to some of the things that we are doing here. *[Interruption.]*

**The Presiding Officer (Alex Fergusson):** Order. One moment, minister. Far too many conversations that have nothing at all to do with the debate are taking place in the chamber.

**Michael Russell:** Work is progressing under SNH's species action framework. As members know, that framework provides a list of species, action on which over the next five years could make a difference to biodiversity. The wider context of the debate is Scotland's biodiversity and how we wish to preserve and develop it. Six non-native species are included in SNH's species action framework, which not only encourages species that we want to see in Scotland, but addresses the problems that are created by non-native species. Those non-native species are the American mink, the grey squirrel, the North American signal crayfish—the Presiding Officer knows about that subject—*Rhododendron ponticum*, the New Zealand pygmy weed and wirewood. We will focus on all those species over the next five years to ensure that we reduce their impact. It is important to note—as Richard Lochhead said at the beginning of the debate—that we are not, alas, talking about total eradication, because we have already reached the stage at which reintroductions have been so widespread and severe that we can talk only about control.

Rosanna Cunningham raised the interesting issue of biocides and the possibility of going for total eliminations by means of some sort of magic bullet. That has been talked about for signal crayfish and Himalayan balsam. She asked for the Government's reaction to that proposal. We are cautious. We know from elsewhere that the use of biocides can be remarkably successful, but there can also be unintended consequences. Cane toads have been mentioned twice in the debate. *[Interruption.]* I am sure that those who have just arrived in the chamber are so familiar with the cane toad issue that they do not need to know any more about it. The case of cane toads provides an

example of introducing one species and producing terrible results for other species.

Scotland is particularly vulnerable to invasive species: it has a long coastline and many islands. Many translocated species have been brought from elsewhere. We will remain exceptionally vigilant. We will continue to do the work that we can do through SNH, our biodiversity strategy and, of course, our national objectives, which include a number of biodiversity objectives. We will also work closely with the other Administrations in these islands and in the European context. I draw the debate to a close on that thought. The problem is not only a Scottish, a UK or a European problem. In an era of globalisation and climate change, the whole world is changing. We must fight strongly to maintain—*[Interruption.]* I am sorry, but I am fighting strongly to hear myself, Presiding Officer.

**The Presiding Officer:** I agree. I have already asked for quiet in the chamber. I should not have to ask for it twice.

**Michael Russell:** Thank you, Presiding Officer. If I cannot hear myself, it is clear that something is wrong.

We must fight strongly to ensure that we maintain the Scottish environment with climate change. There is an alternative. We could cease to worry about the topic, throw the strategy document away and say that it does not matter to us. That would mean that we would lose Scotland's environment as we know it and as we must hand it on to our children.

## Decision Time

17:00

### The Presiding Officer (Alex Fergusson):

There are eight questions to be put as a result of today's business. The first question is, that amendment S3M-2780.1, in the name of John Swinney, which seeks to amend motion S3M-2780, in the name of Jeremy Purvis, on a helping hand with the rising cost of living, 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)  
 Allan, Alasdair (Western Isles) (SNP)  
 Brocklebank, Ted (Mid Scotland and Fife) (Con)  
 Brown, Gavin (Lothians) (Con)  
 Brown, Keith (Ochil) (SNP)  
 Brownlee, Derek (South of Scotland) (Con)  
 Campbell, Aileen (South of Scotland) (SNP)  
 Carlaw, Jackson (West of Scotland) (Con)  
 Constance, Angela (Livingston) (SNP)  
 Crawford, Bruce (Stirling) (SNP)  
 Cunningham, Roseanna (Perth) (SNP)  
 Don, Nigel (North East Scotland) (SNP)  
 Doris, Bob (Glasgow) (SNP)  
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)  
 Fabiani, Linda (Central Scotland) (SNP)  
 FitzPatrick, Joe (Dundee West) (SNP)  
 Fraser, Murdo (Mid Scotland and Fife) (Con)  
 Gibson, Kenneth (Cunninghame North) (SNP)  
 Gibson, Rob (Highlands and Islands) (SNP)  
 Goldie, Annabel (West of Scotland) (Con)  
 Grahame, Christine (South of Scotland) (SNP)  
 Harper, Robin (Lothians) (Green)  
 Harvie, Christopher (Mid Scotland and Fife) (SNP)  
 Harvie, Patrick (Glasgow) (Green)  
 Hepburn, Jamie (Central Scotland) (SNP)  
 Hyslop, Fiona (Lothians) (SNP)  
 Ingram, Adam (South of Scotland) (SNP)  
 Johnstone, Alex (North East Scotland) (Con)  
 Kidd, Bill (Glasgow) (SNP)  
 Lamont, John (Roxburgh and Berwickshire) (Con)  
 Lochhead, Richard (Moray) (SNP)  
 MacAskill, Kenny (Edinburgh East and Musselburgh) (SNP)  
 Marwick, Tricia (Central Fife) (SNP)  
 Mather, Jim (Argyll and Bute) (SNP)  
 Matheson, Michael (Falkirk West) (SNP)  
 Maxwell, Stewart (West of Scotland) (SNP)  
 McGrigor, Jamie (Highlands and Islands) (Con)  
 McKee, Ian (Lothians) (SNP)  
 McKelvie, Christina (Central Scotland) (SNP)  
 McLetchie, David (Edinburgh Pentlands) (Con)  
 McMillan, Stuart (West of Scotland) (SNP)  
 Milne, Nanette (North East Scotland) (Con)  
 Mitchell, Margaret (Central Scotland) (Con)  
 Morgan, Alasdair (South of Scotland) (SNP)  
 Neil, Alex (Central Scotland) (SNP)  
 Paterson, Gil (West of Scotland) (SNP)  
 Robison, Shona (Dundee East) (SNP)  
 Russell, Michael (South of Scotland) (SNP)  
 Salmond, Alex (Gordon) (SNP)  
 Scanlon, Mary (Highlands and Islands) (Con)

Scott, John (Ayr) (Con)  
 Smith, Elizabeth (Mid Scotland and Fife) (Con)  
 Somerville, Shirley-Anne (Lothians) (SNP)  
 Stevenson, Stewart (Banff and Buchan) (SNP)  
 Sturgeon, Nicola (Glasgow Govan) (SNP)  
 Swinney, John (North Tayside) (SNP)  
 Thompson, Dave (Highlands and Islands) (SNP)  
 Watt, Maureen (North East Scotland) (SNP)  
 Welsh, Andrew (Angus) (SNP)  
 White, Sandra (Glasgow) (SNP)  
 Wilson, Bill (West of Scotland) (SNP)  
 Wilson, John (Central Scotland) (SNP)

### AGAINST

Alexander, Ms Wendy (Paisley North) (Lab)  
 Baillie, Jackie (Dumbarton) (Lab)  
 Baker, Richard (North East Scotland) (Lab)  
 Boyack, Sarah (Edinburgh Central) (Lab)  
 Brown, Robert (Glasgow) (LD)  
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)  
 Curran, Margaret (Glasgow Baillieston) (Lab)  
 Finnie, Ross (West of Scotland) (LD)  
 Foulkes, George (Lothians) (Lab)  
 Gordon, Charlie (Glasgow Cathcart) (Lab)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 Gray, Iain (East Lothian) (Lab)  
 Henry, Hugh (Paisley South) (Lab)  
 Hume, Jim (South of Scotland) (LD)  
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)  
 MacDonald, Margo (Lothians) (Ind)  
 Macintosh, Ken (Eastwood) (Lab)  
 Martin, Paul (Glasgow Springburn) (Lab)  
 McArthur, Liam (Orkney) (LD)  
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)  
 McInnes, Alison (North East Scotland) (LD)  
 McMahon, Michael (Hamilton North and Bellshill) (Lab)  
 McNeill, Pauline (Glasgow Kelvin) (Lab)  
 Mulligan, Mary (Linlithgow) (Lab)  
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)  
 Murray, Elaine (Dumfries) (Lab)  
 O'Donnell, Hugh (Central Scotland) (LD)  
 Peacock, Peter (Highlands and Islands) (Lab)  
 Pringle, Mike (Edinburgh South) (LD)  
 Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)  
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)  
 Scott, Tavish (Shetland) (LD)  
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)  
 Smith, Margaret (Edinburgh West) (LD)  
 Stephen, Nicol (Aberdeen South) (LD)  
 Stewart, David (Highlands and Islands) (Lab)  
 Stone, Jamie (Caithness, Sutherland and Easter Ross) (LD)  
 Tolson, Jim (Dunfermline West) (LD)  
 Whitefield, Karen (Airdrie and Shotts) (Lab)  
 Whitton, David (Strathkelvin and Bearsden) (Lab)

**The Presiding Officer:** The result of the division is: For 64, Against 40, Abstentions 0.

*Amendment agreed to.*

**The Presiding Officer:** The second question is, that motion S3M-2780, in the name of Jeremy Purvis, on a helping hand with the rising cost of living, 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)  
 Allan, Alasdair (Western Isles) (SNP)  
 Brocklebank, Ted (Mid Scotland and Fife) (Con)  
 Brown, Gavin (Lothians) (Con)  
 Brown, Keith (Ochil) (SNP)  
 Brownlee, Derek (South of Scotland) (Con)  
 Campbell, Aileen (South of Scotland) (SNP)  
 Carlaw, Jackson (West of Scotland) (Con)  
 Constance, Angela (Livingston) (SNP)  
 Crawford, Bruce (Stirling) (SNP)  
 Cunningham, Roseanna (Perth) (SNP)  
 Don, Nigel (North East Scotland) (SNP)  
 Doris, Bob (Glasgow) (SNP)  
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)  
 Fabiani, Linda (Central Scotland) (SNP)  
 FitzPatrick, Joe (Dundee West) (SNP)  
 Fraser, Murdo (Mid Scotland and Fife) (Con)  
 Gibson, Kenneth (Cunninghame North) (SNP)  
 Gibson, Rob (Highlands and Islands) (SNP)  
 Goldie, Annabel (West of Scotland) (Con)  
 Grahame, Christine (South of Scotland) (SNP)  
 Harper, Robin (Lothians) (Green)  
 Harvie, Christopher (Mid Scotland and Fife) (SNP)  
 Harvie, Patrick (Glasgow) (Green)  
 Hepburn, Jamie (Central Scotland) (SNP)  
 Hyslop, Fiona (Lothians) (SNP)  
 Ingram, Adam (South of Scotland) (SNP)  
 Johnstone, Alex (North East Scotland) (Con)  
 Kidd, Bill (Glasgow) (SNP)  
 Lamont, John (Roxburgh and Berwickshire) (Con)  
 Lochhead, Richard (Moray) (SNP)  
 MacAskill, Kenny (Edinburgh East and Musselburgh) (SNP)  
 Marwick, Tricia (Central Fife) (SNP)  
 Mather, Jim (Argyll and Bute) (SNP)  
 Matheson, Michael (Falkirk West) (SNP)  
 Maxwell, Stewart (West of Scotland) (SNP)  
 McGrigor, Jamie (Highlands and Islands) (Con)  
 McKee, Ian (Lothians) (SNP)  
 McKelvie, Christina (Central Scotland) (SNP)  
 McLetchie, David (Edinburgh Pentlands) (Con)  
 McMillan, Stuart (West of Scotland) (SNP)  
 Milne, Nanette (North East Scotland) (Con)  
 Mitchell, Margaret (Central Scotland) (Con)  
 Morgan, Alasdair (South of Scotland) (SNP)  
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)  
 Neil, Alex (Central Scotland) (SNP)  
 Paterson, Gil (West of Scotland) (SNP)  
 Robison, Shona (Dundee East) (SNP)  
 Russell, Michael (South of Scotland) (SNP)  
 Salmond, Alex (Gordon) (SNP)  
 Scanlon, Mary (Highlands and Islands) (Con)  
 Scott, John (Ayr) (Con)  
 Smith, Elizabeth (Mid Scotland and Fife) (Con)  
 Somerville, Shirley-Anne (Lothians) (SNP)  
 Stevenson, Stewart (Banff and Buchan) (SNP)  
 Sturgeon, Nicola (Glasgow Govan) (SNP)  
 Swinney, John (North Tayside) (SNP)  
 Thompson, Dave (Highlands and Islands) (SNP)  
 Watt, Maureen (North East Scotland) (SNP)  
 Welsh, Andrew (Angus) (SNP)  
 White, Sandra (Glasgow) (SNP)  
 Wilson, Bill (West of Scotland) (SNP)  
 Wilson, John (Central Scotland) (SNP)

**AGAINST**

Alexander, Ms Wendy (Paisley North) (Lab)  
 Baillie, Jackie (Dumbarton) (Lab)  
 Baker, Richard (North East Scotland) (Lab)

Boyack, Sarah (Edinburgh Central) (Lab)  
 Brown, Robert (Glasgow) (LD)  
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)  
 Curran, Margaret (Glasgow Baillieston) (Lab)  
 Finnie, Ross (West of Scotland) (LD)  
 Foulkes, George (Lothians) (Lab)  
 Gordon, Charlie (Glasgow Cathcart) (Lab)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 Gray, Iain (East Lothian) (Lab)  
 Henry, Hugh (Paisley South) (Lab)  
 Hume, Jim (South of Scotland) (LD)  
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)  
 Macintosh, Ken (Eastwood) (Lab)  
 Martin, Paul (Glasgow Springburn) (Lab)  
 McArthur, Liam (Orkney) (LD)  
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)  
 McInnes, Alison (North East Scotland) (LD)  
 McMahon, Michael (Hamilton North and Bellshill) (Lab)  
 McNeill, Pauline (Glasgow Kelvin) (Lab)  
 Mulligan, Mary (Linlithgow) (Lab)  
 Murray, Elaine (Dumfries) (Lab)  
 O'Donnell, Hugh (Central Scotland) (LD)  
 Peacock, Peter (Highlands and Islands) (Lab)  
 Pringle, Mike (Edinburgh South) (LD)  
 Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)  
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)  
 Scott, Tavish (Shetland) (LD)  
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)  
 Smith, Margaret (Edinburgh West) (LD)  
 Stephen, Nicol (Aberdeen South) (LD)  
 Stewart, David (Highlands and Islands) (Lab)  
 Stone, Jamie (Caithness, Sutherland and Easter Ross) (LD)  
 Tolson, Jim (Dunfermline West) (LD)  
 Whitefield, Karen (Airdrie and Shotts) (Lab)  
 Whitton, David (Strathkelvin and Bearsden) (Lab)

**ABSTENTIONS**

MacDonald, Margo (Lothians) (Ind)

**The Presiding Officer:** The result of the division is: For 65, Against 38, Abstentions 1.

*Motion, as amended, agreed to.*

*Resolved,*

That the Parliament notes with grave concern the rise in the cost of living and the impact of the credit crunch on families, individuals and small businesses in Scotland; agrees that the Scottish Government should use all of the levers at its disposal to give practical help; calls on the Liberal Democrats to set out in detail the £800 million of cuts to public services that they would make to fund their proposal on income tax and believes that until these cuts are identified and are open to scrutiny the Liberal Democrats and their proposal have no credibility, and further believes that, as part of the forthcoming budget process, the Liberal Democrats should bring forward detailed proposals of where they believe cuts should be made.

**The Presiding Officer:** The third question is, that amendment S3M-2779.1, in the name of Derek Brownlee, which seeks to amend motion S3M-2779, in the name of Tavish Scott, on the importance of HBOS to the Scottish economy and jobs, be agreed to. Are we agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

**FOR**

Aitken, Bill (Glasgow) (Con)  
 Brocklebank, Ted (Mid Scotland and Fife) (Con)  
 Brown, Gavin (Lothians) (Con)  
 Brownlee, Derek (South of Scotland) (Con)  
 Carlaw, Jackson (West of Scotland) (Con)  
 Fraser, Murdo (Mid Scotland and Fife) (Con)  
 Goldie, Annabel (West of Scotland) (Con)  
 Johnstone, Alex (North East Scotland) (Con)  
 Lamont, John (Roxburgh and Berwickshire) (Con)  
 McGrigor, Jamie (Highlands and Islands) (Con)  
 McLetchie, David (Edinburgh Pentlands) (Con)  
 Milne, Nanette (North East Scotland) (Con)  
 Mitchell, Margaret (Central Scotland) (Con)  
 Scanlon, Mary (Highlands and Islands) (Con)  
 Scott, John (Ayr) (Con)  
 Smith, Elizabeth (Mid Scotland and Fife) (Con)

**AGAINST**

Adam, Brian (Aberdeen North) (SNP)  
 Ahmad, Bashir (Glasgow) (SNP)  
 Alexander, Ms Wendy (Paisley North) (Lab)  
 Allan, Alasdair (Western Isles) (SNP)  
 Baillie, Jackie (Dumbarton) (Lab)  
 Baker, Richard (North East Scotland) (Lab)  
 Boyack, Sarah (Edinburgh Central) (Lab)  
 Brown, Keith (Ochil) (SNP)  
 Brown, Robert (Glasgow) (LD)  
 Campbell, Aileen (South of Scotland) (SNP)  
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)  
 Constance, Angela (Livingston) (SNP)  
 Crawford, Bruce (Stirling) (SNP)  
 Cunningham, Roseanna (Perth) (SNP)  
 Curran, Margaret (Glasgow Baillieston) (Lab)  
 Don, Nigel (North East Scotland) (SNP)  
 Doris, Bob (Glasgow) (SNP)  
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)  
 Fabiani, Linda (Central Scotland) (SNP)  
 Finnie, Ross (West of Scotland) (LD)  
 FitzPatrick, Joe (Dundee West) (SNP)  
 Foulkes, George (Lothians) (Lab)  
 Gibson, Kenneth (Cunninghame North) (SNP)  
 Gibson, Rob (Highlands and Islands) (SNP)  
 Gordon, Charlie (Glasgow Cathcart) (Lab)  
 Grahame, Christine (South of Scotland) (SNP)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 Gray, Iain (East Lothian) (Lab)  
 Harper, Robin (Lothians) (Green)  
 Harvie, Christopher (Mid Scotland and Fife) (SNP)  
 Harvie, Patrick (Glasgow) (Green)  
 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)  
 Kidd, Bill (Glasgow) (SNP)  
 Lochhead, Richard (Moray) (SNP)  
 MacAskill, Kenny (Edinburgh East and Musselburgh) (SNP)  
 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)  
 McInnes, Alison (North East Scotland) (LD)  
 McKee, Ian (Lothians) (SNP)  
 McKelvie, Christina (Central Scotland) (SNP)

McMahon, Michael (Hamilton North and Bellshill) (Lab)  
 McMillan, Stuart (West of Scotland) (SNP)  
 McNeill, Pauline (Glasgow Kelvin) (Lab)  
 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)  
 Paterson, Gil (West of Scotland) (SNP)  
 Peacock, Peter (Highlands and Islands) (Lab)  
 Pringle, Mike (Edinburgh South) (LD)  
 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)  
 Scott, Tavish (Shetland) (LD)  
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)  
 Smith, Margaret (Edinburgh West) (LD)  
 Somerville, Shirley-Anne (Lothians) (SNP)  
 Stephen, Nicol (Aberdeen South) (LD)  
 Stewart, David (Highlands and Islands) (Lab)  
 Stone, 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)  
 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)

**The Presiding Officer:** The result of the division is: For 16, Against 87, Abstentions 0.

*Amendment disagreed to.*

**The Presiding Officer:** The fourth question is, that amendment S3M-2779.2, in the name of Patrick Harvie, which seeks to amend motion S3M-2779, in the name of Tavish Scott, on the importance of HBOS to the Scottish economy and jobs, be agreed to. Are we agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

**FOR**

Harper, Robin (Lothians) (Green)  
 Harvie, Patrick (Glasgow) (Green)  
 MacDonald, Margo (Lothians) (Ind)

**AGAINST**

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, Richard (North East Scotland) (Lab)  
 Boyack, Sarah (Edinburgh Central) (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)  
 Campbell, Aileen (South of Scotland) (SNP)  
 Carlaw, Jackson (West of Scotland) (Con)  
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)  
 Constance, Angela (Livingston) (SNP)  
 Crawford, Bruce (Stirling) (SNP)  
 Cunningham, Roseanna (Perth) (SNP)  
 Curran, Margaret (Glasgow Baillieston) (Lab)  
 Don, Nigel (North East Scotland) (SNP)  
 Doris, Bob (Glasgow) (SNP)  
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)  
 Fabiani, Linda (Central Scotland) (SNP)  
 Finnie, Ross (West of Scotland) (LD)  
 FitzPatrick, Joe (Dundee West) (SNP)  
 Foulkes, George (Lothians) (Lab)  
 Fraser, Murdo (Mid Scotland and Fife) (Con)  
 Gibson, Kenneth (Cunninghame North) (SNP)  
 Gibson, Rob (Highlands and Islands) (SNP)  
 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)  
 Kidd, Bill (Glasgow) (SNP)  
 Lamont, John (Roxburgh and Berwickshire) (Con)  
 Lochhead, Richard (Moray) (SNP)  
 MacAskill, Kenny (Edinburgh East and Musselburgh) (SNP)  
 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)  
 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)  
 McMahon, Michael (Hamilton North and Bellshill) (Lab)  
 McMillan, Stuart (West of Scotland) (SNP)  
 McNeill, Pauline (Glasgow Kelvin) (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)  
 Paterson, Gil (West of Scotland) (SNP)  
 Peacock, Peter (Highlands and Islands) (Lab)  
 Pringle, Mike (Edinburgh South) (LD)  
 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)  
 Scott, Tavish (Shetland) (LD)

Simpson, Dr Richard (Mid Scotland and Fife) (Lab)  
 Smith, Elizabeth (Mid Scotland and Fife) (Con)  
 Smith, Margaret (Edinburgh West) (LD)  
 Somerville, Shirley-Anne (Lothians) (SNP)  
 Stephen, Nicol (Aberdeen South) (LD)  
 Stewart, David (Highlands and Islands) (Lab)  
 Stone, 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)  
 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)

**The Presiding Officer:** The result of the division is: For 3, Against 100, Abstentions 0.

*Amendment disagreed to.*

**The Presiding Officer:** The fifth question is, that motion S3M-2779, in the name of Tavish Scott, on the importance of HBOS to the Scottish economy and jobs, 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)  
 Allan, Alasdair (Western Isles) (SNP)  
 Brown, Keith (Ochil) (SNP)  
 Brown, Robert (Glasgow) (LD)  
 Campbell, Aileen (South of Scotland) (SNP)  
 Constance, Angela (Livingston) (SNP)  
 Crawford, Bruce (Stirling) (SNP)  
 Cunningham, Roseanna (Perth) (SNP)  
 Don, Nigel (North East Scotland) (SNP)  
 Doris, Bob (Glasgow) (SNP)  
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)  
 Fabiani, Linda (Central Scotland) (SNP)  
 Finnie, Ross (West of Scotland) (LD)  
 FitzPatrick, Joe (Dundee West) (SNP)  
 Gibson, Kenneth (Cunninghame North) (SNP)  
 Gibson, Rob (Highlands and Islands) (SNP)  
 Grahame, Christine (South of Scotland) (SNP)  
 Harvie, Christopher (Mid Scotland and Fife) (SNP)  
 Hepburn, Jamie (Central Scotland) (SNP)  
 Hume, Jim (South of Scotland) (LD)  
 Hyslop, Fiona (Lothians) (SNP)  
 Ingram, Adam (South of Scotland) (SNP)  
 Kidd, Bill (Glasgow) (SNP)  
 Lochhead, Richard (Moray) (SNP)  
 MacAskill, Kenny (Edinburgh East and Musselburgh) (SNP)  
 MacDonald, Margo (Lothians) (Ind)  
 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)  
 McInnes, Alison (North East Scotland) (LD)  
 McKee, Ian (Lothians) (SNP)  
 McKelvie, Christina (Central Scotland) (SNP)  
 McMillan, Stuart (West of Scotland) (SNP)  
 Morgan, Alasdair (South of Scotland) (SNP)  
 Munro, John Farquhar (Ross, Skye and Inverness West)

(LD)

Neil, Alex (Central Scotland) (SNP)  
 O'Donnell, Hugh (Central Scotland) (LD)  
 Paterson, Gil (West of Scotland) (SNP)  
 Pringle, Mike (Edinburgh South) (LD)  
 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)  
 Scott, Tavish (Shetland) (LD)  
 Smith, Margaret (Edinburgh West) (LD)  
 Somerville, Shirley-Anne (Lothians) (SNP)  
 Stephen, Nicol (Aberdeen South) (LD)  
 Stone, 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)  
 Watt, Maureen (North East Scotland) (SNP)  
 Welsh, Andrew (Angus) (SNP)  
 White, Sandra (Glasgow) (SNP)  
 Wilson, Bill (West of Scotland) (SNP)  
 Wilson, John (Central Scotland) (SNP)

#### AGAINST

Aitken, Bill (Glasgow) (Con)  
 Alexander, Ms Wendy (Paisley North) (Lab)  
 Baillie, Jackie (Dumbarton) (Lab)  
 Baker, Richard (North East Scotland) (Lab)  
 Boyack, Sarah (Edinburgh Central) (Lab)  
 Brocklebank, Ted (Mid Scotland and Fife) (Con)  
 Brown, Gavin (Lothians) (Con)  
 Brownlee, Derek (South of Scotland) (Con)  
 Carlaw, Jackson (West of Scotland) (Con)  
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)  
 Curran, Margaret (Glasgow Baillieston) (Lab)  
 Foulkes, George (Lothians) (Lab)  
 Fraser, Murdo (Mid Scotland and Fife) (Con)  
 Goldie, Annabel (West of Scotland) (Con)  
 Gordon, Charlie (Glasgow Cathcart) (Lab)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 Gray, Iain (East Lothian) (Lab)  
 Henry, Hugh (Paisley South) (Lab)  
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)  
 Johnstone, Alex (North East Scotland) (Con)  
 Lamont, John (Roxburgh and Berwickshire) (Con)  
 Macintosh, Ken (Eastwood) (Lab)  
 Martin, Paul (Glasgow Springburn) (Lab)  
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)  
 McGrigor, Jamie (Highlands and Islands) (Con)  
 McLetchie, David (Edinburgh Pentlands) (Con)  
 McMahon, Michael (Hamilton North and Bellshill) (Lab)  
 McNeill, Pauline (Glasgow Kelvin) (Lab)  
 Milne, Nanette (North East Scotland) (Con)  
 Mitchell, Margaret (Central Scotland) (Con)  
 Mulligan, Mary (Linlithgow) (Lab)  
 Murray, Elaine (Dumfries) (Lab)  
 Peacock, Peter (Highlands and Islands) (Lab)  
 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)  
 Stewart, David (Highlands and Islands) (Lab)  
 Whitefield, Karen (Airdrie and Shotts) (Lab)  
 Whitton, David (Strathkelvin and Bearsden) (Lab)

#### ABSTENTIONS

Harper, Robin (Lothians) (Green)  
 Harvie, Patrick (Glasgow) (Green)

**The Presiding Officer:** The result of the division is: For 61, Against 40, Abstentions 2.

#### *Motion agreed to.*

That the Parliament gives a general welcome to the measures taken by the UK and other governments to tackle the current banking crisis; considers, however, that the recapitalisation plans announced by HM Treasury in October 2008 have fundamentally changed the landscape under which competition rules were waived to enable a merger between Lloyds TSB and Halifax Bank of Scotland (HBOS); further considers that inconsistent statements have come from the UK Treasury about whether or not the banks would independently have access to the recapitalisation funds; believes that this ambiguity is not serving anyone's interests in the present environment; further believes that losing HBOS corporate headquarters and jobs in Edinburgh would seriously jeopardise the city's position as a financial centre; sees no reason why HBOS should not be able to access UK Treasury recapitalisation and, therefore, liquidity funding on the same independent basis as other major banks, and, with this in mind, considers it a very real possibility that an independent HBOS solution could be found that may well be in the best interests of shareholders, employees, customers and the Scottish economy at large.

**The Presiding Officer:** The sixth question is, that amendment S3M-2777.2, in the name of Elaine Murray, which seeks to amend motion S3M-2777, in the name of Richard Lochhead, on non-native invasive species, be agreed to.

#### *Amendment agreed to.*

**The Presiding Officer:** The seventh question is, that amendment S3M-2777.1, in the name of Jim Hume, which seeks to amend motion S3M-2777, in the name of Richard Lochhead, on non-native invasive species, be agreed to.

#### *Amendment agreed to.*

**The Presiding Officer:** The final question is, that motion S3M-2777, in the name of Richard Lochhead, on non-native invasive species, as amended, be agreed to.

#### *Motion, as amended, agreed to.*

#### *Resolved,*

That the Parliament welcomes the Invasive Non-Native Species Framework Strategy for Great Britain; notes that this is one of the first comprehensive strategies on invasive non-native species to be developed in Europe; further welcomes the Scottish Government's commitment to work in partnership with governments and organisations across these islands to implement the strategy; acknowledges that continued efforts are required by all partners to progress the key actions of the strategy; asks the Scottish Government to review existing legislation and report back to the Parliament on whether it considers that current legislation requires to be strengthened to ensure that the issue of non-native species is addressed more effectively; recognises that prevention and early intervention are vital in protecting native species, habitats and ecosystems, and therefore calls on the Scottish Government to work with local organisations with a remit for the protection of Scotland's natural environment to find ways to expedite the timeous implementation of measures at a local level and to report back to the Parliament with the findings.

**The Presiding Officer:** We move to members' business. If members who are leaving the chamber do so quietly, that will be a miracle.

## Lupus

**The Deputy Presiding Officer (Alasdair Morgan):** The final item of business is a members' business debate on motion S3M-2655, in the name of Kenneth Gibson, on lupus awareness. The debate will be concluded without any question being put.

### *Motion debated,*

That the Parliament notes that October 2008 is Lupus Awareness Month, with members and supporters holding a Lunch4Lupus and other events across the country to raise awareness of this condition; recognises that around 5,000 people in Scotland and over five million people worldwide, of whom around 90% are women, have lupus; further recognises that, while lupus can be mild, it may also be disabling and sometimes fatal, has no known cure and causes many different symptoms, including joint and muscle pain, fatigue, depression and kidney, heart, lung and brain symptoms, as well as recurrent miscarriages; acknowledges that there is an urgent need to increase awareness in Scotland of the debilitating impact of lupus and the difficulty that can arise in gaining a diagnosis, given that it mimics a number of other diseases; supports Lupus UK and other organisations across the world in calling for increases in funding for medical research on lupus and targeted education programmes for health professionals; believes a review of the provision of specialist services in the NHS for those with the condition to be of pressing concern, and regrets the lack of a national clinical centre for excellence in Scotland like that of the St Thomas Lupus Trust in London.

17:07

### **Kenneth Gibson (Cunninghame North) (SNP):**

I thank the 30 members from all five political parties who signed the motion, which has enabled me to bring to the chamber an issue that has not had the attention it deserves. Most of all, I thank Lynette Findlay, Geraldine McDevitt, Esme Griffiths, Nurse Lindsay Clark—Scotland's only specialist lupus nurse—and Karen Allan and her colleagues in the Strathclyde lupus group, who are in the public gallery, for providing me with so much background information on the mysterious and complex auto-immune disease of lupus.

"Lupus" is Latin for wolf. It is supposed that the disease was named lupus in the mid-19<sup>th</sup> century because the commonly presenting facial rash and ulceration resemble a wolf bite. However, the rash is often butterfly shaped, so the disease's name might have as its basis "luoue", the French word for a butterfly-shaped mask that was worn at masked balls.

Lupus can be fatal. Former First Minister Jack McConnell, who unfortunately cannot be here, reminded me that his friend Ali Abbasi died as a result of lupus. Lupus causes the immune system to turn against parts of the body that it is designed to protect. Its most common form is systemic lupus erythematosus—SLE. There is no cure, but lupus

can be treated effectively with drugs. Lupus is characterised by periods of illness that are known as flares and by periods of remission. Understanding how to prevent and treat flares helps sufferers to maintain better health.

Many more women than men have lupus. It is difficult to estimate how many people in Scotland have lupus, because its symptoms vary widely and its onset is often hard to diagnose. Estimates range from 1,000 to 5,000. The cause is unknown: genetic, environmental and possibly hormonal factors are likely to combine to cause the disease.

Each person with lupus has slightly different symptoms that can range from mild to severe and which might come and go over time. The symptoms include painful or swollen joints and muscle pain, fever, red rashes—commonly on the face—chest pain, hair loss, pale or purple fingers or toes, sun sensitivity, oedema in legs or around the eyes, mouth ulcers, swollen glands and extreme fatigue. New symptoms may appear years after the initial diagnosis, and different symptoms can occur at different times. In some people, only one part of the body, such as the skin or joints, is affected, while others experience symptoms in many parts of their bodies. Just how seriously an individual is affected varies from person to person. Systemic effects can impact on the kidneys, lungs, central nervous system, blood vessels, blood and heart.

Diagnosing lupus can be difficult. It may take months or even years to piece together the symptoms. Geraldine, a lupus sufferer, told me:

"I was diagnosed with SLE 20 months ago, but had a difficult route to diagnosis. I began with severe headaches, losing concentration and low mood. My GP suggested antidepressants and counselling (neither really helped). A few months later I developed a rash on my face and chest. My GP thought it might be acne and gave me antibiotics. The rash worsened and I developed severe night sweats, loss of appetite and fatigue. My GP then said it was Flu! I became increasingly ill, the roof of my mouth was full of ulcers and my GP thought it was shingles. A blood test showed I was anaemic, leucopenic, thrombocytopenic and my ESR was through the roof. I had a chest x ray to rule out TB. Circles appeared on my fingers and soles of my feet, my hair was thinning, I had swelling under my left arm, I slept all day and night and couldn't eat. Viral studies were carried out, I saw all the physicians and had no diagnosis, was reverse barrier nursed and put on IV antibiotics. A dermatologist looked at my rash, took more blood tests and a skin biopsy. Walking was difficult. SLE was eventually diagnosed. My diagnosis journey took eight months."

That is a typical and painful story from someone who did not have a switched-on general practitioner who could pick up on basic indicators from examination or questioning and run blood tests before referring the case to a rheumatologist. Quick diagnosis and treatment can limit or stall the level of impact that the disease can have.

Esme, a constituent of mine, told me:

"I am unable to plan too far ahead as I wake up in the morning in great pain, particularly in my joints, especially my hands (causing me great frustration as I am a keen embroiderer and handicrafts enthusiast—the pain and lack of feeling limits me sometimes for days from doing any of this type of work), and feet (I sometimes have difficulty in walking). Often my toes are numb but at the same time they cause me great pain. One point I want to make is that I am regularly told how well I look—the disease does not show itself like a broken arm! I am on constant medication, and will be for the rest of my life, there is a constant battle to balance my medication so that my liver and kidneys are able to function. I am pleased that this almost unheard of disease is being raised in the Scottish Parliament and only hope that NHS Scotland can channel more funding and research in to trying to find a cure."

A correct diagnosis of lupus requires knowledge and awareness on the part of the doctor. Treatment is tailored to individual needs and may change over time, so it is important that patient and doctor work closely together and take an active role in managing the disease to prevent flares, treat them when they occur, minimise organ damage and reduce complications. Development and maintenance of a good family and community support system are also important.

The prognosis is far brighter than it was even 20 years ago. It is possible to have lupus and remain active and involved with life, family and work. As research efforts unfold, there is hope for new treatments, improvements in quality of life and, ultimately, a way to prevent or cure the disease. Experience in patient assessment and management of their care is imperative, and because joint pain is so prevalent in SLE, interested rheumatologists are usually the medical staff who are involved in co-ordinating care and seeking assistance from relevant specialists as needs require.

Recognising the need for services to go beyond the medical model, Lupus UK provided funding for a specialist nurse in 2006. This post, which is held by Lindsay Clark, provides support for patients in north Glasgow and Lanarkshire at Glasgow royal infirmary and Hairmyres hospital, providing clinical service support, undertaking assessment of patients' needs, implementing person-centred care plans and evaluating their impact. After feedback from lupus patients, carers and clinicians, the service has been developed to include a much-needed telephone advice line offering specialist advice. The sustainability of the post is cause for concern because current funding ends in March 2009, with recurring funding still to be secured. I believe that the Scottish Government should help to make the post sustainable, provide a similar post in the east of Scotland and look to develop a national centre of excellence in Scotland, like that of the St Thomas Lupus Trust in London.

Lupus has been greatly neglected in Scotland over many years, no doubt because of lack of understanding and because many lupus sufferers are perhaps reluctant to come forward and talk about their condition. We have an excellent opportunity here today to ensure that awareness of the disease is enhanced tremendously, and to move forward to provide better care and treatments for people with this awful disease.

17:15

**Mary Scanlon (Highlands and Islands) (Con):**

I thank Kenny Gibson for taking the opportunity to highlight lupus in his members' business debate. Given that the condition affects 5,000 people in Scotland, and given that this is lupus awareness month, the debate is indeed timely.

It is difficult to imagine a condition in which the immune system attacks the body's healthy cells and tissues instead of protecting them from illness and infection, but that is what lupus does. As Kenny Gibson outlined, the various difficulties surrounding the condition include the fact that the disease has many manifestations and that each person's profile, or list of symptoms, may be different. Lupus can also mimic other diseases, such as multiple sclerosis and rheumatoid arthritis, which makes it even more difficult for lupus to be diagnosed by GPs, who see so few cases of the condition that they may not be alert to its being a possibility. Such problems are exacerbated by the lack of a single test that can say definitely whether a person has lupus. Against that background, as Kenny Gibson said, diagnosis of lupus is complex and requires comprehensive examination and consideration of the symptoms.

For those reasons, I welcome the establishment of the Scottish lupus exchange, which I understand first met at the Scottish Society for Rheumatology in 2007. The exchange allows rheumatologists to share expertise that they have gained through their experience of seeing many patients frequently. The exchange may not be a centre of excellence, but it is a centre in which expertise is being gained. Such a medical network has the potential to advance knowledge and practice in the clinical and scientific fields of lupus and other connective-tissue diseases, and can help to raise awareness and understanding of the condition. Its key objective of becoming multidisciplinary is a pragmatic way forward, which will be achieved by including specialists with, for example, renal, neurological and dermatological expertise as well as interested doctors in training and specialist nurses. The Scottish lupus exchange is not a managed clinical network—although it might sound like it—but the fact that people are working together is to be welcomed. Undoubtedly, the exchange will help to develop

the high-quality standards of care that are needed and the much-needed research into the condition.

Sharing information and best practice is the model for improving patient care across Scotland for lupus as for other conditions. I was pleased to see that the room at the back of the chamber has some excellent leaflets, which are very attractive and set things out clearly. That is extremely helpful.

In reading about all that research and integrated work, I was struck by the efforts of Sheena Edwards, whose story is covered in the national magazine of Lupus UK. As a Hibs fan, Sheena managed to convince her favourite club to feature an item on lupus in its match programme some time ago. Given that football programmes are guaranteed to be read and—depending on the result—kept by many people, perhaps the Minister for Public Health might want to consider taking that sort of opportunity to promote some of the Parliament's positive public health messages to some of the more hard-to-reach sections of the population.

I apologise for not staying for the remainder of the debate, as I hope to get an earlier train to Inverness. I thank the Presiding Officer for calling me early.

17:19

**Dr Richard Simpson (Mid Scotland and Fife) (Lab):** I add my congratulations to Kenneth Gibson on obtaining this members' business debate.

Lupus is yet another of the long-term conditions that we have so often discussed in Parliament and it shares many of the attributes of other such conditions. It is imperative that individuals are diagnosed early and treated early and that they are given advice on how to manage their condition. Lupus tends to be a long-term condition, but it is not necessarily lifelong, given that it can sometimes go into considerable remission such that people can come off their medical treatment.

However, the condition is very serious. As a very young general practitioner, one of the earliest emergencies that I was presented with was haematemesis—vomiting of blood—as a complication in someone with lupus. Regrettably, the lady died. It was one of the most horrendous experiences of my medical career. That was a long time ago. It is much more important for patients now to recognise that the possibilities for the treatment, management and control of lupus have improved substantially.

Lupus is slightly unusual in that it predominantly affects women; approximately 90 per cent of sufferers are women. It is also more common

among Afro-Caribbean, Asian and Chinese people. Again, that is a group for which communication is not as good as it is in the general population. We already know that some ethnic groups have problems with access to medical care, so how the Government and other parties tackle health inequalities has to be reflected in our management of the condition, as is the case with so many others.

Treatment is sometimes relatively straightforward, but it can involve significant and serious drugs. Steroids are sometimes vital and even life-saving when acute flare-ups of the condition occur. Of course, if it is continued for any length of time, steroid treatment can have serious complications, so such treatment is reduced or eliminated whenever possible. Treatment can also involve the use of immunosuppressive drugs, such as azathioprine, methotrexate and mycophenolate—or mofetil—which are quite powerful drugs that have to be administered very carefully. I make that point because it is important that individuals are managed by specialist services. It is not practical to ask a general practitioner to manage individuals with the condition.

The condition illustrates the need to tier services appropriately. It will be perfectly practicable and possible for the primary care network to manage the overwhelming majority of people with some chronic conditions, but it is vital for conditions such as lupus to have a national managed care network in which individuals can support each other and patients, and where nursing expertise is developed to provide the long-term support to which I have alluded.

I welcome the formation on Government advice of the Scottish lupus exchange. It clearly provides the basic background to developing a properly managed care network. However, as there are about 5,000 patients, I believe that it will be important to train some sub-specialists, such as nurses or general practitioners with a special interest, to ensure that patients are given the effective treatment that they deserve so that they can lead as normal a life as possible, and manage their condition with professional support.

17:23

**Ian McKee (Lothians) (SNP):** I add my congratulations to Kenneth Gibson on securing this important debate at a significant time.

I am sure that the Presiding Officer will remember that, about an hour ago, Kenneth Gibson described himself to the chamber as a prime example of a member of a corrosive species.

**Kenneth Gibson:** I think that I said aggressive.

**Ian McKee:** I am sorry—an aggressive species. I am quite certain that several people in the chamber would have agreed with him, but his contribution to tonight's debate gives the lie to the claim that he is a member of an aggressive species. He summed up extremely well the features of the condition, its potential treatments and the problems faced by people who suffer from it. As a doctor who, like Dr Richard Simpson, has in the past looked after patients who had the condition, I think that Kenneth Gibson gave an excellent summary of what goes on and the problems that we face.

I give full support to the call for more research because we do not know exactly how to treat the condition and we cannot cure it. As Richard Simpson said, many of the drugs that we use at the moment can have awful side effects and lead to further problems. We need to find a new generation of medication and other forms of treatment to improve the lot of people with lupus.

We must alert people in the community—general practitioners, nurses and other primary care workers—to the disorder, because it presents in many different ways. We must also recognise the psychological consequences of having lupus. People with any chronic disorder often have extremely severe psychological difficulties because they feel unsupported in the community. Although it is wrong to diagnose depression in someone with certain symptoms, it is equally important to remember that, when a diagnosis has been made, people need support. That is where organisations such as Lupus UK can have enormous benefits, as it is helpful for people to meet other people with similar problems and share with them experiences and solutions.

I slightly disagree with the motion's call for a national centre for lupus. It is important, as Mary Scanlon and Richard Simpson said, to think about a network for lupus. One of the problems of having national centres for some conditions is that it is possible to deplete experience on the periphery, as patients are drawn to the centre, which becomes the only place where the condition is treated. In turn, that means that people who are not involved in such centres become deskilled and cannot give help locally. In a country such as Scotland, in which there are vast distances to be travelled, that can be extremely dangerous. I agree that we must have areas in which there is greater knowledge than elsewhere, but, as we live in a time when we can access the benefits of telemedicine and other forms of communication, we should go for the network concept, perhaps with nodes within that network where there is greater experience. If the idea of a national centre means that the treatment of everyone with lupus would be managed from that centre, I would be

against that. However, that is probably not what Mr Gibson is calling for.

I am sure that Mr Gibson will have the support of everyone in the chamber for what he is attempting to do.

17:27

**Sandra White (Glasgow) (SNP):** I thank Kenny Gibson for lodging the motion and enabling us to debate this serious issue. I am glad that the issue is being brought to the attention not only of the chamber but of the wider public.

I must also thank Frances Curran, who was the previous convener of the cross-party group on lupus. She worked hard to establish the group, which was well attended and went from strength to strength. We must give credit where credit is due.

I did not know much about lupus until I became involved in the cross-party group. However, I learned fairly quickly. The members of the group—some of whom are probably in the gallery today—ensured that we knew exactly how badly lupus affects the 5,000 sufferers throughout Scotland. I was shocked to learn that 90 per cent of the sufferers are women, as Richard Simpson said. Lupus can cause recurrent miscarriages, which came as a shock to me when I found out about it. However, clinical evidence suggests that research can be done on that aspect. Although we need specialist services for everyone who suffers from lupus, not just women, given that we have evidence that 90 per cent of sufferers are women and that the condition can cause miscarriages, we should focus the attention of specialists on that area. I ask the minister to take that point on board and ensure that we are able to make an early diagnosis of the condition.

A starting point would be to ensure that professionals are educated about the evidence that is available. Mary Scanlon and I have mentioned that 5,000 people are affected by lupus. The condition has various symptoms, but we know that it is correlated with recurrent miscarriages. I would like us to look at that issue.

Kenny Gibson said that many sufferers do not want to divulge the fact that they suffer from lupus. I want to tell members how I became involved with the issue. My involvement is not professional or personal. A young person, not long married, with a young family, discovered that they were very ill. The person, whom I will not name, was vibrant and had a good career in front of them. It took a number of months for them to discover, after various tests, that they suffered from lupus. That person is now in a wheelchair—not all the time, but now and again. It took many months for them to be diagnosed and to find out exactly what was the matter with them. They are still very cheerful,

but they now have to use a wheelchair or sticks. When we see such situations, it makes us wonder how many other people do not know that they have lupus, because the symptoms vary so much.

It is important that we look at research into lupus. We know how many people—more women than men—suffer from it. There is evidence on the condition, and people who do not know that they have it are continuing to suffer. It takes too long for them to be diagnosed. As Richard Simpson said, we should diagnose the condition early, so that people do not have to suffer so much. I ask the minister to take that issue on board and to consider providing specialist services. I agree with Ian McKee that we do not need to provide a single specialist service in Scotland, similar to the one that exists in England, and that we need to share information, to ensure that people are aware of the condition. Awareness and education are important.

17:31

**The Minister for Public Health (Shona Robison):** There have been a number of attempts during lupus awareness month in previous years to secure a debate on the condition. Kenneth Gibson has succeeded—I congratulate him on securing the first ever debate in the Parliament on lupus.

The motion contains a number of elements and I will try to cover them all. I acknowledge the help that we have received from the Scottish lupus exchange, an informal network of rheumatologists that met for the first time last year. I also record our appreciation of the work of Lupus UK, which is effective at providing information and support for those living with the condition.

Lupus is a rare disorder of the immune system that presents with a range of symptoms that often mimic other illnesses, complicating the process of diagnosis. It comes in a number of forms—tonight I will talk about the systemic kind. As has been mentioned, lupus affects about 5,000 people in Scotland, 90 per cent of whom are women. On that prevalence, each general practice would have, on average, about five patients with lupus. As the motion states, the condition can be not only debilitating but disabling and, sometimes, fatal. Fortunately, in most people lupus can be treated with drugs; most people with the condition can lead active lives.

The Scottish lupus exchange suggests that services for people with lupus have been improving, thanks to the appointment over the last 10 years of more rheumatologists with an interest in the disease. Thanks to funding from Lupus UK, there is now a lupus specialist nurse in the west of Scotland. Among other things, she has developed

the first telephone advice line for people with lupus. As Kenny Gibson said, the post is funded only until the end of the financial year, but it has been a highly successful initiative. A major concern of those with lupus is that we should not lose the expertise that the specialist nurse has built up. I hope, therefore, that national health service boards in the west will help to put funding for the post on a sounder basis for the longer term. I would also like NHS boards in other parts of Scotland to take up this approach. I intend to maintain an active and keen interest in the issue.

The motion suggests that there is an urgent need in Scotland to raise awareness of lupus, especially given the difficulty of making a diagnosis. Lupus UK runs local meetings that provide information and assistance for those with the disease. Medical staff and the lupus nurse specialist contribute to those meetings. For GPs in training, the new Royal College of General Practitioners curriculum includes on the checklist of essential knowledge requirements a specific reference to lupus as one less common condition. The Scottish lupus exchange also has a role in supporting general practitioners. At NHS board level, it is keen to raise awareness of the potentially serious complications of the disease.

The motion also calls for increased funding for research. Many fundamental aspects of lupus are still puzzling, such as why women are nine times more likely than men to get it. The chief scientist office would be pleased to consider proposals for research on the disease. Patients in Glasgow are already contributing to such research, and the Scottish lupus exchange would like to find ways to promote larger studies, which could address some of the issues that Sandra White raised. The British isles lupus assessment group has developed a system for collecting clinical data that, with the proper safeguards, could be used as a basis for developing Scotland-based research projects.

Targeted education for health professionals is another issue that the motion raises. I understand that a clinical research fellow has just been identified to consider the best way of providing undergraduate medical students with educational information about lupus. Links between the division of nursing and health care at the University of Glasgow and the lupus specialist nurse have started a process of education for nursing students in Scotland. I am sure that members will consider that to be a positive move.

The motion regrets the absence of a national centre of excellence in Scotland such as the lupus unit at St Thomas' hospital in London. It is, of course, possible for people in Scotland to be referred to that unit if that is considered necessary on clinical grounds. The Scottish lupus exchange is keen to build on expertise at local level to

develop what it describes as a virtual centre. That would allow patients access to excellent local services while providing support for staff and patients alike through a national mechanism. As Ian McKee outlined in his speech, such a pattern of services may be better suited to Scottish geography and circumstances than a single centre of excellence. Services should be provided locally wherever possible, but with prompt access to specialist services when necessary. We need to bear it in mind that travel may be difficult for those with the more severe manifestations of the condition. The model of a virtual centre also holds the promise of helping to sustain higher-quality services more locally.

The Scottish lupus exchange considers itself to be a managed clinical network in its infancy—Richard Simpson and Mary Scanlon picked up on that point. I encourage it to develop as a formal MCN, and the Scottish Government health directorates stand ready to help with advice on that process.

Through our general work on long-term conditions, we aim to improve services for people who live with any such condition. The particular emphasis on self-management is relevant to lupus: patients can be given help to understand why they suffer flare-ups of the illness, how to treat them when they occur and how to maintain better health—for example, by avoiding unnecessary exposure to the sun.

I am in full agreement with the spirit of the motion. We must provide the best possible services for those who live with the debilitating condition. I hope that I have been able to persuade the members present that I am keen to work with them and the organisations that I have mentioned to make progress.

*Meeting closed at 17:38.*



Members who would like a printed copy of the *Official Report* to be forwarded to them should give notice at the Document Supply Centre.

No proofs of the *Official Report* can be supplied. Members who want to suggest corrections for the archive edition should mark them clearly in the daily edition, and send it to the Official Report, Scottish Parliament, Edinburgh EH99 1SP. Suggested corrections in any other form cannot be accepted.

The deadline for corrections to this edition is:

**Thursday 6 November 2008**

#### PRICES AND SUBSCRIPTION RATES

##### OFFICIAL REPORT daily editions

*Single copies: £5.00*

*Meetings of the Parliament annual subscriptions: £350.00*

The archive edition of the *Official Report* of meetings of the Parliament, written answers and public meetings of committees will be published on CD-ROM.

##### WRITTEN ANSWERS TO PARLIAMENTARY QUESTIONS weekly compilation

*Single copies: £3.75*

*Annual subscriptions: £150.00*

Standing orders will be accepted at Document Supply.

Published in Edinburgh by RR Donnelley and available from:

#### **Blackwell's Bookshop**

**53 South Bridge  
Edinburgh EH1 1YS  
0131 622 8222**

**Blackwell's Bookshops:**  
243-244 High Holborn  
London WC1 7DZ  
Tel 020 7831 9501

All trade orders for Scottish Parliament documents should be placed through Blackwell's Edinburgh.

**Blackwell's Scottish Parliament Documentation**  
Helpline may be able to assist with additional information on publications of or about the Scottish Parliament, their availability and cost:

**Telephone orders and inquiries**  
**0131 622 8283 or**  
**0131 622 8258**

**Fax orders**  
**0131 557 8149**

**E-mail orders**  
**business.edinburgh@blackwell.co.uk**

**Subscriptions & Standing Orders**  
**business.edinburgh@blackwell.co.uk**

#### **Scottish Parliament**

**RNID Typetalk calls welcome on**  
**18001 0131 348 5000**  
**Textphone 0845 270 0152**

sp.info@scottish.parliament.uk

All documents are available on the Scottish Parliament website at:

www.scottish.parliament.uk

**Accredited Agents**  
(see Yellow Pages)

and through good booksellers