

# **MEETING OF THE PARLIAMENT**

Thursday 29 October 2009

Session 3

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## Scottish Parliament

Thursday 29 October 2009

[THE PRESIDING OFFICER *opened the meeting at 09:00*]

### Influenza A(H1N1)

**The Presiding Officer (Alex Fergusson):** Good morning. The first item of business this morning is a statement by Nicola Sturgeon on influenza A(H1N1). The cabinet secretary will take questions at the end of her statement, so there should be no interventions or interruptions. This is a 10-minute statement.

09:00

**The Deputy First Minister and Cabinet Secretary for Health and Wellbeing (Nicola Sturgeon):** There have been a number of developments since my last statement to Parliament on the H1N1 influenza virus. Many of those developments were covered in the update letter that I sent to all members on 22 October. However, I am grateful for this further opportunity to update Parliament on the current situation and, in particular, on the commencement of the vaccination programme.

The H1N1 virus is continuing to circulate in Scotland, and it appears that we are now experiencing the predicted second wave. Today's weekly report from Health Protection Scotland reports on the situation in the week ending 26 October. The report, which is based on information from the all-Scotland reporting system that covers 86 per cent of all general practices indicates that, in the past week, the number of general practitioner consultations for influenza-like illness was 111 per 100,000 of the population—an increase of 27 per cent on the previous week. It is estimated that about 19,200 people contracted H1N1 over the past week, compared to around 14,600 in the previous week.

It is important to stress that, in the vast majority of cases, the virus remains relatively mild and self-limiting. However, some people are experiencing serious complications and require hospital treatment as a result. The number of hospitalisations and admissions to critical care for H1N1 has increased significantly over the past three weeks. Today's HPS report confirms that a total of 556 people with H1N1 have been admitted to hospital since the outbreak began—176 of those in the past week and 384 since the end of September. As of yesterday, there were 65 people in hospital who were confirmed as having H1N1,

23 of whom were receiving treatment in intensive care units.

As members are aware, in Scotland there has been a total of 25 deaths associated with the virus, four of which have occurred in the past week. I am sure that all members will join me in expressing sympathy for those who have lost loved ones as a result of the virus. Those deaths underline the importance of the vaccination programme in protecting the most vulnerable people from the virus. I will say a little more about that shortly.

Members will appreciate that the increase in the number of admissions to critical care has put our services under additional pressure. Increasing pressure was a key consideration in our contingency planning arrangements, which is why all health boards were asked to put in place plans to increase critical care capacity by 100 per cent, should it be necessary. Those plans are in place and are ready to be activated as and when necessary. As I announced previously, the Scottish Government has supported the plans with the purchase of an additional 43 adult ventilators, 15 paediatric ventilators and nine neonatal ventilators, which will be used as and where demand arises throughout Scotland.

I turn now to the subject of extracorporeal membrane oxygenation. In recent weeks, there has been considerable media coverage of the benefits of ECMO treatment. Only last week, I had an opportunity to meet Sharon Pentleton and her newborn son. As members will recall, Sharon was transferred to Sweden for ECMO treatment during the summer. I am delighted to report that both Sharon and her son are in excellent health. Scotland already has ECMO provision for heart surgery patients and respiratory ECMO provision for children. Respiratory ECMO for adults—which is not yet a fully established treatment—is available to Scottish patients though the United Kingdom's nationally commissioned ECMO centre in Leicester and the accredited European centre in Stockholm.

Clearly, the H1N1 pandemic is having a significant impact on the demand and the existing capacity for ECMO. For that reason, UK health ministers agreed to double the ECMO capacity at Glenfield hospital in Leicester, which will be achieved by the end of this week. Nonetheless, I confirm today that, over the past week, adult respiratory ECMO has been provided at Aberdeen royal infirmary on two occasions. Aberdeen royal infirmary is currently the only site in Scotland where there are both respiratory adult ECMO machines and staff who have been trained in their use by the team in Leicester. The decision to provide ECMO for the two patients in Aberdeen was made after close clinical consultation with the

Leicester team; those consultations are continuing.

In the light of the increased demand that we are seeing across critical care, I asked the Scottish expert group on ECMO for interim recommendations on the immediate capacity of the national health service in Scotland to provide adult ECMO facilities and on the contribution that Aberdeen might be able to make on a continuing basis during the flu pandemic. The group has recommended that although Leicester should at this stage remain the front door for access to adult ECMO provision, with all referrals being discussed and agreed with the Leicester team, ECMO treatment can be provided in Aberdeen in the future, but only when additional capacity is required. The decision to treat patients in Aberdeen will be subject to both agreement and clinical support from Leicester. Over the next few weeks, the expert group will report to me its recommendations for longer-term provision of adult ECMO in Scotland.

Despite the significant pressures that are being experienced, the NHS as a whole continues to respond well to the challenge of the flu pandemic. That is true of our critical care services and our primary care services. Scotland's GPs, supported by NHS 24 and the Scottish flu response centre, continue to respond extremely well to the demands that they face. The pressures have, at times, been considerable. For example, NHS 24 has dealt with call demand that has, on occasion, been as much as 50 per cent higher than the forecast demand for this time of year. NHS 24 and other primary care services have coped admirably.

Nevertheless, we are not complacent and I am aware of the potential for winter pressures further to increase demand on primary care services. However, taking into account the ability of NHS 24 to increase its capacity if necessary, I am confident that Scotland's primary care services will continue to cope over the winter. We retain the option of joining the national pandemic flu service when and if we think that is necessary. The advice remains that people in Scotland who are worried about flu-like symptoms should continue to contact their GPs or NHS 24.

I turn now to the vaccination programme, which began its roll-out last week. As I have said repeatedly—I make no apology for doing so again—vaccination is the best line of defence against the virus. As I have also said previously, supplies of the vaccine in the early weeks of the programme will be limited; therefore, the programme will proceed on a phased basis. The supply of vaccine is subject to the volume that the manufacturers can supply to us in the initial weeks, but I assure colleagues that the vaccine is being distributed as soon as it is available. Indeed,

to date, 165,000 doses of the vaccine have been supplied to NHS boards throughout Scotland. By Monday, we will have received in Scotland almost 250,000 doses of vaccine, and by next Friday we will have received 367,000 doses. That is in line with our expected delivery schedules.

As members are aware, the first supplies of the vaccine have been used to vaccinate vulnerable patients in acute settings and to begin the vaccination of front-line health and social care workers. However, from this week, GP practices in Scotland have also begun to receive initial supplies of the vaccine to allow them to begin, as soon as possible, vaccination of the priority groups. I expect all GP practices to have received their initial supplies of the vaccine by the end of next week. Individuals in the priority groups will, therefore, shortly begin to receive invitations to receive a vaccination from their GP. Given the limited supply of the vaccine in the early weeks, we have provided guidance to NHS boards on how to make best use of their initial supplies. I confirm, however, that we expect all 1.3 million people in the priority groups to have been offered vaccination by Christmas.

Early anecdotal evidence suggests that, so far, uptake of the vaccine by front-line health and social care staff has been good. Over the next few weeks, we will begin to report the actual uptake figures. I am sure that members will agree that it is important that our front-line health and social care workers protect not only themselves, but the vulnerable patients and clients with whom they are in contact. A UK communication campaign will also soon begin to encourage uptake of the vaccine within the clinical at-risk groups. That includes the establishment of a new dedicated NHS 24 information helpline, which is already up and running and is providing members of the public with up-to-date information on the vaccination programme.

The final issue on which I will update members today is the publication on 22 October of the latest version of the UK planning assumptions. Members will be aware from previous discussions that those are not definite predictions; however, they use our developing data on the virus to give the NHS and other key sectors the best bases on which to plan. The planning assumptions indicate a consistent but gradual increase in the incidence of H1N1 both in Scotland and throughout the UK. The scientists consider that the overall clinical attack rate in a worst-case scenario might now be 12 per cent of the population. That is down from the figure of 30 per cent in the previous planning assumptions. Furthermore, the rate of workplace absences is now projected to be 5 per cent, rather than the 12 per cent that was previously projected. Although that is clearly good news, as the events of the past

couple of weeks have shown, we cannot afford to drop our guard—nor will we.

We anticipate that pressure across the NHS will increase over the coming winter months. I fully expect that this winter will be the most difficult that the NHS has faced in many years. However, I believe that, because of the high level of advanced planning that we have put in place and the additional resources that we have secured, the NHS is well prepared to meet whatever challenges we face. I would like to take this opportunity to once again thank all NHS staff for the hard work that they are doing to ensure that that is the case.

**The Presiding Officer:** The cabinet secretary will now take questions on her statement. We have around 20 minutes for such questions.

**Jackie Baillie (Dumbarton) (Lab):** I thank the cabinet secretary for the advance copy of her statement. I look forward to working with her on the full range of issues facing the NHS in Scotland. I also join her in sending condolences to the families who have lost loved ones to the H1N1 flu virus, and in thanking the NHS staff who have worked hard to mitigate the effects of the flu.

I have no doubt that the virus has the potential to be one of the most significant public health issues to face the country as we move into winter.

The cabinet secretary will, of course, be aware of the concerns that have been raised by some GPs about delays in receiving the vaccine. She launched the vaccination programme on 21 October, but many GPs will not start to receive supplies until 2 November and it has been suggested that the amount will, even then, be insufficient. In Lothian, for example, one GP reports that he will receive barely one tenth of the needs of his practice. Similarly, a GP in Midlothian reports that he will receive a 50-dose vial next week, with no information on when further supplies will be received, although he has among his patients 70 pregnant women who all require the vaccination, and considerably more patients in the other risk categories.

Is the cabinet secretary aware of patients being told to call their GPs almost daily because the practices do not appear to know what is happening?

On 3 September, the cabinet secretary advised Parliament that 300,000 to 350,000 doses of the vaccine would be delivered each and every week from the date when the vaccine was licensed. Can she confirm that the figure of 367,000 doses from the end of next week is, therefore, barely one third of what she previously anticipated? What impact does she think that will have?

In a letter to MSPs on 22 October, the cabinet secretary told us that modelling had showed that

the peak of H1N1 cases will occur from the end of October to mid-November. That, of course, is now. I therefore ask the cabinet secretary what urgent action she will take to ensure that, rather than risk a descent into chaos, delivery of the vaccine will be better co-ordinated so that it can be done more quickly. My concern, which, I am sure, the cabinet secretary shares, is that we might just run the risk of missing the boat with each and every day of delay.

**Nicola Sturgeon:** I welcome Jackie Baillie to her post and I look forward to working with her. I record my thanks to Cathy Jamieson, who took a constructive approach to all matters, particularly the important issue that we are discussing today, which has united the chamber over the past weeks and will, I hope, continue to do so.

Jackie Baillie raised some important issues. At the outset, I must state clearly that there are no delays in the vaccination programme or in the delivery of vaccine. At the weekend, the Scottish general practitioners committee said that the vaccine programme remains on track. As Jackie Baillie will appreciate, however, we are very much in the hands of the manufacturers in terms of supply of vaccine: we have to wait to get the supply before it can be distributed throughout Scotland to NHS boards. In my statement, I gave Parliament an update on the supplies that we have in Scotland today—165,000 doses—and an indication of the supplies that we know, with certainty, will come to Scotland over the course of next week. We will continue to ensure that, as soon as supplies are available from the manufacturers, they are distributed throughout Scotland. As we move through the initial weeks of the programme, we hope that the rate of supply from the manufacturers will gather even more pace.

At the outset of the vaccination programme, I said that it was our intention to be able to offer vaccination to all 1.3 million people in the priority groups by Christmas. That remains our intention and it remains our firm expectation that that will be delivered.

On Jackie Baillie's comment about people phoning their GPs, we have been clear that people should wait to be called for vaccination by their GP, and health boards are giving GPs as much information as they are able to, based on what I have said about manufacturers and supply of the vaccine. As I said in my statement, an NHS 24 helpline has been established to give people information about the vaccination programme.

I am absolutely firm in my belief that vaccination is our best defence against this virus. We have always said that we want to vaccinate the people in the priority groups as quickly as possible. That

remains our intention, and we will do that as soon as supplies from manufacturers allow.

This country is one of the most advanced countries in the world in terms of vaccination. Many other countries, such as the United States of America, are experiencing significant problems with getting any supplies of vaccine.

All of us want the programme to be complete as soon as possible and all of us want it to gather pace. I assure all members that the vaccine supplies will be distributed as quickly as possible and that those who are at risk will be vaccinated as quickly as possible.

**Mary Scanlon (Highlands and Islands) (Con):**

I thank the minister for making her statement. It is appropriate that she has done so. I also thank her for the advance copies of both of this morning's statements, which were received 35 minutes prior to the start of this morning's business. I also congratulate Jackie Baillie on her new post and look forward to working with her.

It is important to acknowledge the excellent working relationship that has been developed with UK ministers to double the ECMO capacity in Leicester, and their commitment to train NHS staff in Aberdeen. I commend all NHS staff, but I particularly commend those in NHS 24, who have risen to the challenge of swine flu.

Does the cabinet secretary appreciate why so many people are calling and pressuring their doctors? They are doing so against a background of increased hospitalisation of flu patients and the fact that more than 19,000 people were diagnosed with swine flu last week, as well as the fact that, tragically, 25 people have died. There is no doubt that all that is leading to increased anxiety to get the vaccine.

Can the cabinet secretary give pregnant women the advice that they need to reassure them about the safety of the vaccine for their own health and that of their unborn babies? Will she also give advice about the potential age immunity for swine flu, given that many reports are stating that a similar strain of flu was around in the 1950s, which might mean that people over 60 or 65 might be immune? That clarity is critical if we are to ensure that all those who would benefit from the vaccine come forward to get it.

**Nicola Sturgeon:** I thank Mary Scanlon for her on-going co-operation on this issue. She is right to point to the good working relationship that has developed between health ministers across the UK. I speak to my fellow health ministers regularly—we last spoke yesterday afternoon. All countries in the UK are in the same position with regard to trying to get the supplies of vaccine from the manufacturers and out into the system as quickly as possible.

I take the opportunity to echo Mary Scanlon's comments about NHS 24. All NHS staff have worked hard over the past months to respond to this crisis, and NHS 24 has been exemplary and has done a fantastic job. As I said in my statement, the service has sometimes had to deal with call demand that has been 50 per cent above what it would expect at this time of year, but has met all its key performance indicators in doing so. I warmly pay tribute to the staff.

Mary Scanlon is right to talk about public concern. I absolutely appreciate the reasons for public concern. As she knows, I have been at pains to encourage people to take the outbreak seriously—at times over the past few months, it has been suggested that I have been overreacting because it is a mild illness that people do not have to take seriously. However, I have been, and remain, firmly of the view that it is serious. That is why I continue to encourage people who are offered vaccination to take up the opportunity.

The vaccine has been licensed for pregnant women and assurances have been given about the safety of the GlaxoSmithKline vaccine and the vaccine from Baxter Vaccines, which will be used at a later stage. Any pregnant woman—and anyone in the wider population—who has concerns should seek advice from their GP or from NHS 24.

With regard to Mary Scanlon's point about immunity, it has, during the current outbreak, been thought that people in the over-65 group or slightly younger have a background immunity to the virus that other members of the population do not have. That is still thought to be likely. There is also a growing view, which lies behind some of the downward estimates in the planning assumptions, that there is a greater background immunity among the population than was previously thought to have been the case. Nevertheless, I strongly encourage anyone who is in the over-65 group, or in any of the priority groups, to get vaccinated. That is a much better defence against the virus than any assumptions—accurate or otherwise—about levels of immunity in the population.

**Ross Finnie (West of Scotland) (LD):** I thank the cabinet secretary for the advance copy of her statement. Liberal Democrats join her in extending our sympathy and condolences to those who have been affected by the disease, and in congratulating all members of the NHS staff, who have performed so admirably during this difficult time. I, too, congratulate Jackie Baillie on her appointment, which has, I understand, caused a frisson of excitement at NHS Greater Glasgow and Clyde.

I will pick up on the remarks that the cabinet secretary made in response to Mary Scanlon,



about the balance between your well-expressed view—

**The Presiding Officer:** Sorry, Mr Finnie—I must ask you to speak through the chair rather than directly to the cabinet secretary.

**Ross Finnie:** Cabinet secretary, I want to pick up on the points that Mary Scanlon made about the balance between remaining somewhat calm on the one hand, and stressing the importance of the situation on the other. Although at the beginning of your statement you referred to the disease as being “relatively mild and self-limiting” in most cases, you nevertheless—if I have read the statement correctly—reported a significant increase in the number of persons who are being hospitalised and, sadly, in the number of persons who have died as a result of the virus.

Do you have any concerns that the increase in the level of hospitalisation and the number of deaths is attributable to any change or mutation of the disease? Is the situation now slightly more serious than you have otherwise been able to report?

**Nicola Sturgeon:** I thank Ross Finnie for his very serious question, and assure him that there is absolutely no evidence at this stage to suggest that the virus has mutated in any way or that it is any more serious than it has been since it was first discovered back in April.

Ross Finnie is right to point out, as I did in my statement, that during the past three weeks in particular there has been a sharp rise in the number of people who have been hospitalised and, unfortunately, a sharp rise in the number of deaths from the virus. I stress that that is a reflection of the increased number of cases of the virus in the community: as the number of people who are contracting H1N1 has risen, so has the number of those who need hospital treatment and, sadly, the number who are dying from it. The important point is that that does not indicate a rise in the proportion of people who are experiencing complications or losing their lives due to H1N1.

For the vast majority of people, the disease is still very mild—well, no flu is very mild, but it is a relatively mild illness. It remains the case, however, that for a minority of people the virus can result in serious complications, and it is not possible to predict with certainty who is likely to experience those complications. It will be mainly people who have underlying conditions, but not exclusively so. I return to the point that the best defence is vaccination; when people are offered the vaccination, they should take that opportunity.

**The Presiding Officer:** We come to open questions. There are just over five minutes available, so I ask members for one short question followed by one short answer.

**Ian McKee (Lothians) (SNP):** The cabinet secretary tells us that a Scottish expert group has been set up to examine the possibility of establishing regular ECMO facilities in Scotland. Can she give a more specific estimate of when that group is due to report back?

**Nicola Sturgeon:** The ECMO expert group is due to report back to me in December, and that report will contain recommendations on medium-term to longer-term provision of ECMO in Scotland. The provisions at Aberdeen royal infirmary and the doubling of capacity in Leicester that I mentioned in my statement are interim responses to deal with the increased demand as a result of the flu pandemic, but it is right that we make considered judgments about how we provide a treatment that still divides opinion in the critical care community and which is still not fully established in terms of its efficacy. We should make those decisions in a considered way. The expert group will allow us to do so.

**Dr Richard Simpson (Mid Scotland and Fife) (Lab):** It is clear that the logistical problem is, as was to be expected, a major issue. Does the cabinet secretary agree that the broad-brush at-risk group that includes front-line health and social care staff, which was announced in report 56 on those at risk, from the Scottish Government resilience room, is now too broad for this first week or 10 days in which vaccine supplies are limited? Will she therefore consider issuing a refined list of priorities that includes, for example, young pregnant women in late pregnancy rather than all pregnant women, and children who are seriously at risk rather than all children? That would allow the vaccine supply to match the actual risk needs and prevent every person who is in the at-risk group from phoning up.

**Nicola Sturgeon:** That is a perfectly legitimate question. As a politician and as a minister, I follow advice on matters that relate to vaccination, as Dr Simpson will appreciate, from bodies such as the scientific advisory group on emergencies and the Joint Committee on Vaccination and Immunisation. All UK ministers have followed that advice, and that is why the priority groups have been set as they are.

It is important that we vaccinate front-line health and social care workers in order to secure the services of the NHS. As I indicated earlier, GPs have been given guidance about how they should prioritise the use of limited supplies of vaccine in the early weeks. During the next few weeks, as vaccine supplies increase, greater numbers of people will come forward for vaccination. We are on track to vaccinate—or to offer vaccination to—1.3 million people in the priority groups by Christmas.

**Jackson Carlaw (West of Scotland) (Con):** As the cabinet secretary acknowledged in her statement, it appears that we are now experiencing the predicted second wave. Can she reassure us that, in Scotland and in other countries that are experiencing the second wave, the widely held fears that the virus might mutate into a more virulent virus have not as yet been realised?

**Nicola Sturgeon:** Yes, I can give that assurance. As I said in response to Ross Finnie, there is no evidence of mutation of the virus, although experts continue to monitor it very carefully. The revised planning assumptions that I mentioned in my statement have been revised partly in the light of the experience of H1N1 in this country, but also in light of the experience of the southern hemisphere countries such as Australia during their winter. That has allowed the experts to develop a much greater understanding and to predict with greater certainty how the virus might spread during the winter months. I repeat that the virus is not becoming more serious; it is just that as more people get it, more people will develop complications.

**Jamie Stone (Caithness, Sutherland and Easter Ross) (LD):** It is certain that for people who live in very remote areas, access to transport impinges on provision of health services. What consideration has been given to including people who drive buses and post buses, and volunteer drivers who provide hospital transport, in the priority group for vaccination?

**Nicola Sturgeon:** We have prioritised front-line health and social care workers, and health boards will have a degree of flexibility about determining who satisfies that definition with regard to the delivery of their services. Beyond that, our very firm expert advice at this stage is to focus on the clinical at-risk groups, and that is what we will do during the following number of weeks. We will take advice, and discussions are already on-going, about what the later stage of the vaccination programme may involve.

Ministers will consider that advice in due course during the next few weeks and take decisions at an appropriate time, but the current priorities are front-line health and social care workers, in order that we can maintain NHS services, and the clinical at-risk groups, so that we can deal with those who are most at risk of developing complications.

**Nigel Don (North East Scotland) (SNP):** The minister has already been reminded about her previous expectation that the high point might be experienced soon. Can she give an idea of the current expected profile for the development of the disease?

**Nicola Sturgeon:** As I said in my statement, the latest planning assumptions and expert opinion are that we are now in the second wave, and that the spread of the virus has increased more steadily and gradually than might have been expected earlier in the year when, based on experience in the first wave, we expected a very sharp spike in cases by now. That has not happened yet, although it might happen in the next few weeks. At present, the profile of the virus is a steady and gradual increase. Experts say that it could peak in the next few weeks but could, equally, continue to spread gradually throughout the entire winter. The situation is being monitored carefully. We now have much better information on which to base predictions or assumptions about how the virus will spread, but we still cannot do that with absolute certainty.

**The Presiding Officer:** I apologise to the members whom I am unable to call, but I must move to the next item of business, as our timetabling today is extremely tight.

## Elder Abuse

**The Presiding Officer (Alex Fergusson):** The next item of business is a statement by Shona Robison on elder abuse. As always, the minister will take questions at the end of her statement, so there should be no interventions or interruptions.

09:31

**The Minister for Public Health and Sport (Shona Robison):** Yesterday's debate on reshaping the care of older people considered the challenge of providing appropriate and fair care now and for future generations. In doing that, we must focus on supporting people to feel safe and valued. We can and must do more to reduce instances of neglect of or harm to any of our citizens. Elder abuse is a matter of great concern to us all, so any discussion that raises awareness of the issue is welcome. We can debate whether the incidence of abuse of older people has risen or whether a greater focus on the quality of adult care and encouragement to raise concerns about it, along with features such as the recent one in *The Herald*, are providing more evidence of harm. Whatever the case may be, the point is that one case of abuse is one too many and we must deal with it robustly.

Mistreatment of older people has been a hidden and often ignored problem in society. Whether it involves physical injury, neglect, sexual abuse or financial exploitation, we know that older people often have difficulty reporting abuse. Abuse can lead to a lack of self-esteem and a lack of confidence to report it. We must therefore continue to raise public and individual awareness of the issue. We must promote zero tolerance of harm to those who are most at risk in our society. I am seriously concerned about any instance of abuse that could have been prevented. Although it will be difficult to eradicate completely all cases of abuse of older people, I am convinced that our work on a number of fronts will reduce opportunities for harm and provide a more effective response when harm is suspected.

Partly in response to earlier campaigns on elder abuse, the previous Administration introduced legislation to protect adults who are at risk. We are implementing the Adult Support and Protection (Scotland) Act 2007, which came into force only last October and which has a major role in identifying and responding to adults who are most at risk in society. The act sends a clear message that harm and neglect of those adults is not acceptable. *The Herald* has suggested that Scotland's older people are suffering record levels of abuse. The basis of the suggestion seems in part to be information about the use of the act—on the number of people who have been identified as

being at risk or who have been referred to adult protection committees. Of course, that information was not available before the act came into force a year ago, because it is about activity that was not co-ordinated or recorded in the way that the legislation now prescribes. Awareness of the abuse of older people is therefore growing through activity to address it and through the scrutiny and reporting of abuse.

The act brings about new responses to suspected harm. It gives local authorities and their partners the power to gain access to premises to investigate complaints of abuse and it provides for various orders to protect individuals from harm, including removal and banning orders. The act involves close co-operation between local authorities and the police to address harm. The first biennial reports from the APCs, which will be produced in October next year, will provide good information on progress on implementation. The current informal evidence from local authorities shows many referrals to and from the police.

To date, the act has been backed by funding of £24 million from the Scottish Government to allow local authorities to recruit and train more staff and to establish local adult protection units. Much has been happening at national level, too, to support implementation activity. Multi agency and multi disciplinary training took place during 2008. The feedback from the training and awareness events was particularly positive, with evidence that the materials are being used at local level.

The quality of care, particularly in the private sector, was a major focus of *The Herald* investigation. We have supported the private care sector workforce initiative, in co-operation with the independent sector, to roll out training in the care sector. The aim is to ensure that adult protection training reaches staff, providers, service users, carers and families in the care home and care-at-home sectors.

Members will be aware of the role and remit of adult protection committees. To support their development, we have put in place a new network of adult protection committees that covers every part of Scotland. I recently met the committee chairs to discuss the way forward. The committees provide new opportunities to share practice and learning and ultimately to help shift attitudes towards older people. All those implementation activities will contribute to reducing the abuse of older people.

The Protection of Vulnerable Groups (Scotland) Act 2007, when implemented, will deliver a system that offers further protection by excluding from working with vulnerable groups those who are not suitable to do so. For the first time in Scotland, the act will introduce a new list of those who are barred from working with protected adults. That is

an important step forward in adult protection and very much complements the measures in the Adult Support and Protection (Scotland) Act 2007.

*The Herald* highlighted the incidence of abuse in care homes, using evidence from the work of the Scottish Commission for the Regulation of Care. As members know, the care commission inspects all registered care services with a specified minimum frequency. Last year, the commission introduced a grading system, which allowed clearer interpretation of the quality of care services in Scotland, thus showing people what they should expect from a care service. With the aim of improving the quality of service, the commission works with care providers to encourage and support improvements. Providers are expected to act on any recommendations, but the commission has a wide range of powers—it can issue statutory improvement notices, impose conditions on a service and, as a last resort, cancel a service's registration, which means that the service will close.

The care commission has reviewed how it inspects care-at-home services to ensure greater emphasis on the people who use them and their families. The commission has increased the use of lay assessors and is shadowing care-at-home staff to spend more time speaking directly to service users. In recognition of the concerns about the commissioning and procurement of social care, we are working with the Convention of Scottish Local Authorities and stakeholders to draft new guidance on the procurement of social services, with a view to publication in February 2010.

Nutrition in hospitals is a major issue for some older people. We are taking forward a comprehensive programme to improve and enhance patient care. The measures include a key role for senior charge nurses with patients who are most at risk; protected meal times; better support from nursing staff for patients who need assistance to eat and drink; and clinical quality indicators for food, fluid and nutrition, which are currently being implemented across the national health service.

We recognise the need to raise awareness and challenge attitudes among the public about adults who are at risk of harm. Our new multimedia awareness-raising campaign on the issue, which runs across television, radio, the internet and print media, encourages people to be alert to and to report abuse. We want the act against harm campaign to reach those who are at risk of harm and those who think that they know someone who might be being harmed. We want to ensure that those who are at risk know that they can take steps to prevent harm. The issue can be sensitive, given that abuse sometimes occurs within the

family. It is therefore crucial that we ensure that people can raise concerns in confidence.

We have been running a campaign to raise awareness of the national care standards and the work of the care commission. The campaign, which was launched in June 2008, encourages those who use services and their families to find out more about the national care standards, so that service users get the right quality of care. The final phase of the campaign will focus on people who receive care in their homes and the carers who provide that service.

We are committed to delivering the highest level of health and care services for everyone in Scotland, regardless of their circumstances or age. We are already driving forward a major nationwide campaign to stamp out age-related discrimination through the see the person, not the age campaign.

As I said at the outset, we must focus on ensuring that services and support for older people lead to better outcomes and that older people are valued as individuals and feel safe wherever they live. Yesterday, I outlined our major programme of work on reshaping care for older people. Our dementia strategy will be key to driving forward our commitment to provide better care for people living with dementia and to improve services in all settings. Our carers strategy, which is under development, will look at improving support for carers who play a significant role.

Poor communication between agencies has been a major contributory factor in tragic fatalities and the horrific abuse of vulnerable adults. Multi-agency inspection looks to improve that. Looking ahead, bringing together the functions of the care commission and the Social Work Inspection Agency into social care and social work improvement Scotland will bring a joint focus not just on child protection services but on all services for children and adults. That work will better help to address the findings of inquiries into critical service failures.

I do not underestimate the strength of concern about the abuse of older people. Health and care professionals, family carers and volunteers have provided and continue to provide quality care and support to thousands of older people but, sadly, in too many cases that care falls short of what we expect and demand.

As we focus on anticipatory and preventive care, we will aim to shift not only the balance of care but the balance of power between those who provide care and support and those who rely on it. Abuse of older people, wherever it takes place, is completely unacceptable. It is our collective

responsibility to address that. I am happy to take questions.

**The Presiding Officer:** We have until exactly 10 o'clock, therefore I would appreciate it if all questions and answers were as brief as possible.

**Johann Lamont (Glasgow Pollok) (Lab):** I am grateful to the Scottish Government for accepting our request for an urgent statement on elder abuse and I thank the minister for the advance copy of her statement. However, I must be honest and express my serious concern about the complacent tone that it strikes.

In June, "Panorama" exposed evidence of shocking neglect and abuse of older people in their homes, and more recently *The Herald* confronted Scots with the reality of abuse of far too many of our elderly and vulnerable citizens. Both are to be congratulated on work that deserves but has not received a commensurate response from ministers.

The statement said little of certainty to give confidence to those in our local communities throughout Scotland who are living in fear of abuse in their homes or in care homes. It also said little about what will be done to change those circumstances. What meetings has the minister had with local authorities since June to discuss how services are procured, and what changes have been made as a consequence? What meetings has she had with the care commission to identify what more it will do to protect people, particularly those who do not have family to speak up for them, and what specific decisions have been made as a consequence? What meetings has she had with the justice ministers to decide on action to improve the prosecution rate of those who abuse older people? What specific actions are being taken?

Given the brutal reality of elder abuse with which we have all been confronted, does the minister agree that now is the time for an independent inquiry into elder abuse to identify the extent of the abuse and measures to improve the quality of care to give older people a voice and protection, and to ensure that the justice system will act against perpetrators? Does she agree that an inquiry that will not only signal our concern, as the statement does, but make a real difference to the protection of older people is the right way forward at this stage?

**Shona Robison:** I am disappointed that Johann Lamont thinks that I struck a complacent tone in my statement. What I did was to lay out the comprehensive work that we are doing on numerous levels with numerous partners.

I set out clearly that discussions about procurement with COSLA and other stakeholders are at an advanced level. The fact that COSLA will

produce new guidance on procurement in February suggests to me that those discussions, which began in response to concerns that were raised, have taken place over several weeks and months. We are now taking action with COSLA to address those concerns.

I have met the care commission on several occasions. I laid out in my statement that in direct response to concerns raised in our discussions, the care commission has reviewed how it inspects care-at-home services. However, as we said yesterday, when care is delivered in someone's private home, we cannot be in their living room 24 hours a day, so we must think of ways to inspect and monitor care-at-home services as best we can. I assure the member that that is a priority for the care commission. The fact that the Minister for Community Safety is sitting beside me is an indication of his interest in the matter.

I say to Johann Lamont that the forthcoming biennial reports on the implementation of the Adult Support and Protection (Scotland) Act 2007 will be scrutinised and monitored not only by me but by the justice ministers to ensure that the act works in practice, including in the area of prosecution that she mentioned. Informal feedback from local authorities is encouraging. Many cases are being referred not only by the police but to the police, a number of which have resulted in prosecution. That should tell Johann Lamont that a comprehensive array of work is on-going and should reassure her and other members who should support such action.

**Mary Scanlon (Highlands and Islands) (Con):**

I welcome measures to address nutrition in hospitals, but I put it on record that I feel sad that the Government needs to tell hospitals how to support patients to get food, fluid and nutrition.

My questions are short and sharp. Is the training that was rolled out in 2008 to all carers and those who manage carers sufficient and extensive enough to help them to identify elder abuse? Will the merger of the care commission with other agencies, as proposed in the Public Services Reform (Scotland) Bill, help to raise standards and address elder abuse?

My final question refers to page 9 of the statement. Is it enough for the minister to say that the Government is encouraging service users and their families to find out about care standards? Should not that encouragement be strengthened, so that the Government gives all people who receive care and their families the right to know what to expect and what the care standards are, so that they know what to do if they feel that the standards are not being met?

**Shona Robison:** On nutrition in hospitals, it is not the case that NHS staff do not want to pay

attention to food, fluid and nutrition issues. The intention is to sharpen the focus on nutrition and to ensure that in busy acute wards time and effort are put into that. The importance of the senior charge nurse's role in protecting meal times cannot be overestimated. They should ensure that attention is given to that important area, particularly when it comes to building someone up after an operation or illness.

Training on elder abuse will be on-going. We were keen to roll out quickly information that staff in all sectors required to be aware of the 2007 act and what it meant for them. That training programme will continue.

Mary Scanlon asked whether the new agency, social care and social work improvement Scotland—or SCSWIS, as it has become known—will raise standards. As I set out in my statement, it will allow for far more cohesion through joint inspections of services for vulnerable adults, in the cases that we are talking about. The new agency will be able to examine in great detail where there have been communication failures, which are a problem. Through the merger, there will be opportunities to ensure that such systematic failures are fewer, but where they happen they will be properly investigated.

We cannot force service users to know about national care standards, but we can ensure that those standards are promoted at every opportunity. We have done that through the campaign that I mentioned, and a lot of work has been done at local level to ensure that people, including carers, are given copies of the care standards so that they know about the care standards as far as possible. We will continue to do that where we can, because it is important that people know their rights and what they can expect.

**Jamie Stone (Caithness, Sutherland and Easter Ross) (LD):** At Hallowe'en, old-fashioned guisers used to be happily anticipated by the elderly, but this week the *Caithness Courier* painted a rather more worrying picture under the headline "Elderly folk 'nervous' over trick or treating". The article stated that trick or treating is

"a none-too-subtle means for gangs of teenagers ... to torment or intimidate"

elderly people. It even said that trick or treating can be a form of casing the joint, whereby people knock at someone's door and, when they get no reply, they return to burgle the house in the middle of the night when people are asleep. None of us wants to be a killjoy, but will the minister assure me that she will look into that issue and discuss with the police and other appropriate agencies how the problem can be eradicated?

**Shona Robison:** Perhaps the issue that underlies Jamie Stone's question is the fear and

misunderstanding between the generations that has developed in recent years. Seeing a group of young people hanging about can sometimes cause older people fear and alarm, simply because it is a group of young people. I am not sure that that was the case 30, 40 or 50 years ago, but it is the case now. Perhaps young people also have a particular view about older people. We are doing a lot of work to try to break down those barriers and change attitudes through our intergenerational projects and our age discrimination campaigns, which challenge people's assumptions. My message around Hallowe'en, or at any other time, is that people should be respectful and realise that certain behaviour may cause fear and alarm, particularly among older people who live on their own. It is worth sending out that message from this chamber.

**The Presiding Officer:** We come to open questions. We do not have long, so members should ask one question and get one answer. I assure members that if they do not press their request-to-speak button, they will not be called.

**Brian Adam (Aberdeen North) (SNP):** Who is involved in ensuring that the Adult Support and Protection (Scotland) Act 2007 is being properly implemented?

**Shona Robison:** The stakeholders who are involved include the Scottish Government and COSLA. As I set out in my statement, we have also worked closely with the independent sector, the voluntary sector and other stakeholders to ensure that we get across the message that the act places a responsibility on not just service providers but the public at large to look out for cases of suspected abuse and to do something about them. In my days as a home care organiser, there was no mechanism to do something when we had suspicions. We now have that, and we need to ensure that everyone knows about it. We are working hard with all stakeholders to do so.

**Jackie Baillie (Dumbarton) (Lab):** I welcome the work that has been done to produce the new guidance on procuring social care services. However, does the minister recognise that, rather than seeing the action that she describes, we find that the guidance has been delayed by at least nine months? Will she accelerate that work, listen to organisations such as Community Care Providers Scotland and consider adopting the framework approach that is used in England, where care services are not retendered unless they are not performing to the required standard?

**Shona Robison:** I know that Community Care Providers Scotland has raised that issue, which will be debated in the context of a possible stage 2 amendment to the Public Services Reform

(Scotland) Bill. We look forward to that further discussion.

Jackie Baillie should remember that new guidance was produced in 2008 in recognition of the issue. However, we felt that more had to be done, given the concerns that were expressed. As I said yesterday, the procurement of social care services is about people, not tins of beans or paper clips. That is the message that we will continue to put across, with which COSLA agrees. Some local authorities have very good procurement practice, but we need to ensure that such practice exists everywhere.

**Ross Finnie (West of Scotland) (LD):** I want to press the minister a little further on the issue that Jackie Baillie raised. I accept that the Government is working with COSLA and others to produce guidelines, but that still means that today, tomorrow or any other day, contracts that have caused much concern could be renewed. Has the minister considered issuing interim guidelines to prevent local authorities from entering into the very worst kind of contract?

**Shona Robison:** The fact that we have been having these discussions and that a spotlight has been shone on some of the bad practice has been a bit of a wake-up call for local authorities. Local authorities the length and breadth of Scotland have made it clear that they do not intend to use reverse e-auctions to procure services in the future. The message is getting through to local authorities. We have to ensure that quality is the predominant consideration. We are in straitened financial times, and we know that budgets will be tight over the next few years, which is why it is even more important to get the quality right, because that can be cost-effective in the long run for not just service users but councils. We will continue our discussions, and I hope that Ross Finnie will be reassured by the guidance that is issued in February.

**Bill Wilson (West of Scotland) (SNP):** I welcome the multimedia campaign to raise awareness of elder abuse. However, what actions have been taken to ensure that professionals and the public are aware of the new powers under the Adult Support and Protection (Scotland) Act 2007?

**Shona Robison:** The act against harm campaign, which I hope that members throughout the chamber have seen, is powerful. It is not pleasant to watch, but it gets across the message that people in all walks of life need to be alert to elder abuse. That includes service providers, service users, carers and members of the public who might see something going on with their neighbour that they do not think is appropriate or about which they are concerned. We should send the message today that whatever concerns people have, it is better to report them so that they can be

checked out than to do nothing at all. Everyone in this chamber can promote that strong message.

**Malcolm Chisholm (Edinburgh North and Leith) (Lab):** The minister will agree that the care commission is central to addressing these problems. Is she satisfied that downgrading the second inspection of many care homes within any one year is risk free? Is she considering extending the care commission's powers to enforce the care standards using the legislative opportunity of the Public Services Reform (Scotland) Bill? Will she address the problems of the care commission's information technology system, which are wasting the valuable time of many staff?

**Shona Robison:** The care commission's approach involves risk-based inspection. It wants to be able to spend the most time with the services that need the most time to improve. I am sure that everyone agrees with that approach.

The care commission does a hugely important job. It was established by the Parliament to ensure that the level and quality of services are monitored and that action is taken where there are failings in the system. In 2008-09, the care commission issued 134 statutory notices to 84 care providers.

I accept Malcolm Chisholm's point about the IT system. However, despite some of the issues that have arisen, the care commission is doing an important job and we should support it in its efforts.

**Aileen Campbell (South of Scotland) (SNP):** How have authorities, police and partners reacted to the new powers that they have under the 2007 act? How have they responded to the fact that closer co-operation to address harm is expected of them?

**Shona Robison:** They have reacted very well. I hope to be able to share more information with the Parliament about that in the new year. We have informal information from local authorities about how the act is being taken forward. My message is that there is huge co-operation between the police and the adult protection committees. A lot of action is happening throughout Scotland. We are conducting a survey with COSLA in advance of the first biennial report next October. I am happy to share the results of that with the Parliament once we have them.

**Des McNulty (Clydebank and Milngavie) (Lab):** The thrust of the minister's response has been on improving monitoring and inspection, but will she look again at improving the rights of individuals who are being cared for, and their families, to make it easier for them to challenge neglect and abusive behaviour?

**Shona Robison:** The whole premise of the act encourages them to make such challenges. The

problem is making them feel confident enough to do so. That can be very difficult, especially when the abuse is happening within the family. That is why we need to ensure that people know who they can speak to and how, and that they can do so in confidence. That is the message that all of us can try to get across within our local communities.

## **Marine Scotland Bill: Stage 1**

**The Deputy Presiding Officer (Trish Godman):** The next item of business is a debate on motion S3M-4969, in the name of Richard Lochhead, on stage 1 of the Marine (Scotland) Bill. I call Richard Lochhead to speak to and move the motion.

10:01

**The Cabinet Secretary for Rural Affairs and the Environment (Richard Lochhead):** Thank you, Presiding Officer. I was not sure whether it was the convener of the Rural Affairs and Environment Committee who was going to open the debate, but I am happy to follow your instructions.

Today is a momentous day for the Scottish Parliament. We have the opportunity to support the Marine (Scotland) Bill, which will, for the first time, provide a framework to safeguard our marine environment and to manage our seas properly to ensure that they continue to deliver economic benefits for future generations, within environmental limits.

I thank the Rural Affairs and Environment Committee for its diligent scrutiny of the bill, which is reflected in the detailed stage 1 report that Parliament will be discussing today, and for its support for the general principles of the bill.

I am sure that everyone agrees that our seas help to define Scotland as a nation. They have been vital to our people since time immemorial. We have a long and proud history as a maritime nation. Throughout history, we have impacted on the marine environment, and not always with the sensitivity that that important resource demands. With that in mind, we must look to the challenges ahead, such as energy security, food security and climate change, and, when tackling those issues, to how we balance conservation with development and growth.

We have a big task ahead, but it is a challenge that we can and must meet, because 21<sup>st</sup> century Scotland still relies on its seas in many ways. Our seas are among the most biologically productive in the world and we must ensure that they remain that way. Every year, they generate billions of pounds for the Scottish economy. We must balance extracting opportunities for the more traditional sectors in our seas, such as sea fisheries, aquaculture, and oil and gas, with the demands of our new sectors, such as renewable energy and wildlife tourism. At the same time, though, we must safeguard our precious and world-famous marine habitats.



For the first time, we will have a marine planning system to help us to strike a balance between the competing demands for our valuable marine resources. The bill will simplify the current complicated licensing regime and allow us to make important changes to how we protect and conserve our marine habitats and species. For instance, the historic marine protected area provision will enable us to improve our management of our marine cultural heritage. That is an important new aspect of the debate. The bill will also put Scotland at the forefront of improving seal protection by creating a new offence of killing or injuring a seal at any time, unless under licence.

The framework that we are outlining today has been developed over many years, through a series of reports and advisory groups. More than 8,000 stakeholders engaged in the consultation process last year, which perhaps speaks volumes about the level of public interest in the issue. Stakeholders' responses showed widespread support for more integrated, simpler and more effective and efficient marine management arrangements. That is one of the reasons why, from 1 April this year, we established Marine Scotland as part of the Scottish Government. Marine Scotland will champion Scotland's seas.

I am grateful for the work that the Rural Affairs and Environment Committee has undertaken during the five months of scrutiny. It has worked hard to get to grips with the diversity of marine interests and the complicated management issues. Many of the committee's recommendations are in line with the Government's thinking. I will touch on key points in the committee's report.

First, the committee is keen that a duty should be placed on Scottish ministers and all relevant public bodies to have regard to the need to maintain and improve the health of Scotland's marine area. I have some sympathy for the principle behind the committee's recommendation, although we need to think carefully about the precise language to avoid confusion about competing objectives. For instance, the committee refers specifically to the marine strategy framework directive. Under the directive, we will be required to work towards achieving good environmental status in all Scotland's waters by 2020. I believe that the commitment is already there. In the next few days, together with other United Kingdom Administrations, we will be launching a consultation on the transposition of the directive.

Today, I announce to Parliament that Scotland will be the competent authority for all Scottish waters right out to 200 nautical miles, with allowances built in for reserved interests. We are agreeing a concordat with the UK Government on how those arrangements will work.

Marine planning will be an essential tool to deliver the marine strategy framework directive. Marine planning is intended to balance the competing uses of marine resources, reduce uncertainty about where activities can take place, and allow for decisions to be made in agreement with a variety of stakeholders working together. I am grateful for the committee's acceptance of the need for a flexible approach towards the drawing up of a national plan.

The committee recommended the inclusion of climate change mitigation and adaptation in the list of objectives that a national marine plan may set out, and I would be pleased to consider an amendment on that. That is a sensible idea, given the challenges facing Scotland in that regard, and the recent passage of the Climate Change (Scotland) Act 2009. Under the bill, the Scottish Parliament will be able to consider and have input to a draft national plan before it is formally adopted. I am happy to explore whether a minimum period for parliamentary consideration would be appropriate. That was another issue raised in the consultation.

Marine planning partnerships are new, and I am pleased that the committee supports the Government's flexible approach to their membership and governance. In some cases, there will be more than one local authority within a marine region, so a partnership arrangement will be the most appropriate. Even where there is only one lead authority in the Scottish marine region, we would all still envisage a strong focus on partnership working in each area of Scotland. Marine Scotland is considering how the partnerships will work and will produce guidance in due course.

There is further work to do to identify marine region boundaries and I am grateful for the work of the Scottish coastal forum in establishing the views of stakeholders on how Scottish marine region boundaries could be defined. I will send a copy of its report on marine regions to the committee.

I appreciate that the Solway Firth is a rather sensitive issue and I have written to the UK Government to indicate that this Government would be pleased to work with our UK partners in treating the Solway as an integrated planning area. The UK Government has its own views on the issue, but we have agreed to work on a concordat, which will be drawn up to address arrangements for cross-border working.

The key aspect of the planning sections of the bill is the requirement that licensing decisions be taken in accordance with the marine plan. I think that members will all agree that the current licensing system is more complicated than it needs to be. One of the most complicated areas is

aquaculture licences. I note that the committee was unable to reach a unanimous view on that issue. In my view, the bill provides the best practical solution to the situation that we find ourselves in regarding aquaculture consents. Overall, the bill will simplify the licensing regime.

In its stage 1 report, the committee expressed concern that there are no substantial provisions in the bill to govern the mechanisms for appealing against licensing decisions and notices. That is important. I want to get the appeals process right. I assure Parliament that we will introduce proposals for an independent appeals process. Our preference is for appeals to go to the sheriff courts. We will make provision in secondary legislation to allow for full consultation with interested parties to ensure that that process is as effective as possible.

On activities requiring a licence, as recommended by the committee I am happy to amend sections 17 and 24 to specify more clearly the criteria used to determine whether activities should be added or removed from the list, and to specify criteria for not requiring a licence. I also intend to introduce an amendment to section 35 to allow for the restoration of a damaged site.

I can also provide reassurance that the licensing provisions are designed to avoid overlap with other legal processes and to work seamlessly with other aspects of the bill, including the powers to deliver marine protected areas.

The committee would like the bill to impose a duty to create a network of marine protected areas. We are already committed to establishing an ecologically coherent network of well-managed marine protected areas and Marine Scotland is developing draft guidelines on how the proposed powers will be used to establish a network. Nonetheless, I am happy to consider further amendment in this area.

Also, I welcome the committee's agreement that the designation of nature conservation marine protected areas be science driven. The bill does not exclude the consideration of social and economic factors and the desirability of mitigating climate change in the management of marine protected areas, which is an issue that the committee raised in its report.

Another key aspect of the bill's conservation credentials is the proposals on seal conservation. I recognise the often polarised views of interested parties, but I remain confident that better protection for seals and the introduction of a new licensing system are the best means of managing those conflicts. Of course, a modern approach to seal management and protection must not be overly restrictive. I am therefore somewhat cautious about the suggestion that we should

include a harassment offence in the bill. I appreciate the intent behind the recommendation, but I ask the Parliament to recognise the difficulties of achieving that without many unintended consequences for very legitimate activities. It is helpful that the committee has referred to those challenges in its report. I assure Parliament that the development of policy on seals, the deployment of renewables and the development of non-lethal deterrents will depend on a lot of scientific monitoring and reporting.

I have given a rapid account of the main features of the marine bill and the main changes that we intend to introduce at stage 2. We recognise that legislation alone will not achieve all the improvements. Effective implementation is essential. We are already developing policy on the orders and regulations that are needed under the bill. The Scottish Government is committed to ensuring that our seas are protected and managed sustainably for future generations. We are working to deliver enhanced economic growth while ensuring that our seas are looked after in the decades and years ahead.

Striking the right balance between the long-term viability and growth of our economy and the enhanced protection of our special marine environment is at the heart of the bill. There is huge interest in Scotland's marine environment. I know that the bill is welcomed as a significant improvement on the way in which we manage our seas.

I commend the committee's report, the debate and our motion to the Parliament.

I move,

That the Parliament agrees to the general principles of the Marine (Scotland) Bill.

10:12

**Maureen Watt (North East Scotland) (SNP):** I am pleased to speak in the debate on behalf of the Rural Affairs and Environment Committee.

This is a big bill on an important subject: the custodianship of Scotland's coastal waters out to the 12-mile limit. Scrutinising it at stage 1 meant some hard work for the committee, but I think that I speak for all members when I say that it was also an enjoyable experience. It was particularly rewarding to make fact-finding visits earlier in the year, when the days were longer and the weather just a little warmer, to three beautiful stretches of the Scottish coastline: at Buchan, on the Firth of Lorne and on the Solway Firth. There, we heard first hand from people who live by the sea or make their living from it about the effect that they think the bill will have on them, and what changes they would propose to make it better.

On behalf of the committee, I express my thanks to the people who gave generously of their time on those visits, one of which also involved a full committee meeting in Kirkcudbright. I also pass on our thanks to the many people, including two petitioners, who provided evidence to us in writing or in person at our five stage 1 meetings. I thank the entire membership of the committee. I also thank its clerking team, past and present, and the staff of the Scottish Parliament information centre—Wendy Kenyon in particular—for their unstinting work. Finally, I thank the cabinet secretary and his officials for the hard work that they have put into getting the bill this far along the road—if that is the right metaphor for a marine bill. It is only fair to note at the outset that the bill builds on work that was undertaken by the previous Administration and on an important report that the former Environment and Rural Development Committee produced in 2007.

Scotland's inshore waters are among our most precious resources, as a source not only of food but, increasingly, of renewable energy. They are a resource for boat cruises, recreational angling, activity holidays and so on and they are also simply where we go to relax and enjoy the beauty and sea air. Our seas are also—or certainly should be—a haven for a diversity of animals, plants and birds. It is therefore vital that they enjoy adequate protection.

That said, anyone making a living from our seas might be forgiven for thinking, "Oh, no, more laws about marine management are on their way!" Fishermen, in particular, complain with some justification that, at times, they are practically drowning in a sea of rules and regulations. I want to make it clear that the committee would not have supported the bill at stage 1 if we had thought that it was likely to add to the administrative burden. On balance, we do not, which is why we recommend in our report that the general principles of the bill be approved.

Indeed, we are hopeful that the bill has the potential to make things less rather than more complicated and that it will improve channels of communication between the many diverse users of the sea. In particular, we are cautiously optimistic that the introduction of statutory marine planning will enable more rational and well-informed decisions about the use of the sea to be made and allow misunderstandings about controversial matters such as inshore dredging or the siting of fish farms to be sorted out sooner rather than later. Meanwhile, the creation of a national marine plan should provide an opportunity for the Scottish Government to demonstrate leadership in identifying national priorities, including in emerging industries such as offshore wind and tidal energy production.

Another key aim of the bill that we broadly welcome is the new rules on the marine protected areas, which will increase the opportunity to designate appropriate sites.

A further key area of the bill that the committee supports is the provision to modernise our laws on seal conservation. We agree that that is overdue and that the provisions that are set out in the bill are a step in the right direction.

Presiding Officer, you would not expect any lead committee convener to conclude a speech at stage 1 without expressing at least some reservations, and I do not propose to disappoint you. In the remainder of my speech, I will refer to some of the matters in our stage 1 report on which we said that we would welcome movement or clarification from the cabinet secretary. I expect other committee members may wish to focus on matters of particular concern to them.

First, as our evidence gathering made clear, there are serious concerns about the state of Scotland's seas and the loss of biodiversity within some marine ecosystems. There is on-going debate about the causes: are they the result of overfishing in some areas, natural or man-made environmental changes or some sort of complex interplay of factors? Whatever the causes, the evidence gives rise to concern. The committee is under no illusion that domestic legislation will, of itself, turn things round; we simply query whether the bill in its current form has grasped every opportunity to try to put things right. We make a number of recommendations, two of which I will highlight.

First, we suggest that the bill should set out an overarching duty on all public bodies in Scotland, including the Scottish ministers, to have regard to the need to safeguard the health of the sea when exercising any relevant function. Secondly, we propose that the bill should make it mandatory rather than discretionary for the Scottish ministers to create a coherent network of marine protected areas. The committee considers that the two proposals, if taken together, would help to strengthen the conservation element of the bill.

Another concern relates to the proposals for the regulation of fish farming. In the main, the bill proposes the retention of the status quo, with licensing decisions being made at local authority level rather than becoming subject to a centralised licensing system. It is important that, as convener, I make it clear that the committee was divided on whether the approach that is set out in the bill is the right one. This was the only matter on which we formally split.

I respect individual members' right to agree to disagree. Nonetheless, a clear majority of the committee is not satisfied that the approach that is

set out in the bill is the right one. We think that it goes against the entire philosophy that the bill seeks to champion of making the marine licensing system more streamlined and consistent. Our report tentatively suggests that there might be room for some compromise whereby Marine Scotland sets the licensing rules for aquaculture but they are administered at the local level.

Finally, I draw the Parliament's attention to the provisions on seals. The committee is satisfied that the overall direction of travel under the provisions is towards improved conservation and animal welfare, which we welcome. However, we make a number of suggestions about how the provisions could be strengthened. For example, we suggest that the licensing conditions relating to the skill or training of the marksman or the type of weapon that is used should be mandatory. On the basis that prevention is always better than cure, we think that implementation of the bill affords an opportunity to ensure that the aquaculture industry takes all reasonable steps to apply preventive measures against seal incursions, such as the installation of anti-predator netting, to ensure that shooting a seal is truly a last resort.

Those reservations aside, the Rural Affairs and Environment Committee is happy to support the general principles of the bill and to wish it a safe journey as it negotiates the remaining shoals and narrows of the parliamentary process.

10:21

**Elaine Murray (Dumfries) (Lab):** Scottish Labour supports the principles of the Marine (Scotland) Bill and welcomes many of its provisions. However, in our view, the bill could be improved and strengthened in parts by amendment at stage 2. As Maureen Watt said, that is also the view of the Rural Affairs and Environment Committee.

I was slightly disappointed that we did not receive the Scottish Government's response to the committee's report until last night, but I appreciate that this morning the cabinet secretary has gone through much of it in detail. He and Maureen Watt mentioned the competing interests of stakeholders in the marine area. There is a huge marine area in Scotland, which has an estimated coastline of 16,500km and a territorial sea of around 88,600km<sup>2</sup>.

A report published at the beginning of this month for Scottish Environment LINK by David Hughes and Thom Nickell of the Scottish Association for Marine Science advises that

"Scotland's marine environment is in a far from pristine state and is in real need of recovery."

It goes on to say that the

"Marine Bill as it stands will only manage the status quo. It will not bring about any improvement in the wider seas outside marine protected areas".

The report cites evidence of declining stocks of a number of species in the North Sea.

During stage 1 consideration of the bill, we heard similar evidence from the Community of Arran Seabed Trust and the Scottish Sea Angling Conservation Network. Ian Burrett told the committee:

"on the west coast of Scotland, 20 species either have disappeared or are now found only as juveniles."—[*Official Report, Rural Affairs and Environment Committee*, 10 June 2009; c 1753.]

Howard Wood of the Community of Arran Seabed Trust said of the Clyde:

"Having dived in it for 36 years, my experience is that it is in a dire state. The fish that I saw as a teenager diving in the Clyde no longer exist. They are ecologically extinct."—[*Official Report, Rural Affairs and Environment Committee*, 9 September 2009; c 1869.]

The committee recommended unanimously that a duty be placed on ministers and all public bodies to have regard to the need to maintain and improve the health of the Scottish marine area in the exercise of their functions. I am sorry that the Scottish Government's response to the recommendation is a bit lukewarm, but I am sure that the matter will be discussed further at stage 2. Improving the health of the marine environment is in the interests of all stakeholders and should be a key objective of the bill.

We support the committee's recommendation that climate change mitigation and adaptation be included in the list of objectives of the national marine plan under section 3(3). We agree that, because the plan is of considerable significance, the draft plan needs to be properly scrutinised by Parliament; a minimum period for consideration of 40 days should be stipulated.

Other members have mentioned the boundaries of the marine planning regions, which will vary from one marine area to another but should encompass single ecosystems. It makes sense for the firths to be single marine planning areas. As other members have said, that is a little more tricky when the firth spans the border, as the Solway does. The Solway Firth Partnership pointed out to the committee that the Marine (Scotland) Bill enables ministers to delegate planning responsibility to a third party but that that provision does not exist in the UK Marine and Coastal Access Bill. The SFP had proposed an amendment to the UK bill but, after a meeting a couple of weeks ago with Huw Irranca-Davies, organised by my colleague Russell Brown MP, it is satisfied that appropriate memorandums of

understanding can be put in place to allow a single planning process for the Solway, resulting in the production of a single plan document that will be agreed by both ministers. Legally, there will be two plans, but they will be identical. I am pleased that there has been a resolution of some of the concerns that have been aired.

Inshore fisheries groups are being set up in Scotland; two have already been established, and others are planned. However, the groups include only commercial fishing interests. The committee questioned the need for such groups to be established, given that they may be overtaken by the proposals in the bill. If they remain, there is a strong case for other fishing interests, such as sea anglers, to be members, as their industry is also dependent on the condition of the marine environment. Like commercial fishing, sea angling contributes significantly to the economy, especially in rural areas. That was demonstrated in the Scottish Government's recent report "Economic Impact of Recreational Sea Angling in Scotland", which stated that recreational sea angling contributed almost £141 million annually to the economy and sustained 3,148 jobs.

The bill does not require ministers to create any marine protected areas, but the committee received advice indicating that the European Union marine directive does. Scottish Labour supported the committee's recommendation that the bill impose a duty on ministers to create a network of MPAs, which should be regularly monitored and reviewed.

Other members have mentioned the repeal of the Conservation of Seals Act 1970, which is probably the most contentious part of the bill. More than half of the more than 8,000 replies to the bill to which the cabinet secretary referred were on that topic. Despite the contentious nature of the provisions, the oral evidence session on them was positive and suggested that a compromise could be reached. Such a compromise might not be ideal for the different sides of the argument, but it would provide a reasonably satisfactory way forward.

During a previous debate, I said that I understand that there are circumstances in which seals must be shot; the sea mammal research unit agrees. However, lethal methods of seal control should be used only as a last resort. Statutory conditions should be placed on the issue of licences, covering, for example, the skills requirements of the marksman, the weapons that can be used and the distance from which a seal can be shot. Applicants should be required to demonstrate that other, non-lethal methods of control have been tried and have failed. The number of seals that are shot should be reported,

perhaps not on an individual basis, but certainly regularly.

Labour is pleased to support the general principles of the bill. However, as was the case with the Flood Risk Management (Scotland) Bill and the Climate Change (Scotland) Bill, we believe that cross-party work by the committee and ministers at stage 2 will result in improvements to it. I am sure that by the time we reach the end of stage 3 we will have a bill of which we can all be proud.

10:27

**John Scott (Ayr) (Con):** I begin by thanking our clerks and SPICe for their help. I also thank those who gave evidence in oral and written form and those who hosted the Rural Affairs and Environment Committee as we visited various parts of Scotland.

The Scottish Conservatives welcome the bill, which we hope will dovetail with the UK Marine and Coastal Access Bill that is currently being produced at Westminster. I sound a note of regret about the unfortunate coincidence of timing that means that the bills are being considered simultaneously. Notwithstanding that, the Scottish Conservatives welcome the proposed new legislative and management framework for our seas out to 12 nautical miles and acknowledge that the Government has genuinely tried to balance the competing demands of the users of our seas with the need to protect our marine environment better in future.

For too long, the sea has been regarded purely as an exploitable asset. An absolute need now exists to look after our seas more carefully than we have done in the past. In our view, that should be done, wherever possible, using a connected and integrated ecosystem approach. Marine ecosystem objectives should be part of both national and regional marine plans.

**Jamie McGrigor (Highlands and Islands) (Con):** Hear, hear.

**John Scott:** Thank you.

Local, broadly based and appropriately sized marine planning partnerships must develop integrated plans to achieve the responsible management and improvement of their designated areas, as well as to deliver national policy and objectives. In my view, the Clyde Scottish sustainable marine environment initiative, which was developed after much hard work, is an excellent model to follow. I note the cabinet secretary's intention to be flexible in that regard.

Wherever possible, marine region boundaries should match up and tie in with inshore fisheries group boundaries as well as river basin

management plans, to provide an intelligent and coherent unified approach to terrestrial and marine environmental improvement in the designated areas, using Scotland's well-known firths as the starting point. As the minister has said, the Solway Firth will require special attention, including some adaptations to the UK Marine and Coastal Access Bill. I welcome his determination to address that by drawing up a concordat, as well as the remarks that Hilary Benn made in that regard in Westminster on Tuesday 27 October.

In overseeing the development of a national marine plan and several regional plans, Marine Scotland and Scottish ministers will need to do all that they can to address and simplify the current complexity of legislation governing marine areas. Of course we accept that there will, of necessity, be limitations in what can be achieved, but determination must be shown to streamline and simplify the proposals, perhaps by consolidation or by the codification of legal rights and duties.

As the minister will be aware, concerns remain that part 3 of the bill will not lead to the much-needed simplification of the marine licensing system. Although the minister's brochure "Scotland's First Marine Bill" diagrammatically and dramatically shows the creation of a one-stop-shop approach, industry stakeholders are having difficulty seeing how that will work in practice. The most likely effect could be a huge expansion of the function of Marine Scotland and in the tasks that it will be expected to undertake. The question must be asked whether that expansion will be either sensible or affordable. The threshold between the licensing and registering of marine activities also needs to be made clearer in the bill, as does the development of an appeals procedure. I welcome the Government's response on the establishment of an independent appeals process.

The committee believes that the bill should impose a duty to create a network of MPAs, and I welcome the Government's intention to lodge an amendment on that at stage 2, but it is vital to recognise that, however desirable MPAs may be in environmental terms, they could threaten people's existing and traditional livelihoods. Such designations must of course be achieved by the appliance of science, must integrate with the national marine plan, and should wherever possible seek to mitigate the effects of climate change, which is a growing daily threat. I am pleased that the minister proposes to lodge a stage 2 amendment on that, too. It appears that, unless climate change is addressed, we will, for instance, lose many of our native corals in the next 100 years as sea acidification rises. The concern is that, notwithstanding our best intentions, dramatic and irreversible change could be about to take place in our seas and oceans because of climate change. The report from Scottish

Environment LINK highlights the challenges that face us.

Conservatives believe that a balance must be struck between encouraging fish farming and the preservation of grey and, in particular, common seals, both of which are protected species. I appreciate the unwelcome cost to fish farmers of installing and maintaining anti-predator nets or other deterrents. There is a danger of rendering fish farming uneconomic internationally; getting the balance wrong between protecting seals from their own instincts and protecting fish farms from predatory attack could mean exporting the industry and jobs to other parts of the world. For that reason, more research must be done to find out why common seal numbers are declining, and also to develop better and cheaper methods of protecting fish farms from seal attack. Conservatives believe that seals should be destroyed only when "no satisfactory alternative" exists, but a clearer definition of that term is needed.

Conservatives welcome the advent of the bill. We will work constructively with the Government, other parties and stakeholders to improve it further at stage 2. The bill represents Scotland's best opportunity in recent times—and for the foreseeable future—to improve the health of our seas, and we must seize it with both hands for the sake of future generations as well as our own.

10:34

**Liam McArthur (Orkney) (LD):** I am delighted to open the debate on the Marine (Scotland) Bill on behalf of my party. Scottish Liberal Democrats have been long-standing supporters of such legislation, not just here but at Westminster. I am proud of the role that my party has played both north and south of the border, especially with the efforts of my colleague Ross Finnie, who did so much to help establish the platform and principles underpinning the bill. There is much work to do in the coming weeks to ensure that we have a piece of legislation of which we can be proud. Like other members, I believe that we have made a very good start.

We have been well served by all those who have provided evidence to date. It has been detailed, insightful and, in the main, remarkably consensual. I look forward to working with many of those same individuals and organisations as we begin our stage 2 scrutiny. I, too, thank the committee clerks and SPICe for all their hard work to date.

As Orkney's MSP, my interest in the bill is more than academic. Economically, socially, culturally and environmentally—in every way imaginable—Orkney's past, present and future are forged in the

seas all around our archipelago. However, this is not a virility test as to which community can lay greatest claim to having a reliance on the marine environment. As the cabinet secretary reflected, Scotland and the UK as a whole depend hugely on our marine resources, so ensuring that they are properly understood and protected, and indeed exploited, is critically important to all of us.

Like the committee convener, although I support the general principles of the bill I wish to make a number of points looking ahead to the task in front of us at stage 2 and beyond. For the proposed legislation to be effective, it needs to be properly resourced. That recommendation from the committee might appear self-evident, but it enjoys strong support across the board from witnesses who are concerned that ministers might be willing the ends without necessarily willing the means.

I encourage the cabinet secretary to rethink his present unwillingness to accept duties rather than powers in the bill. It is hard to imagine Mr Lochhead piloting the bill through Parliament only then to stubbornly refuse to put in place a national marine plan, yet that point simply lends weight to the case for the Government to accept such a plan as a duty on ministers rather than as something that they are empowered to produce.

Similarly, the committee unanimously supported calls for the bill to

“place a duty on the Scottish Ministers and all relevant public bodies ... to have regard to the need to maintain and improve the health of the Scottish marine area.”

That would be backed by indicators that make it clear what constitutes a healthy marine environment. I accept that that might not be straightforward, but I am sure that the committee will be happy to work with the minister and his officials to find a workable solution.

The committee supports a flexible approach to the membership and governance of marine planning partnerships. That is surely the only way of reflecting the diversity of our marine environment, and that of the communities and interests that are reliant upon it. It is not inconsistent to argue, however, that Marine Scotland has an important role in guiding and supporting those partnerships, particularly in the early stages. Likewise, we should consider whether it is helpful to establish a framework to consider what local plans might look like. That need be no more than a requirement for each plan to set objectives and indicate the policies and programmes to achieve them, but it could avoid partnerships wasting time in putting together plans that are subsequently rejected.

As for the national plan, I am pleased that the Government accepts the need for climate change mitigation and adaptation to be included in the list

of objectives in section 3(3). With there being the potential to deliver more than 30GW of power from offshore wind, wave and tidal sources over the next decade, the contribution that marine renewables can make to cutting harmful emissions as well as meeting our energy needs is a matter of record, and they can also play a major role in conserving our seas and helping to address issues such as acidification.

Marine region designations should be based on an ecosystem approach. Nevertheless, as the committee suggests, the case

“for the major firths and for the seas surrounding Orkney, Shetland and the Western Isles to be considered discrete marine regions”

is

“reasonably clear-cut”.

I encourage the cabinet secretary to be a little less coy in supporting that proposition.

I spoke earlier about the consensus that exists with regard to many aspects of the bill. Sadly, however, I must, like others, report an act of rebellion within the committee on one particular issue. Steps were taken by the previous Administration to give local councils responsibility for licensing fish farms. The system is bedding in well, and it commands strong support among the councils and communities that are most directly affected. I do not accept that it creates undue burdens or confusion for the aquaculture sector, and I cannot agree that administrative neatness should override the right of local councils to take important decisions in that regard if they wish. Indeed, any decisions will require to adhere to the overall national plan. The cabinet secretary should rest assured that I and my Liberal Democrat colleagues stand shoulder to shoulder with him in resisting the call from his own colleagues and others for those powers to be centralised.

Turning to the issue of nature conservation MPAs, although I accept that designation needs to be based on robust science, I believe that it is critical that, when marine conservation orders are drawn up, specific regard is given to social and economic factors as well as to climate change mitigation. The fear is that MPA designation will result in areas being off-limits to economic activity and development, and ministers can best deal with that myth by being more explicit on the matter in the bill.

On the sensitive issue of seal protection, I congratulate Advocates for Animals on the way in which it has made its case to the committee so far. I agree with members that improvements have been made, but I am concerned by claims that without close seasons during breeding times seal populations might be under more threat than they

currently are. We might return to the issue at stage 2.

The bill is a good one and our collective efforts have contributed to it. It demonstrates the benefits of a consistent approach on the part of successive Governments in Scotland and collaboration between Governments north and south of the border. Liberal Democrats will be happy to support the principles of the bill at decision time.

10:40

**Bill Wilson (West of Scotland) (SNP):** As with that long return to Ithaca, with its many trials and tribulations, so, no doubt, will be our journey to a healthier marine environment. We lack good baseline data, we lack research, and we have depleted the biodiversity of our seas. There is much to be done. Confucius said that a journey of a thousand miles begins with a single step; today we witness the first flap of a tail.

The recent Scottish Government report, "Economic Impact of Recreational Sea Angling in Scotland", concluded that the sport benefits the Scottish economy to the tune of £114 million. The figure sounds substantial, but it could be considerably greater. Twenty years ago there were some 118 sea angling charter boats on the Clyde; now there are three.

Why has sea angling on the Clyde declined so drastically? Have sea anglers simply found another enthusiasm? Have they prawned their fishing tackle to buy season tickets and abandon the sunny Clyde for the terraces? I suspect that St Mirren and Greenock Morton football clubs wish that it were so, but the truth is far less pleasant. The Clyde has a sad history of overexploitation, the most recent chapter of which begins with the Inshore Fishing (Scotland) Act 1984, which allowed fishing by all methods within a 3-mile limit. Since the 1980s, when I used to fish the Clyde—with a notable lack of ability or success—there has been a significant decline in biodiversity. Some 20 species of fish are at the point of commercial if not ecological extinction.

According to the Scottish Sea Angling Conservation Network, the Clyde has become a nephrops monofishery, with no sign of whitefish recovery. As nephrops stocks decline too, there is talk of moving further down the food chain to brown shrimp and smaller shellfish. That is not sustainable. When commercial fishing is obliged to move down the food chain, something is wrong. The Clyde has become a degraded environment; a once-rich estuary is now a relative pauper. Where do we go when we reach the bottom of the food chain? How can our environment recover if there is nothing to recover with? The current state

of the Clyde white fisheries brings to mind that well-known verse by Walter Wingate:

Sirs, row in; ye may as weel  
Fish till aa' the licht is lost  
Fish till day begins ti speel  
Ye'll get naething but ae hoast.

Why have I spent so long talking about the Clyde? Because the Clyde makes abundantly clear why the Rural Affairs and Environment Committee recommended

"that the Bill place a duty on the Scottish Ministers and all relevant public bodies, when exercising functions, to have regard to the need to maintain and improve the health of the Scottish marine area."

Other members mentioned the recommendation, which I urge the cabinet secretary to accept. Are other regions in Scotland's seas as depleted as the Clyde is? We lack the data that would enable us to be certain about that, but the evidence casts doubt on the health of Scotland's seas.

There should be no doubt as to our commitment to the sea's recovery, which would be good for our environment and our economy. If our fishing communities are to survive we must have healthy seas. For that reason I encourage the cabinet secretary to accept the committee's recommendation that the bill impose a duty on the Scottish ministers

"to create an ecologically coherent and representative network of marine protected areas".

The creation of such a network should be based on science and it is essential if we are to restore the health of Scotland's seas. Failure to ensure a coherent network might leave vital elements of biodiversity vulnerable to extinction. There is currently no obligation in the bill to designate protected areas when the scientific evidence supports such designation; the existence of evidence will merely make designation permissible. That might be understandable when several sites are similar, but the reasoning is less clear if the site is unique. The requirement to create an ecologically coherent network would remove fears that such sites might escape designation, regardless of the scientific evidence.

If we are to ensure that the health of Scotland's seas is maintained and improved, continual monitoring of such sites is essential. It would be all too easy for ministers to designate a site and then rest on their laurels—or seaweed, or cockles, or whatever ministers rest on after a bill such as the Marine (Scotland) Bill is passed. Given that much of what goes on in the sea is not readily visible, and given the progressive development of marine science, continual monitoring is essential to ensure that marine protected areas continue to function as they should. Furthermore, as species and communities adapt to global warming it is not inconceivable that MPAs will not be static and,



over the decades, will need to be relocated as species and ecological communities adapt to the changing environment.

Like other members of the committee, I found it difficult to understand why fishing activities require additional legal protection. When an MPA is designated, there should be a clear statement about why it has been designated and what activities are prohibited or permissible. Prohibition should be on the basis that an activity conflicts with the stated aims of the MPA. If fishing or other economic activity does not negatively impact on those aims, the activities should be permissible within the MPA. It should therefore be clear to fishermen what they may or may not do in the area. If their activity is legal, they should be left in peace; if it is not legal, action should be taken. I repeat: the reasons for designation should be clear, as should the activities that are not permissible. There should be no need for additional protection.

I cannot discuss all the recommendations in the committee's report; there are far too many. I simply make the additional point that there was little dissent in the committee—we have heard about the one notable exception. I hope therefore that the cabinet secretary will be able to adopt most of the recommendations.

The bill has, rightly, been widely welcomed. William Topaz McGonagall, in the opening lines of his "A Tale of the Sea", wrote:

A pathetic tale of the sea I will unfold  
Enough to make one's blood run cold

Action by the Government will ensure that those sad words will not ring true for the generations that follow us.

10:46

**Peter Peacock (Highlands and Islands) (Lab):**

Like other members, I very much welcome the bill and support its general principles. As the cabinet secretary and Liam McArthur said, the bill has had a long gestation and there have been efforts over many years to pull people together to find answers to a series of questions and challenges that we face in relation to our marine environment.

The bill can be strengthened, which is typical of any bill that comes before the Parliament. Adoption of the committee's good recommendations, on which we were unanimous—with the exception of Liam McArthur on one point—would help to strengthen the bill substantially.

I have spoken before in the Parliament about how we have taken the health of the seas for granted for far too long. Because most of what lies beneath the surface is unseen by the vast majority

of the population, as Bill Wilson said, it has been out of sight and out of mind for all too long. Mankind has abused the seas throughout all generations until perhaps this one, when we have recognised that the sea does not have infinite power to restore its health. We have heard from Elaine Murray and Bill Wilson about the condition of parts of our seas that we know about, but we do not know the condition of an awful lot more areas.

If the bill is to mean anything, it must make a clear statement that the health of the seas is the overriding concern that drives the legislation. That is why the committee recommended that there be

"a duty on the Scottish Ministers and all relevant public bodies, when exercising functions, to have regard to ... the health of the Scottish marine area."

That is not just about arresting decline and maintaining the current condition of the sea; it is about restoration and improvement where we have made the condition of the sea bed, in particular, significantly worse. We will need more scientific evidence as a basis for greater understanding of the situation, and I hope that most of the evidence will be independent. We need to develop indicators so that we can judge our progress.

Like other members, I am disappointed by the minister's response to the committee's recommendation. Our national Parliament is debating our interest in our seas and therefore must have a chance to say what it wants about the matter. I am sure that the recommendation will lead to the lodging of amendments at stage 2. Where there is a will, there is normally a way to accommodate what members want. I urge the cabinet secretary to work with members to secure a way forward, and I am sure that we can find a form of words that will address everyone's interests and concerns.

A motivation for the bill was the complexity of competing issues to do with our seas. There is a myriad of institutions, organisations and management concerns with competing interests in renewables, oil, gas, commercial fishing, sea angling, a variety of forms of recreation and transport. Therefore, I support the mechanism of regional marine planning partnerships, which will help to reconcile those interests and create opportunities for dialogue, debate and agreement about the way forward. Partnerships will vary in size and composition, and it is right that there should be such flexibility, but clarity is needed on their composition.

We also recommend that the minister appoint the chairs of partnerships. I noticed that the Government's response made no reference to that, and I would be interested to hear from the minister on that point.

The MPPs will involve a lot of process, administration and complexity, but I can think of few other solutions that would allow people to get round the table and try to reconcile the management of their seas.

I support the power of the minister to sign off the regional plans, because that will give them status. The minister needs a context in which to do that, which is why the vision of the national plan is important. As other members pointed out, it is slightly paradoxical that the bill contains no duty on the minister to produce a plan. Scottish Environment LINK drew that to our attention, and I am sure that the matter will be tidied up in due course.

Other members have also talked about the vital part that marine protected areas can play in helping to restore the health of our seas and preserving important features. The provisions on MPAs also need strengthened. I recognise that there are international obligations, but we should make it clear that there is a duty to create a coherent network of MPAs.

MPAs can be highly controversial. As a first cut, the conservation measures in them have to be based on science, but social and economic factors must also be taken into account. We must at all times seek to take local people with any proposal for an MPA, to engage them and to give them ownership of the process and as much of the local management control of the MPA as is possible. We need look no further than Barra, where local people are demonstrating to Scottish Natural Heritage their concerns about a different designation and the impact that it would have on their way of life and their ability to make a living.

MPAs must not be about a loss of economic opportunity alone. If that is the way they are perceived, they will be opposed—understandably so. There seems to be plenty scope for more development of offshore renewables, for example. Not only can that co-exist with other uses of the sea, but it may be complementary to them and help to achieve some of the bill's objectives.

The bill's provisions on seals are potentially controversial, but I am glad that, so far, there seems to be a broad consensus on what can happen and how we could manage the situation. Generally speaking, I welcome the bill's approach to the culling of seals, although it can be strengthened and tidied up. The key to that is tough licensing and tough mandatory conditions on any regrettable need to take seals out and shoot them.

I see that you are glowering at me, Presiding Officer. I am coming to the end of my time and I will happily sit down. I am very happy to support the general principles of the bill.

**The Deputy Presiding Officer (Alasdair Morgan):** I am sure that I never glower, Mr Peacock.

10:52

**John Farquhar Munro (Ross, Skye and Inverness West) (LD):** I welcome the opportunity to speak about the Marine (Scotland) Bill. The bill has been a long time in coming and the Liberal Democrats have repeatedly called for it. Overall, it achieves its principal aim of finally delivering simplicity in a sector that has become increasingly complicated, with many different Government departments dealing with different marine consents.

We must consider how the proposed legislation will affect certain industries. There needs to be a balance among the environment, the environmentalists and those who live and work in coastal communities. Fishermen and fish farmers need to have an interest in, and an input into, marine planning. They have practical knowledge, as they spend a great deal of time at sea, and an interest in ensuring that their industry has a sustainable future. That is why they must be included as much as possible in the establishment and workings of Marine Scotland.

The bill will succeed only if stakeholders from all sides are involved in future planning for the marine environment. If we rely too heavily on scientists without adequately consulting those in the industry and drawing on their knowledge, we may harm the fishing and fish farming sectors. As we heard from my colleague Peter Peacock, SNH is trying to convince the local population and the fisherman that another special area of conservation is required around the island of Barra. I do not think that it is getting much support for its proposals. Instead, a conflict is developing between the local community, which depends on the sea, and a quango.

The same argument applies to the development of Scotland's potential as leader in marine renewable energy generation. Scotland boasts 25 per cent of Europe's tidal power and 10 per cent of its wave power resource. We must use that advantage to our best interest by allowing the industry to flourish and allowing Scotland to benefit from the employment that it would create, but to make that happen we need to consult the industry experts, not only environmentalists. Furthermore, we need a clear and coherent marine planning system to uphold substantial development. Although the bill makes gallant attempts at producing a clear code, it does not present strong guidelines and leaves the marine energy sector in uncertainty.

My Liberal Democrat colleagues and I do not support one aspect of the bill: the handing over of planning powers for fish farms to Marine Scotland. Planning consent for fish farms should be granted democratically at a local level so that the concerns of communities and other interests can be taken into account when planning information is asked for. Marine Scotland will undoubtedly be of great benefit for marine planning as a whole, but it will not be democratic and would ultimately be unresponsive to the needs of small communities in relation to the siting of fish farms, which is often controversial.

I petition the Government again not to take any rash action on the management of seals. Fishermen and fish farmers need to retain the ability to cull seals under licence. Seal populations are at a high level and cause immense difficulty for all those who attempt to make their livelihoods from fishing and related activities. Any legislation that would restrict fishermen and fish farmers from responsibly protecting their businesses must be reconsidered. Seals are not the friendly, cuddly mammals that many people imagine them to be; they are prolific and aggressive killers that have decimated large areas of our inshore fishing grounds. Their numbers must be controlled.

Overall, I welcome the proposals in the bill and look forward to the benefits that Marine Scotland will bring to our coastal communities.

10:58

**Robin Harper (Lothians) (Green):** John Farquhar Munro expressed concern about paying too much attention to scientists and marine science because it might slow things up. However, the problems that we face exist because we have consistently ignored scientists' advice not only for decades but for centuries. We must heed the scientific advice if we are to make any improvement in our marine environment.

Many of the committee's recommendations on seals are to be warmly welcomed and their inclusion would represent a significant improvement in the bill's provisions. However, one proposal that has been brought to my attention causes concern because it represents a step backwards in relation to closed seasons. It is simply wrong—close to barbaric—to kill mammals that are accompanying their offspring and leave the vulnerable and defenceless pups to survive alone. That kind of approach would never be tolerated on land. We do not take cows away for slaughter as soon as they have calved or ewes just after they have lambed. Seal pups should not be deprived of their parents just after birth. We cannot ignore that point simply because the killing takes place at sea, and I will work with the

committee to have an amendment accepted, I hope, at stage 2.

I am delighted that the Marine (Scotland) Bill has reached stage 1 and welcome most of the committee's recommendations. There is a way to go before the bill is fully fit for purpose. I also welcome the cabinet secretary's apparently flexible approach. I hope that he continues to be flexible and to listen.

The Scottish Association for Marine Science's recent report for Scottish Environment LINK makes it abundantly clear that the regulation of fishing activity is fundamental to any strategy that is designed to promote marine ecosystem recovery. In response to Liam McArthur's earlier comments, I say to him that we cannot have an MPA without it restricting fishing activity. In that regard, I cannot understand why the cabinet secretary keeps insisting that the legislative control of fisheries is unrelated to the bill. If marine protected areas are to mean anything, the cabinet secretary must make clear his intention to use legislative powers to restrict fishing activities within them, especially bottom trawling and dredging, which he has mentioned.

**Alasdair Allan (Western Isles) (SNP):** The member rightly says that we should listen to scientists. Does he concede that we should also listen to communities and that one reason why the European Commission's proposals in Barra are so unpopular is that there is no obvious opportunity for the community to have a voice in the consultation process?

**Robin Harper:** The Liberal Democrats have already voiced their concerns in that area. All that I have to say on that issue at present is that it is clearly up for further discussion. However, I believe that science is still being driven into a corner. If the point of the bill is to get healthy seas and restore the marine environment, the science must come first.

We would be well advised to follow the UK Government's lead by altering the make-up of inshore fishery groups. I do not believe that we need to wait three or four years before we do that. Frankly, the position at the moment is absurd, because we have the fox in charge of the chicken coop. We must ensure that marine planning partnerships are constituted more sensibly. Elaine Murray and Bill Wilson made excellent speeches. I am so glad to hear scientists in the Rural Affairs and Environment Committee express strong views on how the bill is to be progressed.

Another species that I believe deserves specific protection under the bill is the cetaceans. People are often surprised by the diversity in Scottish waters of cetacean species, including bottle-nosed dolphins, minke and killer whales, and humpback,

fin and sperm whales. The bill provides the perfect opportunity for Scotland to demonstrate how much we value those animals by designating our waters as a whale and dolphin sanctuary. I know that we and the UK are already signed up to the International Convention for the Regulation of Whaling, so such a sanctuary might seem extraneous, but it would send out a clear and strong message, and cost us nothing.

Such a designation would also boost Scotland's burgeoning ecotourism businesses and send a strong message to the world's few remaining whaling nations that Scotland values and wishes to protect those cetaceans that live in and migrate through our waters. It may have been many years since whales and dolphins were actively hunted in Scottish waters, but they still find themselves under threat from development, pollution, loss of habitat and lack of food. If we can do anything to help those beautiful, peaceful, charismatic creatures, we should. I am confident that other parties in the Parliament will share that view, and I hope that other marine nations will be inspired to follow suit.

For some, our marine environment provides a livelihood, from fishing to ecotourism; for others, it represents a chance to escape, relax and enjoy themselves, whether through the world-class surf in Thurso or international sailing competitions on the Forth. It also provides us with an enormous opportunity for renewable energy.

Scotland's seas are an ocean of opportunity. Therefore, given the heavy demands on our coast and inshore and offshore waters, the Marine (Scotland) Bill must put environmental protection and enhancement at the heart of all decisions about how we use our seas. It is critical that the bill is designed not only to rein in activities that continue to damage our marine environment but to promote actively and effectively the regeneration and restoration of maximum biodiversity. I am glad that that long-term view seems to be shared by most of the speakers in the debate.

11:04

**Stuart McMillan (West of Scotland) (SNP):** I am delighted to take part in the debate, not as a member of the Rural Affairs and Environment Committee or as a scientist, but as someone with an interest in promoting Scotland—internally, and to the wider world—as a marine centre of excellence. I commend the Rural Affairs and Environment Committee for its valuable report and congratulate the Scottish Government on bringing the Marine (Scotland) Bill to the Parliament in the first place. I am delighted that legislation dealing with one of Scotland's major resources—the most important resource, of course, is its people—is being considered by the Parliament. I am sure

that, whatever the outcome by the end of stage 3, Scotland will have a legislative environment in which our marine resource will be cherished for the long term.

As a west of Scotland MSP, I do not have to look far to see water. I grew up in Inverclyde and I still stay there. I honestly do not believe that everyone in Inverclyde, including me for a while, has fully appreciated the beauty of the Clyde as well as its positive economic impact on the communities both north and south of the river, and the recreational benefits that the river brings. As a result, I will focus some comments on the River Clyde. Much of the river's shipbuilding industry has been decimated, for reasons that include the UK Government policy that nationalised and then privatised the industry, and the lower Clyde being designated for oil platforms just as the bottom fell out of platform construction. The death warrant for yards, with thousands of men being placed on the dole queue, was sealed by the Tories in the 1980s. The river has therefore had a chequered history, to say the least. Thankfully, there is still a yard left on the lower Clyde—Ferguson's in Port Glasgow—but it does not seem to build many ships these days. It is clear that the river must not only be utilised in a different manner, but protected.

My members' business debate in November 2008 on sailing and recreational boating was the first debate on that issue in the Parliament. I was stunned that it took nine and a half years to have such a debate, particularly given that the Scottish coastline is more than 13,000km long and therefore of substantial interest to many of Scotland's communities. Since that debate, I have established the cross-party group in the Scottish Parliament on recreational boating and marine tourism to ensure that a voice can be provided for everyone who uses the Scottish marine resource. Next month, the group will discuss the Marine (Scotland) Bill and I look forward to representatives of Marine Scotland coming along to the meeting.

I fully welcome the bill for three reasons. First, it aims to simplify legislation by consolidating some 80 pieces of legislation. Secondly, the collaborative working relationship between the Scottish and Westminster Governments is to be commended. Thirdly, the Scottish Government's open approach during the consultation on "Sustainable Seas for All: a consultation on Scotland's first marine bill" was warmly welcomed outside this chamber. A representative of the Scottish boating alliance told me that asking the SBA for its views and opinions was an extremely positive approach that showed the Scottish Government's willingness to get stakeholders to participate in Scotland's legislative process. It also

showed that the Scottish Government wanted the bill to be the best that it could be from the outset.

Having read the submissions from the SBA and the Royal Yachting Association Scotland, I know that those organisations have issues with aspects of the bill. I am sure that those issues will be discussed with Marine Scotland at next month's meeting of the cross-party group. Given the massive economic benefits—some £270 million—that recreational boating brings to the Scottish economy, not to mention the sporting and health-related benefits that it also brings, the Scottish Government should consider fully the input from the SBA and the RYAS. Further, as others have discussed, we learned recently that the Scottish Federation of Sea Anglers, which is a member of the SBA, estimates that sea angling brings in some £150 million to the Scottish economy. If we can get the bill correct, there is no reason why those substantial sums of money should not increase, thus benefiting communities the length and breadth of Scotland.

I return to the subject of the Clyde. The *Stornoway Gazette* is not a publication that I read very often—we do not really get it in Greenock—but an article in the paper was brought to my attention as I prepared for the debate. The article—"First Class Facilities for Yachties Make the Clyde Attractive"—encapsulated what is excellent about the River Clyde and some of the facilities that it offers. I do not sail, but having had three opportunities in my life to do so, I have learned that one does not need to be an oil oligarch to enjoy the pastime. In fact, recently I met constituents from a community-based sailing club who reiterated that point. However, I do not know whether we fully appreciate what we have on our doorstep. The article highlighted the excellent facilities at Troon and at the Largs yacht haven, the latter of which I can vouch for. However, if one considers facilities such as the Kip marina in Inverkip, the Fairlie quay marina and Ardrossan marina, to name just a few, it is clear that we have an abundance of top-quality, successful marina developments, which have set the standard for the rest of the country.

I am sure that the Marine (Scotland) Bill can and will deliver for the whole country. I look forward to it complementing the fantastic facilities that we have in place on the River Clyde. I am sure that they can raise the bar across the rest of the country.

11:10

**Jim Hume (South of Scotland) (LD):** I welcome the chance to sum up this debate on the important subject of the Marine (Scotland) Bill. As Liam McArthur and John Farquhar Munro have stated, the Liberal Democrats broadly welcome

the bill, which must of course complement the UK legislation, complex though that process may be. However, I regret the time that it has taken for the proposals to reach this stage.

The debate has highlighted our marine and coastal environment, which contains many special, and some unique, landscapes of national and international renown. Our distinctive habitats, sea lochs and maerl beds are synonymous with Scotland. Scottish waters are among the most diverse in the world, given that they support some 8,000 complex and more than 36,000 single-cell species and animals. The two examples that always come to my mind are the basking shark and the leather-back turtle. The latter species is threatened by our humble plastic bag, which it confuses for its jellyfish prey.

As a South of Scotland MSP, like the Deputy Presiding Officer, I represent a region that contains a large part of the Scottish coastline. The mild Solway and Ayrshire coasts on the west and the East Lothian and Berwickshire coasts on the east are estimated to include—depending on how one measures such things—more than 600km of coastline. The Rural Affairs and Environment Committee's stage 1 report highlights the need to consider the Solway Firth as a single marine area, as recommended by the Solway Firth Partnership. Like Elaine Murray and John Scott, I agree with that proposal. I look to the Cabinet Secretary for Rural Affairs and the Environment to work with the Westminster Administration to draw up an agreed strategy, as hinted at in the Government's response to the committee's report and in the cabinet secretary's opening speech today.

As well as helping biodiversity within our seas, the coastline provides important economic benefits in supporting communities through activities such as fishing, aquaculture and tourism. Fishing provides 16,000 jobs. Aquaculture generates a landing value of some £300 million from Scottish boats and a farm-gate value of £340 million. Indeed, Scotland produces about 90 per cent of the UK's farmed fish and shellfish. The opportunity for renewable energy from tidal and wave power is also huge and, as yet, untapped. Fishing is not only a vital industry for my region, but lies at the heart of many coastal communities. As such, fishing must be a major consideration in any marine legislative proposal. Liberal Democrats have consistently fought for the rights of Scottish fishermen, as we recognise that a balance must be struck between considering our natural environment and allowing Scotland's world-renowned sustainable fishing industry to flourish.

In addition, visitors to Historic Scotland's staffed coastal and island properties generate some £2.5 million of income per annum. Recreational diving opportunities attract many thousands each year to

places such as St Abb's Head in Eyemouth—with its flora and shipwrecks, including a U-boat—and have given opportunities to companies such as Marine Quest, which was set up following fishing-boat decommissioning. Offshore British oil and British gas support 164,000 jobs. There is cross-party agreement that Scotland's seas should be managed in a coherent way that addresses social, economic and environmental factors.

Some key issues need to be addressed through the bill. Scotland will now have responsibility for planning and conservation measures out to a distance of 200 nautical miles—as was originally suggested by Scottish Lib Dems—so an integrated system of marine spatial planning is needed. Crucially, those measures will build on current powers over sea fisheries and offshore renewable energy. Therefore, the Scottish Government must continue positive dialogue with UK ministers to achieve those benefits. Without a streamlined framework for coastal zone management, there has been increasing evidence of environmental degradation. A more integrated approach would reduce uncertainty and bring real benefits to all marine and coastal users. It is vital, therefore, that the Westminster and Holyrood bills complement each other.

It is also vital to note that many of the bill's proposals were recommended by the advisory group on marine and coastal strategy, which is the task force that was established in 2005 under the chair of the Lib Dem minister, Ross Finnie. The AGMACS report of 2007 appears to have formed the cornerstone of the Government's proposals—as is the case with many of the SNP Government's recent achievements.

Given that the previous debate—on the marine bill consultation—highlighted the issue of licensing arrangements, I hope that the cabinet secretary can assure us that the licensing arrangements will be aligned with the measures to protect the marine environment that will be introduced under the UK's Marine and Coastal Access Bill. There are concerns that British gas and British oil have already been removed from the remit of the marine management organisation that will be established under that bill. There is also no guarantee that the MMO will have responsibility over carbon capture and storage. That suggests that the protection of the marine environment is not being sufficiently considered. Can the cabinet secretary confirm whether Marine Scotland will play a part in that?

Licensing for offshore storage of natural gas and carbon dioxide needs to take full account of environmental risks and should integrate with future provisions for managing and protecting the marine environment. We should ensure that consultation with stakeholders takes place before

licences are granted for the importation and storage of combustible gas and carbon dioxide. I ask the Cabinet Secretary for Rural Affairs and the Environment or the Minister for Environment—whichever of them winds up the debate—to provide assurances that that is being considered.

Around 50 per cent of respondents to the consultation believed that Marine Scotland should be established as a statutory body at arm's length from the Government, whereas the other 50 per cent believed that it should remain a Government body. Can ministers clarify, therefore, why they took the decision that they took? What measures will be taken to ensure the independence of any scientific advice?

11:16

**Jamie McGrigor (Highlands and Islands)**  
**(Con):** I refer members to my fishery interests in the members' register of interests.

As my friend John Scott indicated in his opening speech, we strongly welcome the Scottish Government's intention to consolidate current marine legislation. We believe that the Scottish Government's legislation must be complementary to the Marine and Coastal Access Bill that is going through Westminster. That is a crucial requirement, which ministers must recognise.

Scotland's marine environment is of huge importance to our country, especially my region of the Highlands and Islands. It is right that we take every possible step to protect and enhance our marine biosphere while recognising that people's livelihoods—and, thus, the future of many of our coastal communities—depend on sustainable utilisation of the marine resources. It is crucial that at all stages we involve key stakeholders, such as fishermen's associations and the representatives not only of conservation bodies but of the aquaculture and marine tourism sectors. They must all work together.

Given that many members have mentioned marine protected areas, I want to raise a connected issue that relates to a proposed special area of conservation that is of huge concern to my constituents. I refer to the proposal to establish a marine SAC around east Mingulay and the Sound of Barra, which has been mentioned already. After I secured a members' business debate on a similarly controversial proposal in a nearby area during the first session of the Parliament, the idea was dropped at that time. I seem to remember standing shoulder to shoulder with the well-known SNP councillor from Barra, Donald Manford, in opposition to that proposal. Local people had enormous—and, I think, genuine—fears that the SAC could remove their ability to make a living from what they and other independent

organisations believed to be a sustainable fishery. Ministers rightly want decisions to be taken on the basis of science, but what happens when the constituents who have direct experience of conditions at sea question the accuracy of the science? What options are open to hard-pressed constituents who face the loss of income and livelihood?

I agree with the Rural Affairs and Environment Committee's stage 1 report, which recommends

"that provision be inserted into the Bill requiring the Scottish Ministers, when drawing up a marine conservation order for an MPA ... to have regard ... to social and economic factors",

which are the factors that affect people. That is a crucial point. I would also be interested to hear what lessons ministers believe they have learned from their experience of SACs that will improve the consultation on, and implementation of, MPAs.

On the issue of seals, which other members have mentioned, let me repeat the comments that I made in the aquaculture debate. No one wants to see such beautiful mammals culled unnecessarily, but we need to respond to the fact that each year approximately 20,000 to 30,000 seal attacks take place on Scottish salmon farms. Last year, the industry admits that it was forced to shoot 489 seals—the estimated figure from some lobbying groups has perhaps been exaggerated. Although the industry makes it clear that it wants to bring down that number by making significant investment in more sophisticated acoustic deterrents, it maintains that, from time to time, as a last resort, it needs to shoot persistent rogue seals that attack the nets.

Of course, there are also seal attacks on our valuable wild salmon. The welfare of the salmon must surely be considered as well as that of the seal, and we should also consider the welfare of the people whose jobs depend on the fish farms and the wild fisheries. I support the fact that the bill will allow the culling of seals but only in particular circumstances and under strict licensing.

On an issue of detail, aquaculture representatives have identified a small but, they believe, important technical omission from section 98(f) of the bill, where there is a need to insert a phrase that allows the humane killing of seals to protect the health and welfare of farmed fish, because that protection is a requirement on farmers under the Animal Health and Welfare (Scotland) Act 2006.

The minister will know that 58,000 young salmon escaped recently from a farm in Loch Striven in Argyll. That single escape, which was apparently caused by a hole in the net, is larger than all the escapes of last year, and it could be an ecological

disaster for wild fish. The chief executive of the fish farm is quoted as saying:

"As the fish are very small and young, it is unlikely they would survive in the wild."

However, what will happen if some of them do survive and they breed with the wild fish? They will surely introduce a weaker strain to our wild stock, which is already under pressure, as we have seen from the poor runs this year. Roger Brook of Rivers and Fisheries Trusts of Scotland said:

"This is yet more proof that escapes, both major and minor, will persist until such time as the companies put the necessary resources into robust equipment and training ... If the cages are located in open waters to which the natural wildlife ... has access, then they must be capable of withstanding any attack."

Jon Gibb of the Lochaber district salmon fishery board, said:

"After 20 years of serial escapes, the industry has proven that it is incapable of containing its fish."

I know that fish farming is important to Scotland, but it is also important that a proper code of good practice is law and that lessons are learned from the infectious salmon anaemia crisis in Shetland, which almost wiped out our indigenous salmon and smolt production industry. That industry is equally important to many of my constituents. It is vital that a code of good practice is followed and there should be severe penalties for any fish farmer who breaks it. Why should a few spoil the reputation of a good industry?

**The Deputy Presiding Officer:** The member should wind up.

**Jamie McGrigor:** On the subject of aquaculture, one other concern that industry representatives have put to me is that the bill proposes to introduce a universal licensing system for all marine activities except aquaculture. Why? There are worries that the proposal will result in additional complexity—

**The Deputy Presiding Officer:** The member must sit down.

**Jamie McGrigor:**—and inconsistency. Thank you, Presiding Officer.

11:22

**Karen Gillon (Clydesdale) (Lab):** The debate has been interesting and, in the main, remarkably consensual. The areas of concern as well as the areas of consent are broadly accepted by the Rural Affairs and Environment Committee and indeed by the parties in the chamber. That also reflects our discussions and deliberations with stakeholders. I add the thanks of members on the Labour benches to those which other members have expressed to both the stakeholders and the committee's clerking team and SPICe for all the

help and information that they have given to committee members, especially those, like me, whose constituencies do not contain any element of coastline. It has been a steep learning curve for us.

We all recognise the value of our marine environment and we want to get the bill right. That is why I urge ministers to look again at the timetabling. I have made this point to previous Administrations as well as to the current one. Parliamentary scrutiny of bills is vital because we have only one chamber. If members receive the Government's response to a committee's stage 1 report only late on the night before a morning debate, that does nothing to encourage effective scrutiny. Perhaps ministers could reflect on that and ensure that members are given at least 24 hours to read and reflect on Government responses before we comment on them in the chamber. I know that the Cabinet Secretary for Rural Affairs and the Environment always wants to work with the committee, so I hope that he will take that point on board.

The Scottish seas are a source of great pride to us all. One of the key issues in the marine debate is that there is a three-tier system between Scotland, the UK, and our international partners. It is imperative that that remains in place and we welcome the fact that the bill does not seek to rock the boat in that regard. Fish swim and boats move, so it is important to have a co-ordinated approach throughout the UK and with our international partners. However, there is clearly a case for Scotland-led legislation regarding certain sectors of activity. The bill's proposals are therefore broadly to be commended, including the new systems of marine planning, streamlined licensing, and the establishment of marine protected areas.

As well as being a source of pride, our seas are a source of beauty, but they are also a source of economic activity for many of our coastal communities. That is why the committee's comments on genuine community engagement—which were articulated well by others, particularly Peter Peacock—are crucial in the area of policy that we are discussing. We need to take people with us. It seems to me that the dual mandate proposal to pursue economic prosperity alongside strict, regulated conservation through one Government body and the variety of stakeholders will be highly conflicting. The minister needs to explain how he proposes to ensure that there is a strong commitment to promoting both national economic development and the cultural and historical preservation of our seas, which are often on opposite sides of the debating table. It seems likely that, when the choice is polarised between prosperity and sustainability, as it will inevitably be in the discussions between local authorities, conservation groups and ministers, the short-term

interests will trump the long-term interests. For the future of Scotland and its seas, we need to ensure that we take the long-term approach.

One of the key issues in the committee's report is community engagement. The committee found from the evidence that it took that there are polarised views on certain issues and it is important that we ensure that the broadest possible range of people are represented. Paragraph 105 of the committee's report deals with the issue, but the ministerial response is not as positive as we hoped it would be. I am sure that we will return to the issue at stage 2, given the overwhelming evidence that we have had.

The issue of seals clearly demonstrates those differences and debates. I appreciate John Farquhar Munro's comments. Indeed, only yesterday, we took evidence from marine scientists who outlined the impact that the seals are having on fish quotas and the availability of fish to our fishermen. John Scott and Jamie McGrigor outlined their concerns about fish farming and the potential impact on economic stability if our decisions are too stringent. However, Robin Harper passionately made the case for the seals. I agree with him that science is vital in that regard, or in any regard. My experience in 10 years as an elected member has been that lobbyists on both sides always overegg their pudding to make their case, so clear, independent scientific advice will be crucial to the committee when it makes decisions.

As my colleague Elaine Murray articulated, the committee's consensus to date has been that seals need to be controlled but that that must be done as humanely as possible and that legal methods should be the last resort. When licences are made available, they should be issued only to those who can demonstrate high levels of marksmanship to prevent unnecessary suffering and the painful and prolonged death of the seal.

Only yesterday, members received the Law Society of Scotland's concerns about sections 37 and 38, on fixed monetary penalties and the appeals process. Its letter states:

"The Society suggests that it would seem appropriate for a person in receipt of a notice to have a clear right to appeal to a Sheriff and that the current provisions within the draft Bill did not appear to be fair and reasonable."

Perhaps the minister will comment on that concern before stage 2, either when he sums up today or in a letter to the committee.

For me, the key issue in the debate is the balance between the economic needs of our coastal communities and the needs of future generations to have a vibrant ecosystem. That is why a whole ecosystem approach is crucial to the debate. I understand our fishing communities'



concerns about their future economic activity, but we need to ensure that the fishing industry is sustainable for the long term, not just the short term. That is what the bill is about. It is about protecting our marine environment for future generations so that members, who are growing older in years, can be assured that those who come after us have a marine environment that they, too, will be able to celebrate, share and use for their purposes in a positive and sustainable way.

I commend to members the stage 1 report and the bill. I am sure that a constructive approach ahead of and during stage 2 will lead to positive legislation at the end of the process. I look forward to working with ministers and the rest of the committee in that regard.

11:30

**Richard Lochhead:** There has been a lot of unanimity in the debate, which I welcome. Only the Liberal Democrats reverted to type from time to time. They said that everything was a bit too late, that there is not enough money, and that all the Government's successes are down to historical figures and Liberal Democrats in the annals of history. However, there has been unanimity on important issues.

We all agree that Scotland is a marine and maritime nation. Members have underlined the relationship between many of our communities and our seas. Sometimes it is good to take a step back and think for a moment about the importance of Scotland's seas to our people. It is estimated that we have the biggest share of Europe's coastline. We have 20 per cent—a fifth—of Europe's waters and some of the most important and biggest shares of Europe's seal populations. We have some of Europe's richest and most valuable fish stocks in our waters and a growing sea angling fraternity that has a big future—we are determined to develop sea angling with a new strategy, which we are discussing with that sector. We have the potential for the biggest offshore renewables industry in Europe. That will be extremely important in the 21<sup>st</sup> century. There is the economic role that our ports and harbours and marine transport play, and we have, of course, the biggest oil and gas sector in Europe. Many of Europe's most rare and unique habitats and species lie beneath our waves, and we must protect them for future generations. We have more than 6,500 species of plants and animals in our waters, including 22 species of porpoises, whales and dolphins. We must protect precious species and habitats such as the tall sea pen, the flame shell, native oyster beds and the deep-sea sponge communities. Our scientists deem all of those to

be under threat. I hope that the bill will help us to protect them.

There is also historical heritage beneath our waves. Members have spoken about Scapa Flow and the remaining wrecks of the German high seas fleet, which attract tourists and divers and are good for the local economy. I was impressed by recent images of HMS Campania, which was the first-ever aircraft carrier—it was converted from an 1892 Cunard liner. The first flight from it took place on 5 May 1915 and it was lost in November 1918. I hope that the bill will shine a light on the heritage that lies beneath our waves, which not many people know about. The people of Scotland are fascinated by Scotland's seas and what lies beneath the waves.

Wildlife tourism is a growing sector of the economy. Spey Bay in my constituency is attracting tens of thousands of visitors every year to witness the local dolphin populations. We all recognise the importance of Scotland's seas to the people of Scotland.

I wish that we had full control out to 200 nautical miles so that we could further streamline marine activities and the relevant regulations in Scotland. However, following negotiations with the UK Government, we have won executive devolution and we are now in the driving seat for marine planning and nature conservation out to 200 nautical miles. I take issue with those who think that, even with the powers that we will have under the bill, we are not doing enough streamlining. We are streamlining the arrangements for marine renewables, for instance, and there are numerous other examples of streamlining. Where possible, Marine Scotland will be the first point of contact for marine licensing issues. There is the food and environmental protection legislation, and coastal protection licences now form a new single licence. Section 36 consents for renewable marine energy projects are to be considered at the same time as marine licences. Once the bill is passed, activities with a low environmental risk can be registered rather than have to be licensed. Therefore, there will be streamlining for important marine sectors.

In my opening remarks I mentioned that the committee did not take a unanimous view on aquaculture, but we believe that the position that is reflected in the bill is the best way forward. It will enable any local authority that wishes Marine Scotland to take responsibility for aquaculture licensing to do so. However, if local authorities wish to retain that power for reasons of local accountability, they can do that. I welcome the fact that many members support that position.

Perhaps seals represent the best example of an area in which we have to strike a careful balance between conservation and allowing some economic activities to continue. I welcome the

many comments that members have made about our having struck a balance. I reassure members who think that we need to go further that the Government will have a general power through the bill to amend licensing conditions. That means that we can address issues that members have raised. There will also be a code of practice, to which those who are issued with licences will have to adhere. We will be able to debate the content of that code of practice in the future.

**Jamie McGrigor:** During the first parliamentary session, I think that Ross Finnie, who was a minister, mentioned the possibility of a seal commission. Has the minister given any more thought to that possibility?

**Richard Lochhead:** The bill mentions seal management plans, of course. We believe that they are a huge step forward in addressing issues relating to Scotland's seal populations.

Many members have mentioned the debate about whether duties should be included in the bill, as against ministers simply taking powers in a number of areas. As I mentioned in my opening remarks, we have an open mind about where we should stipulate duties in the bill and where amendments might be possible in that regard. We will discuss that with the committee in the weeks ahead. I echo the comments of my UK counterpart at Westminster, made in the past couple of days, I think. The point was made that the more duties that are placed on ministers through legislation, the more effectively a lawyers charter will be created. I do not think that any member wants to go down that road. There may be a case for introducing duties for ministers in some areas, but we want to avoid that in other areas if possible.

I remind members that by establishing marine protected areas we will acknowledge the value of those areas of the marine environment that we think are precious and need to be protected. If we wished to go a step further and to introduce restrictions, we would have to introduce a marine conservation order. Of course, the Parliament will have full opportunity to scrutinise such orders to ensure that factors that members have mentioned are taken into account. There will be a full process in the Parliament for such orders. I hope that that addresses concerns that members have expressed.

Marine Scotland, which will be the champion of Scotland's seas, will play a leading role on some of those issues. Members have mentioned that. We set up Marine Scotland to avoid a further year's delay while we waited for the bill to go through Parliament. Most people acknowledge—the stakeholders groups do—that getting it up and running as soon as possible was a good idea.

Members have expressed concerns about the independence of the science that Marine Scotland will use. Only last week, Marine Scotland advertised for members of the science advisory board that is being established to ensure that independent scientific advice will be mainstreamed into the workings of Marine Scotland. I hope that that reassures members.

I remind members that the marine strategy framework directive, which, as I mentioned earlier, will be transposed into Scottish law, will put an obligation on the Scottish Government and all UK Administrations to establish an ecologically coherent network of marine protected areas. The Convention for the Protection of the Marine Environment of the North-East Atlantic—the OSPAR convention—which Scotland has already signed up to through the UK Government, also places such an obligation on the Scottish and UK Governments.

I hope that I have addressed the key issues that members have raised. Again, I thank the committee for all its hard work, and I thank all our stakeholders and the general public, who have taken an intense interest in the bill. The bill has attracted comments from many members of the public in the past year or so.

I have listened carefully to the points that members have made and we will take forward many of those ideas. We will reflect on the comments that have been made by members of the Rural Affairs and Environment Committee and by other members in the chamber. As I have said, the Scottish Government intends to lodge amendments at stage 2, and that dialogue will continue in the weeks ahead.

Our seas are very special, as the chamber has acknowledged. Our seas will feed the nation in the decades ahead and they will power our nation, helping us to tackle climate change. We need our seas and our seas need us to protect them—that is what the bill is all about. I thank members for supporting it at stage 1.

## Marine (Scotland) Bill: Financial Resolution

11:40

**The Presiding Officer (Alex Fergusson):** The next item of business is consideration of business motion S3M-4518, in the name of John Swinney, on the financial resolution for the Marine (Scotland) Bill. I call Richard Lochhead to move the motion.

*Motion moved,*

That the Parliament, for the purposes of any Act of the Scottish Parliament resulting from the Marine (Scotland) Bill, agrees to any expenditure of a kind referred to in Rules 9.12.3(b)(ii) and (iii) and 9.12.4 of the Parliament's Standing Orders arising in consequence of the Act.—  
[Richard Lochhead.]

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

## Question Time

### SCOTTISH EXECUTIVE

#### General Questions

11:40

#### Military Personnel (Support)

**1. Elizabeth Smith (Mid Scotland and Fife) (Con):** To ask the Scottish Executive what progress it has made with its commitment paper that outlines work to support military personnel through improving access to housing, health, transport, education and training. (S3O-8256)

**The Minister for Housing and Communities (Alex Neil):** We have made considerable progress with the development, introduction or expansion of support and public services for the armed forces community in Scotland. A report detailing our achievements will be issued in the next few days.

**Elizabeth Smith:** Can the minister confirm that the information that will be issued tomorrow will include details of access to further education and job opportunities?

**Alex Neil:** I am delighted to confirm that the annual report will cover a range of issues, including health, housing, education, employment and employability. It will contain details of what has been achieved so far, work that is in progress, our future plans in each of those areas and the consultations that we intend to have with key stakeholders.

**Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD):** There are 31,700 individuals in receipt of a pension under the war pensions scheme in Scotland. That is the minimum number of people in Scotland with a health condition that is related to military service. However, over the last period, only two health boards have recorded having treated veterans under the priority scheme. Eight health boards do not collate information on priority treatment. Will the minister ensure that the publication that will appear in the next few days addresses specifically the collation of information on treatment under the priority scheme?

**Alex Neil:** We are aware of the issue and we are addressing it. We will report back on progress as and when there is progress to report back on.

#### Voluntary Sector (Funding)

**2. Johann Lamont (Glasgow Pollok) (Lab):** To ask the Scottish Executive what recent discussions it has had with voluntary sector organisations about future funding issues. (S3O-8189)

**The Cabinet Secretary for Finance and Sustainable Growth (John Swinney):** We engage often and regularly with the third sector at all levels about a wide range of issues, including funding. As a result, we have provided funding that fits the circumstances of today, including the recently announced resilience fund, which is providing £1.7 million to help organisations that have unexpectedly run into difficulty due to the recession. Our effective dialogue with the third sector has enabled us to understand its needs better and to ensure that its skills, knowledge and experience are available to support our shared goal of a successful Scotland.

**Johann Lamont:** In a written answer to a parliamentary question from my colleague, Tom McCabe, Shona Robison said:

“We are confident that the effects of the concordat and SOAs—

single outcome agreements—

“will have a positive impact on mental health services”.—  
[*Official Report, Written Answers*, 16 September 2009; S3W-26855.]

Is the minister aware that voluntary organisations that deliver mental health services are expressing concerns about the impact of the concordat and single outcome agreements on those services and their sense that they are not being given sufficient continuity and priority at a local level? When will the analysis of single outcome agreements that was promised by Nicola Sturgeon for September be made available? Will the minister give a commitment that he will act if the analysis confirms the fears of those in the voluntary sector who support people with mental health problems?

**John Swinney:** The Government works with local government to assess the effectiveness and impact of single outcome agreements. Reports will, of course, be given to Parliament when they become available.

Questions relating to the funding of services are significant. We recognise the important contribution that the third sector makes to a range of services for people with vulnerabilities, and we will take note of any concerns that are expressed by organisations in that respect. We must ensure that there is an effective range of services across the country, and the Government will work with the third sector and other public sector providers to ensure that that is the case.

If Johann Lamont has particular concerns about relevant issues, she knows that I am happy to consider those points, as is the Deputy First Minister and Cabinet Secretary for Health and Wellbeing.

## Transport Projects (Ministerial Responsibility)

**3. Des McNulty (Clydebank and Milngavie) (Lab):** To ask the Scottish Executive whether it considers that ministers are responsible for oversight of the procurement and delivery of major transport projects in its capital programme. (S3O-8198)

**The Minister for Transport, Infrastructure and Climate Change (Stewart Stevenson):** Responsibility for managing the delivery of that programme has been assigned to Transport Scotland and others. Scottish ministers exercise appropriate oversight.

**Des McNulty:** What discussions have taken place with TIE Ltd and the City of Edinburgh Council to ensure that the Edinburgh trams project is procured and delivered on time?

**Stewart Stevenson:** It is for the City of Edinburgh Council to ensure that the project is delivered on time. Obviously, officials of the Scottish Government, which is responsible for providing up to £500 million in finance for the project, meet regularly with TIE officials to discuss the progress that is being made. Payment is made against achievement that is demonstrated. Of course, I have met the chief executive in recent times, but it is a matter for the City of Edinburgh Council.

**Alison McInnes (North East Scotland) (LD):** What specific actions has the minister taken since June this year to progress the Aberdeen western peripheral route, which is vital to the economic wellbeing of north-east Scotland? Can he advise Parliament when he will conclude his consideration of the reporters' findings in the public local inquiry?

**Stewart Stevenson:** We expect to conclude our consideration of the reporters' findings and recommendations this calendar year. The report is, of course, substantial, and reflects the concerns of more than 9,000 objectors. It is important that we ensure that we have a robust decision-making process that does not lead us into interminable court actions, as happened with the M74, which would compromise our ability to deliver this vital project at the earliest possible date.

**Alex Johnstone (North East Scotland) (Con):** Will the minister assure us that he will try to tighten up the management of contracts, particularly in relation to the significant number that now appear to be running well over budget and which have necessitated the significant pruning of the capital budget in recent weeks and over time? Will he guarantee that he will keep an eye on the costs that are involved in the projects and ensure that his involvement in the process will mean that such pruning is not necessary in the future?

**Stewart Stevenson:** It might be as well to remind the member that our budget issues derive from the reduction in the funds that are available to this Government to spend. There is a catalogue of successful projects that I expect projects that are in course to mirror, such as the project that delivered the upper Forth crossing—the Clackmannanshire bridge—slightly ahead of time and on budget, and the successful project on the rail network to improve the platforms and facilities for trains at Edinburgh Waverley, which came in under budget and on time.

The arrangements that we have made for major projects such as the M80 and the M74 ensure that we will be able to control the costs. We will pursue that approach with all the major projects with which we engage.

**The Presiding Officer (Alex Fergusson):** Question 4 was not lodged.

#### **Bus Services (Strathclyde Partnership for Transport)**

**5. James Kelly (Glasgow Rutherglen) (Lab):** To ask the Scottish Executive what discussions it has had with the Strathclyde partnership for transport on protecting socially necessary bus services. (S3O-8187)

**The Minister for Transport, Infrastructure and Climate Change (Stewart Stevenson):** The Scottish Government has had no discussions with SPT on protecting socially necessary bus services.

**James Kelly:** The minister will be aware that many communities throughout Scotland are facing swingeing cuts in bus services. That will have an adverse effect on areas such as Cambuslang and Rutherglen in my constituency, where there are high numbers of pensioners. What support will the Scottish Government provide to local councils and SPT in order to protect bus services and promote transport in communities throughout Scotland in these difficult times?

**Stewart Stevenson:** We have provided substantial support to local authorities across the board. By relieving local authorities of many of the constraints of ring fencing, which accounted for around 25 per cent of their expenditure, we have given them the flexibility to address the priorities of their own populations.

In the area that is covered by SPT, the subsidy for bus services works out at around £3 per head of population, as against a range throughout Scotland that goes up as high as £23 per head of population. We have appointed a senior bus development adviser, who is, I believe, already making progress in assisting local councils and regional transport partnerships to make effective

use of the powers and moneys that are available to them.

**The Presiding Officer:** Question 6 was not lodged.

#### **Ferry Services (Orkney)**

**7. Liam McArthur (Orkney) (LD):** To ask the Scottish Executive what discussions ministers have had with Orkney Islands Council about the funding for the next generation of vessels for Orkney's internal ferry services. (S3O-8212)

**The Minister for Transport, Infrastructure and Climate Change (Stewart Stevenson):** The Cabinet Secretary for Finance and Sustainable Growth first met councillors on 28 February 2008 and again on 26 August 2009, and he hopes to meet the convener of the council shortly to discuss the council's most up-to-date proposals for taking forward the ferry replacement project.

**Liam McArthur:** As the minister knows, those are lifeline ferry services that help to sustain some of the most fragile communities in the country. Is he aware that there are now serious concerns in Orkney about the lack of progress in the discussions with the Government during the past two years? Does he acknowledge that in that time, the point at which certain vessels will need to be removed from some of the more exposed routes has grown ever closer? Does he realise that expecting the smallest council in the country to bear the full cost of that investment is simply not tenable?

**Stewart Stevenson:** The member may recall—although he may not be old enough—that in the 1980s, the responsibility and the funding streams for supporting ferries in the Orkney islands were transferred to the council. Nonetheless, despite the fact that responsibility for the provision of services clearly lies with Orkney Islands Council, we will continue to engage with the council to ascertain the best way for it to use the resources that it has available and the assistance that we can provide to help to solve the problem, which I acknowledge exists.

**David Stewart (Highlands and Islands) (Lab):** I reinforce Liam McArthur's point, and stress that European Council directive 98/18/EC will not, although it allows retrofitting of Orkney's internal ferry fleet, prevent the inevitable need to replace all nine vessels in the fleet. Orkney Islands Council has already contributed a quarter of a million pounds for the programme. Will the minister make a commitment today to replace the fleet and save the first-class lifeline inter-island service in Orkney?

**Stewart Stevenson:** I am certainly not able to make that type of commitment today. I return to my point about the transfer of assets and funding

streams to Orkney Islands Council that took place—by agreement with the council—in the 1980s. It is against that backdrop, which makes it clear that responsibility lies with Orkney Islands Council, that we will continue with discussions—which have so far been fruitful—to establish an appropriate way forward that reflects the need to replace all the vessels in the not-too-distant future.

**Rob Gibson (Highlands and Islands) (SNP):** Can the Scottish Government explain whether it is possible to consider the need to replace not only the Orkney ferries, but those in Shetland and in other places? Is there any potential for those lifeline service vessels to be built in Scotland?

**Stewart Stevenson:** We very much wish to see vessels being built in Scotland. The member will be aware that we currently have a vessel for the Islay service on order from a shipyard in Gdansk. When we were progressing that procurement, I specifically contacted Scottish interests to ensure that they were making every effort to see whether they could bid, but—alas and alack—they did not wish to do so at that stage. We will continue to engage with shipyards in Scotland that can build ferries for our services, and ensure that they are in a position to bid when vessels are being sought in the future.

#### **Lloyds TSB Foundation for Scotland**

**8. Mike Pringle (Edinburgh South) (LD):** To ask the Scottish Executive what assessment it has made of the impact of the Lloyds TSB Foundation for Scotland's plans to suspend its grant-making activities for the foreseeable future. (S3O-8215)

**The Cabinet Secretary for Finance and Sustainable Growth (John Swinney):** The enduring nature of the covenant between the Lloyds Banking Group and its predecessors and the Lloyds TSB Foundation for Scotland has provided a substantial and welcome contribution to the funding of charities in Scotland in the past couple of decades. We hope that continuing discussions between parties will enable as much as possible of that independent funding stream to remain in place.

**Mike Pringle:** The petition that the Scottish Council for Voluntary Organisations launched earlier this week shows clearly that charities throughout Scotland are rightly becoming increasingly concerned about the future of their funding should an agreement not be reached between Lloyds and the foundation. Will the minister commit to continuing to explore all possible avenues with Lloyds representatives to enable the foundation to continue its work while preserving its independence? Will he also give a commitment to work with the British Government to examine interim funding options for the foundation should an agreement not be reached?

**John Swinney:** As Mr Pringle might know, I have already met with the Lloyds TSB Foundation for Scotland and have spoken on two occasions with the deputy chairman of Lloyds Banking Group, Lord Leitch, to discuss the issue. I am happy to continue those discussions. The situation will be helped if agreement can be reached between the banking group and the foundation. I am also happy to co-operate with the United Kingdom Government to exercise some influence to try to resolve the matter. The United Kingdom Government and the public purse have a significant involvement through the Lloyds Banking Group.

**Mary Mulligan (Linlithgow) (Lab):** This morning, I received a letter from Circle, an organisation that provides resources for the children of drug and alcohol abusing families. I have also been contacted by the Answer Project in Whitburn and several other charities, saying that the funding that they have received in recent years is at risk. I am sure that other members will have had similar issues raised with them. Will the cabinet secretary answer the question that my colleague Johann Lamont raised in a debate yesterday about what charities can expect when local authorities consider match funding to ensure that the funding continues in future?

**John Swinney:** As I said to Johann Lamont a few moments ago, the decision making on individual financial contributions to voluntary sector organisations is for the appropriate authorities to undertake. I have taken a number of initiatives to provide certainty and security of funding to the third sector throughout the spending review period. We secured an agreement between the SCVO, COSLA and the Government on how public organisations in government and local authorities should interact with the third sector. I certainly hope that, within the public expenditure constraints that we all know about, we find a way to support organisations that provide important services to vulnerable people in our society.

#### **People's Charter**

**9. Angela Constance (Livingston) (SNP):** To ask the Scottish Executive whether it endorses the people's charter as supported by the Trades Union Congress. (S3O-8227)

**The Cabinet Secretary for Finance and Sustainable Growth (John Swinney):** The Scottish Government is pursuing a broad programme of action to offset the consequences of recession. We have also expressed directly to the United Kingdom Government our views about the case for continued public investment. We have not been asked to endorse the people's charter.

**Angela Constance:** The minister will be aware of the laudable objectives that underpin the

charter, which in essence is a campaign for change that aims at reconstituting the fabric of our society. What does the minister see as the best route to delivering the people's charter in Scotland?

**John Swinney:** Many of the objectives of the people's charter accord with the Administration's programme and actions. The arguments that the Administration has made in relation to accelerating capital expenditure to provide investment in our housing sector or in infrastructure in Scotland are part of the intervention that is essential if we are to ensure that we achieve our objectives. The Administration's on-going and enduring work to tackle inequality in our society and to provide opportunities for all to flourish through sustainable economic growth strikes me as being the most appropriate way in which to make progress on the agenda.

**John Park (Mid Scotland and Fife) (Lab):** I am not sure whether the cabinet secretary is aware that the TUC motion on the people's charter was amended by the Unite trade union, which called on the TUC to work with the Labour Party in pursuing the progressive policies in the charter. Can we look forward to the Scottish National Party engaging positively with the Labour Party on some of the key issues that are outlined in the charter?

**John Swinney:** I am noted in this Parliament for being one of the most co-operative ministers, always desperate to work with others and seek common ground.

**Mike Rumbles (West Aberdeenshire and Kincardine) (LD):** But what competition is there?

**John Swinney:** I say to Mr Rumbles that there is not much competition over there on the Labour benches.

This Administration will commit itself to working with the United Kingdom Government, whether it takes forward initiatives that we think are the appropriate choices for the people of Scotland or whether we can influence it to change its mind on certain questions. I note with delight that today we have had a great concession from the Labour Party in Scotland—it has come to the conclusion that more accelerated capital expenditure is required in the Scottish economy. I am delighted to welcome that conversion and I am sure that Mr Park had something to do with bringing about such a common-sense solution.

**The Presiding Officer:** Before we come to questions to the First Minister, I am sure that members will wish to join me in welcoming to the gallery His Excellency Louis B Susman, the United States ambassador to the United Kingdom. *[Applause.]*

## First Minister's Question Time

12:01

### Engagements

**1. Iain Gray (East Lothian) (Lab):** To ask the First Minister what engagements he has planned for the rest of the day. (S3F-1953)

**The First Minister (Alex Salmond):** Later today I will have meetings to take forward the Government's programme for Scotland. This evening I will attend an ecumenical service of commemoration for members of the armed forces who have been killed or wounded on active service. This is an appropriate time of year to remember all those who have been killed or injured in service of their country in conflicts past and present.

**Iain Gray:** I am happy to echo the First Minister's comments about our armed forces and those who serve in them.

It is not enough for our First Minister to have a purpose. According to his website, his Purpose—with a capital P—is

"to create a more successful country where all of Scotland can flourish through increasing sustainable economic growth."

If that is his purpose, why are the Confederation of British Industry, the Institute of Directors, the Scottish Chambers of Commerce and the Federation of Small Businesses all saying this week that the Scottish National Party is doing more harm than good to Scottish business?

**The First Minister:** Along with the finance secretary, I was going to welcome the Labour Party's Damascene conversion to accelerated capital spending, which, incidentally, is supported by all the organisations that the Labour leader listed. Let us welcome that developing consensus in Scottish society.

The CBI seems to have a disagreement with the Government, particularly about minimum pricing for alcohol. I hope that in the forthcoming debate we can reconcile such disagreements, whether with a business organisation such as the CBI, or internally with an Opposition party, for example. The best way to get through such disagreements is to debate them and recognise that we all have a huge interest in the human, business and economic cost of rebalancing Scotland's relationship with alcohol.

**Iain Gray:** I have written to the chancellor to say that he should consider accelerating capital spending, but if and only if the SNP gets its budget sorted out.

It is not just the CBI that says the SNP is getting it wrong, and the disagreement is not just about minimum pricing. The Federation of Small Businesses says that small businesses are receiving much better support from the Labour Government in England than from the SNP in Scotland. The Institute of Directors says that it is disturbed by the cancellation of the Glasgow airport rail link and the cuts to enterprise budgets. When will the First Minister start listening to those organisations?

**The First Minister:** I listen carefully to the Federation of Small Businesses in Scotland. The FSB tells me that it is severely worried that some parties in this Parliament do not recognise the importance of the small business bonus that has assisted tens of thousands of small businesses the length and breadth of Scotland.

In the interests of the developing consensus in the chamber, as Iain Gray pursues his questions he will, no doubt, take the opportunity to say that, along with accelerated capital spending, he understands the vital lifeline nature of the small business bonus to small companies the length and breadth of this country.

**Iain Gray:** Labour is already listening to small businesses and we understand their importance in the economy. That is why the Federation of Small Businesses says that small businesses get more support in England under Labour than they get in Scotland under the SNP.

This is not just about the public debate about the economy. Today, we read about the First Minister's personal approach to important business meetings. He is

"aggressive ... unwilling to listen to reason .... extremely rude"—

in fact, those are all the signs of somebody who has lost the plot. That is damning stuff.

I do not care whether the First Minister damages his own reputation, but I care whether he damages Scotland's reputation. Does he really think that that is the appropriate way to represent Scotland abroad to companies that employ thousands of Scottish workers?

**The First Minister:** I am not certain that it was the best idea in the world for Iain Gray to quote the *Daily Mail*. I read the sister paper of the *Daily Mail*, the *Mail on Sunday*, on 25 October, which quotes—unlike the article that Iain Gray mentioned—a “senior source” in Labour as saying:

“He is just not visible. Name one big idea he's associated with—you can't. No one can ... he hasn't got any.”

Another source said:

“There is a leadership vacuum at the top of the party.”

If Iain Gray is going to resort to quoting newspapers, he should be a wee bit careful about which newspapers he wants to quote.

**Iain Gray:** When the First Minister decides how he is going to answer questions, he should think about the topic—“It's the economy, stupid.”

It simply cannot be that everyone is out of step except the First Minister. Is it not the truth that Alex Salmond is a banker who got it wrong on the banks; an economist who is getting it wrong on the economy; and a Scottish First Minister who is getting it wrong for Scotland? Never mind “The Purpose”; when will the First Minister realise that he is The Problem—with a capital T and a capital P?

**The First Minister:** Iain Gray is an Opposition leader who is struggling to such an extent that he has to appoint 29 shadow spokespeople to his team, out of a group of 46. I congratulate him on building a majority within his party on the payroll vote.

Iain Gray last asked about the economy on 11 September, when he expressed legitimate concern about 300 potential job losses at T-Mobile in Larbert. In the atmosphere of consensus that is developing around the economy, I am delighted to tell him that we acted to save those jobs three months earlier. I am even more delighted to tell him that, two weeks ago, David Turner, the chief executive of that operation, was able to write to me to say that another 170 jobs are to be created. He went on to thank, in glowing terms, the Scottish Government for its work in securing those vital jobs for Falkirk and Larbert. Even if Iain Gray will not appoint me to a job, I know that he will join me in welcoming that jobs boost for an important area of Scotland.

## Secretary of State for Scotland (Meetings)

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

To ask the First Minister when he will next meet the Secretary of State for Scotland. (S3F-1954)

**The First Minister (Alex Salmond):** I have no plans to meet the Secretary of State in the near future.

**Annabel Goldie:** The irony of Labour masquerading as the party of business is obvious to everyone except Iain Gray. This is a man who was such an impressive minister for enterprise that he lost his seat.

**The Presiding Officer (Alex Fergusson):** The question should be addressed to the First Minister, Ms Goldie.

**Annabel Goldie:** This week, the Scottish National Party's pretence of being a business-friendly party collapsed. Iain McMillan of CBI Scotland said:



"At the moment there are more harmful things for business than positive ones from the Scottish Government. The SNP is talking the talk, but not walking the walk."

David Watt, head of the Institute of Directors in Scotland, criticised the treatment of Diageo, and Liz Cameron of the Scottish Chambers of Commerce expressed concern that growing the Scottish economy is not the Government's first priority.

The SNP Government has lost the confidence of the business community in Scotland, and the business-friendly image of the SNP at the election was clearly just another charade to get votes. Why has the First Minister allowed that dreadful situation to develop, or are all those business organisations wrong?

**The First Minister:** Annabel Goldie mentioned concern about the treatment of Diageo. That concern was illustrated by the fact that I went on the march and rally in defence of Diageo jobs in Kilmarnock. I remember that march and rally very well, because marching beside me was Annabel Goldie.

Perhaps the Institute of Directors in Scotland was concerned about the criticism that Diageo brought on itself. Like Annabel Goldie that day in Kilmarnock, the vast majority of Scotland was concerned about the treatment of the Diageo workers.

**Annabel Goldie:** The First Minister and I may have jointly demonstrated to the workers of Kilmarnock that we were concerned and that we wished to represent those concerns to Diageo, but the difference between us is that I do not believe in telling business what to do. The First Minister thought that he could get away with that and failed.

This is the business-friendly First Minister who on the one hand campaigned to save Diageo whisky jobs while, on the other, he pursued a minimum pricing policy that will destroy whisky jobs. This is the First Minister who wanted to introduce an anti-business local income tax and who said that he could save the Dunfermline Building Society for £25 million, when the actual cost was £1.6 billion. This is the First Minister who leads a party that is hostile to the private sector, as was made abundantly clear at his recent party conference. And, yes, this is the First Minister who tramps over to France and causes offence to the bosses of one of Scotland's major employers.

In these tough economic times, Scotland needs a business-friendly Government, not a fractured relationship with business. What is the First Minister's big new idea to help business in Scotland?

**The First Minister:** We can start with the Conservative and Unionist Party joining the

growing consensus in favour of capital acceleration so that we can keep jobs in Scotland next year. I would welcome such a conversion.

If Annabel Goldie was not seeking to change Diageo's mind about its treatment of the workforces at Kilmarnock and Port Dundas, what on earth was she doing at the rally? Presumably she did not go to the rally just to show her presence; she went believing that it was part of a campaign that would help to persuade Diageo to stay loyal to its Kilmarnock workforce. She was therefore trying to influence and change a business decision.

As far as the meeting with Pernod Ricard is concerned, I have known Mr Patrick Ricard for a number of years and we have a strong and positive relationship. In our meeting, he gave me a number of gifts, all of which will be suitably declared when the time is right. However, the gift I was most impressed with was the booklet that I have before me, "Alcohol: I'm in Control", which has very much been his personal project.

The booklet says that the company intends to pursue premium brands

"and hence promote the reasonable enjoyment of our high quality products.

While our products can form an enjoyable part of our lifestyle when we choose to consume them, we also know that excessive or inappropriate consumption can cause harm. That is why we have adopted a proactive attitude to promoting moderation and responsibility when people drink our products."—[*Interruption.*]

**The Presiding Officer:** Order.

**The First Minister:** It is certainly correct to say that Pernod Ricard is not advocating a minimum pricing policy, but it is also true to say that it does not want to peddle cheap booze. The challenge for us as a Parliament is to recognise not only the economic benefits but the health benefits of having a more responsible attitude to alcohol. The challenge for all industries, including the drinks industry, is to live up to—as I am sure Pernod Ricard will—the fine sentiments that are published in the booklet.

### 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-1955)

**The First Minister (Alex Salmond):** The next meeting of the Cabinet will discuss issues of importance to the people of Scotland

**Tavish Scott:** The challenge is to understand how the Tories can attack the First Minister on business and then vote for the Scottish National Party's motion on the economy this afternoon.

There is another Royal Mail strike today. People worry that there will not be much of the Royal Mail left to deliver letters to every part of Scotland, for the same price, for much longer. Why did the Scottish Government give an £8 million postal contract to TNT and not to the Royal Mail?

**The First Minister:** As Tavish Scott should know, the process was administered under competitive tender arrangements. We have an obligation to take account of value for money. Under the same proposal, I was delighted that a contract worth twice as much was awarded to the Royal Mail. That was a sensible decision that was fully in line with public expenditure guidelines.

On the current dispute, I hope that we can agree that it would be beneficial to the company and the entire community if a resolution were found. I also hope that Tavish Scott believes, as I do, that the shadow of privatisation is one of the underlying causes of the dispute. If that shadow were to be removed, a resolution might be easier to find.

**Tavish Scott:** I certainly agree with the last point.

In March, when the United Kingdom HM Revenue and Customs gave a contract to TNT, and not to the Royal Mail, the SNP's spokesman spoke of concerns and said:

"A private partner will only be concerned with profit, and Royal Mail must not lose its social focus".

When the UK Department for Work and Pensions gave a contract to TNT, the SNP said that there was "outrage" at the decision, that

"effectively the government"

was

"abandoning the Post Office to its fate",

and that

"The government must display a commitment to our postal service by using its services."

I could not agree more, so what is the difference between the Scottish Government and the Labour Government in London?

**The First Minister:** It is probably that we awarded a £17 million contract to the Royal Mail.

I am glad that Tavish Scott agrees with me that the shadow of privatisation should be removed from the Royal Mail. That is an important aspect in finding a resolution to the dispute. I hope that he also agrees that if he is going to claim that we should not follow the procurement directive, he had better start explaining where the £2 million that would otherwise have been lost to our public services in Scotland would come from.—  
[Interruption.]

**The Presiding Officer:** Order.

**The First Minister:** Incidentally, given the growing consensus on capital acceleration, I hope that the Liberal Democrats will now join the Labour Party in talking about the importance of building that important initiative into next year's spending plans. If not, will Tavish Scott be left to explain how week in, week out he can call for extra expenditure but never—not on a single occasion—say where on earth the revenue will come from?

**The Presiding Officer:** I will take a supplementary question from Sarah Boyack.

**Sarah Boyack (Edinburgh Central) (Lab):** In light of the £600,000 loss that was made on the gathering, I raise the concerns of the chair of the Edinburgh Destination Marketing Alliance, on which a debt of £300,000 has been dumped. The DEMA simply does not have the wherewithal to meet private sector debts. Given the raft of unanswered questions and the need to learn lessons from the loss, does the First Minister agree that the Auditor General for Scotland should be asked to examine the issue?

**The First Minister:** I agree with the decision of the City of Edinburgh Council to secure the future of the gathering. I am perfectly happy to put this in the members' library: the gathering—the organisation and the event that it staged—generated more than £10 million of revenue for the Scottish economy and several hundred full-time equivalent jobs.

It is extremely wise of the City of Edinburgh Council to want to repeat the gathering event. That will guarantee for the capital city and indeed for all of Scotland many millions of pounds of revenue from an important tourist event.

I would have hoped that Sarah Boyack, as a local member, would have supported jobs and investment in the city of Edinburgh, as Scottish National Party members do.

#### **Alcohol (Minimum Pricing)**

**4. Michael Matheson (Falkirk West) (SNP):** To ask the First Minister whether the recent opinion from the European Court of Justice on tobacco pricing affects the Scottish Government's plans to introduce a minimum price for alcohol. (S3F-1974)

**The First Minister (Alex Salmond):** The directive in the case to which the member refers is specifically about the excise duty on tobacco and has nothing to do with alcohol products. It is, therefore, entirely inappropriate and irrelevant to transfer the comments in the opinion to the introduction of a minimum price for alcohol for public health reasons. However, the European Commission has given an indication of its attitude to minimum pricing. In a written statement to Catherine Stihler MEP, it confirmed that European Union legislation does not prohibit member states

from setting minimum retail prices for alcoholic drinks on public health grounds.

**Michael Matheson:** The First Minister will be aware that some organisations have questioned whether minimum pricing for alcohol is compatible with EU law. He referred to the statement that the European Commission has already issued. Is he aware that the Commission has also stated that two key criteria must be complied with if minimum pricing on alcohol is to comply with EU trade treaties? First, minimum pricing must apply to all relevant traders within a national territory. Secondly, it must have the same impact on domestic and imported products, if they are discounted. Can the First Minister confirm that the policy that the Scottish Government is pursuing will comply with those two key criteria?

**The First Minister:** We are aware of all the issues that must be considered to ensure that the arrangements and the specific price that is set are fair and proportionate, to be consistent with European law. They must be non-discriminatory and must exemplify and illustrate a substantial health benefit.

I hope that, before the matter is discussed fully, all members will take the opportunity to look at the University of Sheffield study for Scotland that was published on 28 September. The study identified substantial financial savings in the economy, running to billions of pounds a year, from a minimum price of 40p per unit of alcohol. It demonstrated that a minimum pricing policy would have substantial health benefits and postulated that it could save thousands of lives in Scotland by preventing unnecessary and early deaths.

When we weigh up, as we will, the considerations that lie behind the proposal, we should look at the substantial economic benefit—there is also a crime argument—of redressing Scotland's attitude to alcohol. Let us also remember the public health benefits that the University of Sheffield's report has identified. It is not that often that a Parliament decides on an issue that affects the lives of many thousands of our fellow citizens. I hope that all members will address this issue with the seriousness that it deserves.

**Jackie Baillie (Dumbarton) (Lab):** I am aware that the fact and, indeed, the content of legal advice are not published by the Scottish Government. However, the First Minister has acknowledged the concern that exists about the European Court of Justice judgment on tobacco pricing and its potential impact on minimum pricing. Given the seriousness of the issue that Scotland has with alcohol, which the First Minister has set out clearly, will he follow the precedent set by the previous Scottish Executive and share the substance of legal advice with party leaders, which

would enable progress to be made on considering minimum pricing?

**The First Minister:** I understand that we have already had discussions with Cathy Jamieson about how we can try to do that. I hope and believe that such information can be made available to members to enable us to discuss and address the issue in a serious way. I hope that we will be able to pursue with Jackie Baillie the discussions that were held with Cathy Jamieson, to see what can be done to provide members with the maximum amount of information.

#### **Grid Upgrade (Beaully to Denny Power Line)**

**5. Lewis Macdonald (Aberdeen Central) (Lab):** To ask the First Minister how the Scottish Government intends to announce its decision on the proposed grid upgrade between Beaully and Denny. (S3F-1975)

**The First Minister (Alex Salmond):** The Minister for Enterprise, Energy and Tourism will make a determination before the end of the year on the applications from Scottish Power Transmission Ltd and Scottish Hydro Electric Transmission Ltd to install an overhead power line between Beaully and Denny. We will notify the applicants, the Scottish Parliament and its committees and other interested parties of the decision as soon as it is made.

**Lewis Macdonald:** Does the First Minister recognise that what purported to be an informed leak about the decision last weekend, far from softening up opposition to the upgrade, simply provided a platform for all the arguments that have already been heard in 105 days of public inquiry? Ministers have now had the report of that inquiry for 10 times as long as they took to make a decision on the Donald Trump golf course proposal. Will the First Minister now end the uncertainty and commit to an official announcement on a positive decision on the Beaully to Denny line, not just before the end of the year but, say, before the end of next week?

**The First Minister:** The minister has indicated that a decision will be made by the end of the year, and I am delighted to confirm that to Lewis Macdonald. I saw an illustration in the press of the Beaully to Denny inquiry and another of the Trump inquiry. I point out to Lewis Macdonald that—as he probably knows—the two inquiries were held under different pieces of legislation and had different timescales. The Beaully to Denny inquiry was held under the Electricity Act 1989 and took a year to hold its hearings. The minister is duty-bound to consider all the evidence that came before the inquiry over that time. I am delighted to say that the Trump inquiry took place according to the new, streamlined hearings system under the Town and Country Planning (Scotland) Act 1997.

**Mike Rumbles (West Aberdeenshire and Kincardine) (LD):** At the Marcliffe hotel in Aberdeen.

**The Presiding Officer:** Order.

**Mike Rumbles:** At the Marcliffe in Aberdeen.

**The Presiding Officer:** Order, Mr Rumbles.

**The First Minister:** We detected an enthusiasm across the chamber, even from the Liberal Democrats, for streamlining the planning process in Scotland. The public local inquiry, which was held to the satisfaction of all those who were represented at it, took just over two weeks.

I hope that Lewis Macdonald can understand the difference in timescale between a public local inquiry under the new streamlined procedures, with just over two weeks being required, and a public inquiry that was held under legislation that is so beloved by the Labour Party and which took almost a year.

**Rob Gibson (Highlands and Islands) (SNP):** Can the First Minister tell us what importance the renewable energy that can be produced in the north of Scotland has for meeting the challenging Scottish and United Kingdom climate change targets?

**The First Minister:** Rob Gibson has identified an important aspect of the matter. The natural resources around the north of Scotland account for perhaps a quarter, not of the UK's marine potential but of Europe's potential marine electricity resource from offshore wind and tidal power. That is an enormously important part of the future economy of this country.

Rob Gibson is quite right to say that it is not just our own hugely ambitious targets that require us to mobilise that energy. If the UK is to have any hope whatever of reaching its targets, that huge energy resource from the north of Scotland will have to be mobilised. He is right to point to the strategic importance of that fantastic resource for the economy of Scotland in the future.

### **Influenza A(H1N1) (Health Workers)**

**6. Ross Finnie (West of Scotland) (LD):** To ask the First Minister whether the Scottish Government is satisfied with the progress of the influenza A(H1N1) vaccination programme and rates of uptake among health workers. (S3F-1966)

**The First Minister (Alex Salmond):** The vaccination programme is on track, and I commend the efforts made throughout the national health service to prepare for and deliver the programme on schedule.

At its launch on 21 October, we advised that the programme would commence through a phased

roll-out. We are now ensuring that health boards and general practices receive supplies of the vaccine as soon as they become available. Our aim continues to be to have everyone in the priority groups vaccinated by Christmas.

Information on uptake rates among health care workers will become available as the programme progresses. We are keen to ensure that health and social care workers come forward for vaccination at the earliest opportunity in order to protect themselves and the patients who are in their care.

**Ross Finnie:** If the First Minister regards uptake by health workers as important—an article in *The Guardian* last week highlighted that in England and Wales all the senior people involved are concerned about the critical nature of the matter—does he share my concern that in her statement to the Parliament this morning the Cabinet Secretary for Health and Wellbeing said that “anecdotal evidence suggests” that uptake is good? If that aspect is so important, would it be more appropriate for us to have real figures rather than anecdotal hints?

**The First Minister:** I thought that I had dealt with that issue in my answer. I said that information on uptake rates will become available as the programme progresses, when we can move from anecdotal accounts to information that will be available to Ross Finnie and to the Parliament.

Ross Finnie will have noticed the variety of supportive comments from key health professionals, which were co-ordinated on the launch of the vaccination programme. Comments from the British Medical Association Scotland, the Unite union and the Royal College of Nursing Scotland were co-ordinated precisely to encourage uptake, to ensure that we do not face the difficulties that have been reported anecdotally in England and Wales. I salute the organisations for joining the Government and, I hope, all members of the Parliament in encouraging uptake of the vaccine among health service workers, which is crucial for the workers themselves and for the patients who are in their care.

12:31

*Meeting suspended until 14:15.*

14:15

*On resuming—*

## Question Time

### SCOTTISH EXECUTIVE

#### Education and Lifelong Learning

##### Education Spending

**1. John Wilson (Central Scotland) (SNP):** To ask the Scottish Government, in light of the recent report by the Centre for Public Policy for Regions, what its views are on expenditure on education per pupil in Scotland. (S3O-8252)

**The Cabinet Secretary for Education and Lifelong Learning (Fiona Hyslop):** The report from the CPPR focuses predominantly on Scotland's position prior to May 2007. It does not identify anything new about the significant expenditure on Scottish education during that period and the lack of improvement in educational performance under the previous Administration. In contrast, Scotland's current educational attainment is strong, with record exam passes. Those records are the result of steady improvements under the SNP Government and will be further improved through the introduction of the curriculum for excellence, which will drive up standards in teaching and learning.

**John Wilson:** I draw the cabinet secretary's attention to the website of the General Teaching Council for Scotland, which refers to four points regarding chartered teachers, the fourth of which is a substantial increase in salary. Would the minister care to comment on the increased payments for chartered teachers and whether those represent value for money? Can she give us the number of chartered teachers who are teaching in deprived areas in Scotland?

**Fiona Hyslop:** On the latter question, I do not have the information to hand but I am happy to write to John Wilson with it.

Since the start of devolution, a major aspect of Scottish expenditure has been the teachers agreement, which has rewarded teachers for the job that they do but has increased the spend on Scottish education. Audit Scotland's report of 2006 and the report of Her Majesty's Inspectorate of Education on Scottish education, which was written by Graham Donaldson and published in January 2008, provide good information about the challenges that we face in improving the quality of teaching.

We welcomed the chartered teachers initiative when it was introduced by the previous Administration. Part of its purpose is to ensure that

well-qualified and talented teachers remain in the classroom. We support the chartered teachers programme; however, I take it from John Wilson's question that he is not satisfied that all pupils—particularly those in deprived areas—are benefiting from chartered teachers. I am, therefore, more than happy to look at the analysis of where chartered teachers are used, now that several hundred are established, to identify whether pupils in more deprived areas are benefiting from teaching by chartered teachers.

**Murdo Fraser (Mid Scotland and Fife) (Con):** The cabinet secretary will be aware of the concerns that have been expressed by commentators such as John McLaren of the CPPR that, despite substantial increases in spending on education over the past 10 years, we have not seen commensurate improvements in standards. Indeed, there is evidence that Scotland is sliding down the international league tables. I know that the cabinet secretary will try to put the blame for that on the previous Administration. However, given that we are all in this together, can she tell us what specific action the present Government will take to address the problem?

**Fiona Hyslop:** The international comparisons do not stack up regarding some of the questions and issues that have been raised—for example, the comparisons between exams and qualifications in England and Scotland. I really think that there should be big health warnings around the CPPR report. There are far more robust analyses, which give us a better understanding of the state of Scottish education. The international surveys that the CPPR cites all took place prior to 2007.

Murdo Fraser is, however, right to say that we should monitor our position. In many of the international surveys, Scotland's position has slipped because more countries are now being included in the surveys. Nevertheless, Keith Brown and I have both acknowledged that there has been a flatlining in the performance of some of Scotland's education system and that we must increase the rate of improvement. Steady improvement is not sufficient when we have to compete with international education systems that are improving faster than ours. That is where the quality of teaching comes into play, and we can improve that in two ways. First, we can improve initial teacher education and continuing professional development. Secondly—and importantly—we can improve methods of teaching, and that is exactly what curriculum for excellence is about.

## **Teacher Employment Working Group Workforce Plan**

**2. Margaret Smith (Edinburgh West) (LD):** To ask the Scottish Executive what recent progress has been made in taking forward the 12 recommendations in the teacher employment working group workforce plan. (S3O-8219)

**The Cabinet Secretary for Education and Lifelong Learning (Fiona Hyslop):** We are continuing to make good progress. Four of the 12 recommendations have been completed. For example, we have held two seminars with local authorities to help improve the alignment between national and local workforce planning. Such seminars will now form a part of the teacher workforce planning exercise—that is in line with recommendation 1. We have commissioned the Government Actuary's Department to review the operation of the winding down scheme. We are currently considering its report and recommendations, which is in line with recommendation 6; we have introduced secondary subject modelling to teacher workforce planning, which is in line with recommendation 7; we have increased the preference waiver payment for secondary probationer teachers to £8,000, which is in line with recommendation 8; we have ensured that information to students contains relevant data about post-probation employment, which is in line with recommendation 10, and we have improved probationer understanding of employment prospects, which is in line with recommendation 11.

**Margaret Smith:** On one level, I am delighted that the cabinet secretary did not mention the two recommendations that I want to ask about.

Recommendation 4 suggests that local authority employers should rely, wherever possible, on post-probationer teachers rather than on recently retired teachers to fill supply vacancies, and recommendation 3 relates to research on the impact of the recession on teachers' retirement intentions. What specific progress has the Government made in those areas in the light of the on-going concerns that have been raised by post-probationers that many retired teachers are returning to their former schools to take up supply posts as a result of the current economic climate and other factors?

**Fiona Hyslop:** Employment is the responsibility of local authorities. We wrote to them last December on the issue. The impression that we have gained from the seminars that have been held is that recommendation 4 is being adhered to, and that supply vacancies are going to post-probationers as opposed to recently retired teachers. However, I welcome any contrary information or evidence from members.

We are conducting internal research in relation to recommendation 3, but we need to await the results of the 2009 census. Again, at the local authority seminars that were held in October, views were mixed. Representatives from Glasgow, for example, had detected a rise in the average rate of retirements, but we are continuing to monitor that. We can work with the Scottish Public Pensions Agency to see what pattern is emerging.

**Dave Thompson (Highlands and Islands) (SNP):** The Scottish Government has approached teacher employment in a spirit of partnership with councils, which is the spirit that has marked its dealings with local government. How good has the response been, and are there any particular local authorities that might not be approaching matters quite so positively?

**Fiona Hyslop:** My ministerial colleagues and I visited every council during the summer and discussed issues such as teacher employment. From the 2008 census, which showed a drop of around 1,000 teaching posts, it is evident that some councils have not been replacing teachers as they retire. For example, we know that one in five of the teaching posts that were lost in primary and secondary schools in 2008 was cut by Glasgow City Council. That council, North Lanarkshire Council and Renfrewshire Council are among the four local authorities that are responsible for more than 50 per cent of the reduction. Of course, Jordanhill is very much a focus for teacher training for many people from that area, including mature students with families, who can be hit even harder than others. Two of those local authorities are reducing class sizes, but Glasgow is not. Quite clearly, we need to continue to focus on Glasgow.

## **Private Finance Initiative (Schools)**

**3. Joe FitzPatrick (Dundee West) (SNP):** To ask the Scottish Government which active education private finance initiative project has the highest ratio of lifetime unitary charge to capital value. (S3O-8231)

**The Cabinet Secretary for Education and Lifelong Learning (Fiona Hyslop):** The average weighted ratio of the lifetime unitary charge to the capital value for all signed school PFI projects is 4.8. The individual ratio is a matter for each relevant procuring local authority.

**Joe FitzPatrick:** Can the cabinet secretary give an assurance that any new school that is built with revenue finance will offer value for money to the taxpayer?

**Fiona Hyslop:** I said in my statement to Parliament in June that we will look to the Scottish Futures Trust to develop, recommend and implement approaches that will secure a better

school building programme across Scotland and provide value for money.

The first stages of the new programme will involve direct capital investment, but we want to explore the possibility of using different funding approaches such as the non-profit-distributing model for later phases, and are asking the SFT to provide advice on that.

**Des McNulty (Clydebank and Milngavie) (Lab):** In the interests of transparency, would it be possible to identify the capital cost in relation to the size bands of schools, so that we can get a sense of how much these schools are costing? Would it be possible to get some information about the expected contribution from each local authority for each of the 14 school projects? That information must be available to the cabinet secretary. Could she make it available more widely to Parliament?

**Fiona Hyslop:** First, I congratulate Des McNulty on his appointment to his new post and I look forward to working with him.

I point out that the unitary charge for previous projects was variable for different schools. He will be aware from the statements that we have made that two thirds of the support for school building for secondary schools and 50 per cent of the support for primary schools will come from the Government, but clearly the contribution of each individual local authority to each individual school will be different because of procurement, value, the size of the school and so on. As the projects develop, the information for contracts that are procured and so on will be publicly available, and information on local authority spend will be available to local communities. Obviously, our contribution is evident through the contributions that we have to make to support any revenue funding or, indeed, capital funding.

The capital lines that will support the initial schools will be evident in the settlement that will be established with local government and, as I said, two thirds of the support for schools is part of the capital settlement that will be provided for local government from 2010 onwards. I am delighted that in 2010 we have secured an additional £10 million as part of that process—on top of the £2 billion of capital investment that is currently going into schools, which has already delivered more than 200 schools in the lifetime of this Parliament.

#### **Apprenticeships and Work-based Training**

**4. Cathy Peattie (Falkirk East) (Lab):** To ask the Scottish Executive what support is being provided for apprenticeships and work-based training in community learning and development. (S3O-8204)

**The Minister for Schools and Skills (Keith Brown):** There is currently no specific community learning and development modern apprenticeship framework. Organisations delivering CLD may access support for apprentices undertaking other frameworks such as learning and development, management and business administration.

The Scottish Government has supported the development of work-based training in community learning and development and is committed to ensuring flexible provision that builds a skilled and confident CLD workforce.

**Cathy Peattie:** Given its importance in delivering the Scottish community empowerment action plan, better community engagement and effective partnership working with Scottish communities, will the Scottish Executive explore with the Scottish Further and Higher Education Funding Council how investment in work-based training, such as the training that is provided by Linked Work and Training Trust Central can be better supported?

**Keith Brown:** I congratulate Cathy Peattie on her recent appointment to an Opposition spokesperson's post. I recognise the work that she has done with the Linked Work and Training Trust Central, which obviously also covers my area.

There are potentially two routes through which this could be progressed. One is through Skills Development Scotland and the apprenticeship model. As Cathy Peattie said, it could also be progressed through the funding council. There are issues to do with that. The funding council currently designates as part-time students people who are taking the bachelor of arts in community learning and development degree programme, so it does not attract funding. As I have spoken with Cathy Peattie already, I am happy to facilitate a further discussion with her, me and the funding council, if that would be helpful.

**Rob Gibson (Highlands and Islands) (SNP):** Will there be any sector-specific support for apprenticeships?

**Keith Brown:** Earlier today, the cabinet secretary for education and lifelong learning launched our new scheme—invest in an apprentice—which is the latest support package available through ScotAction. Invest in an apprentice provides a financial incentive of £2,000 to small and medium-sized enterprises in the energy, manufacturing, food and drink, and textile sectors that recruit a 16 to 19-year-old apprentice. We believe that that is another demonstration of our responsiveness to the needs of our employers, and that it will open up job opportunities for young people. It is the third phase in our ScotAction programme and, like other apprenticeship support schemes, it is supported by the European social

fund. It is obviously aimed at the sectors that have been particularly affected by the economic downturn and at sectors in which there is a real potential for growth as the economy recovers.

### **Student Accommodation (University of Aberdeen)**

#### **5. Maureen Watt (North East Scotland) (SNP):**

To ask the Scottish Government what discussions it has had with the University of Aberdeen regarding the provision of student accommodation. (S3O-8248)

**The Cabinet Secretary for Education and Lifelong Learning (Fiona Hyslop):** Universities are independent, autonomous institutions and as such the Scottish Government does not intervene in institutional matters such as student accommodation.

**Maureen Watt:** The cabinet secretary will no doubt be aware that the University of Aberdeen has this year climbed a remarkable 24 places in *The Times Higher Education Supplement* world university rankings to reach its highest ever position of 129<sup>th</sup>. Given that and given the outstanding reputation that the university already has for engineering and other science, technology, engineering and mathematics—STEM—subjects, it can reasonably be expected to see a significant number of the 3,000 new student places that she recently announced. Will she undertake to discuss student accommodation with the university to ensure that any eligible new students at Aberdeen will not find themselves—as has happened this year and in recent years—unable to find suitable accommodation?

**Fiona Hyslop:** I welcome the opportunity to congratulate the University of Aberdeen on its impressive achievements. I launched the university's curriculum reform earlier this year. The university's new ranking by *The Times Higher Education Supplement*, which I think represents the biggest advance in ranking of any United Kingdom university, reflects Aberdeen's success.

I understand that the university has attracted about 5,000 new students this year. As I said, student accommodation is a matter for the university, although it has confirmed that, despite its capacity having proved to be insufficient to meet the initial demand from all the first-time students who required university-managed accommodation, all new students have now been accommodated on campus or through their own arrangements. The university is committed to continuing to improve its student accommodation. It has provided almost 3,500 rooms for first-time students in the present academic session, a figure which has increased by almost 1,300 in the past two years. That is symptomatic of success, and we should congratulate the university on that.

#### **Lewis Macdonald (Aberdeen Central) (Lab):**

The cabinet secretary will recognise that some of those rooms might otherwise have been available for other students and other young people. Does she recognise that pressure on student accommodation has knock-on effects on the housing of young people in general in university cities? Should city councils such as Aberdeen City Council discuss those issues directly with universities and student associations? As the minister with responsibility for educational outcomes, will she encourage councils to do that?

**Fiona Hyslop:** That is a constructive question. I know from my constituency responsibilities that the City of Edinburgh Council has had such discussions for several years. There are pressure points—one issue is availability, but another is the provision of quality accommodation for students. I strongly urge councils to have such discussions. Recently, the Edinburgh University Students Association met a number of stakeholders, including the local council, local landlords and others to discuss a common interest. I strongly urge Aberdeen City Council to follow that example, if it is not already doing so. There are big challenges, including affordability and other issues. If the member wants to bring any issues to the attention of my colleague Alex Neil, the Minister for Housing and Communities, he should do so.

### **Modern Languages**

**6. Irene Oldfather (Cunninghame South) (Lab):** To ask the Scottish Executive what importance it places on the teaching and learning of modern languages. (S3O-8201)

**The Minister for Schools and Skills (Keith Brown):** The Scottish Government sees modern languages as key to achieving its overall purpose of creating a more successful Scotland with opportunities for all to flourish through increasing sustainable economic growth. Learning a new language encourages children and young people to extend their horizons as they explore the language and its associated cultures. By broadening and deepening the learning experience, curriculum for excellence provides opportunities for young people to learn modern languages and become confident and competent linguists who are well equipped with the skills and capacities that are needed in the 21<sup>st</sup> century globalised world.

**Irene Oldfather:** Does the minister agree that, if we are serious about language learning in primary schools, we must train teachers appropriately? He will no doubt be aware that, although there is a requirement for modern languages to be taught in primary schools, there is no corresponding requirement in teacher training. Will he examine



that? Does he envisage amending teacher training requirements, perhaps involving information and communications technology, so that Scottish young people can compete on a level playing field with their European counterparts, many of whom are exposed to, and involved in, immersion teaching of modern languages from an early age?

**Keith Brown:** I am aware that Irene Oldfather has had an interest in the issue for a long time. We take modern languages seriously. There has been substantial investment in modern languages, including recent investment in Cantonese and Mandarin through the Confucius hubs. The issue of initial teacher education is really for the General Teaching Council for Scotland to consider, but there is something in what Irene Oldfather says, so I am happy to consider the issue further and take it up with the GTC on her behalf.

### **School Buildings (Dumbarton Academy)**

**7. Jackie Baillie (Dumbarton) (Lab):** To ask the Scottish Executive how much funding has been provided to rebuild Dumbarton academy; over which financial years, and when it expects pupils to be taught in the new school. (S3O-8170)

**The Cabinet Secretary for Education and Lifelong Learning (Fiona Hyslop):** Each of the first 14 secondary schools to benefit from the new £1.25 billion school building programme, which includes Dumbarton academy, is different and will therefore be planned and built to a timescale that will be a matter for discussion with each local authority. Precise costings for each school will not be known until the tendering and procurement processes are complete.

**Jackie Baillie:** The cabinet secretary will be aware of my long-standing campaign to secure a new Dumbarton academy so I very much welcome her commitment to funding and look forward to receiving that detail.

Does the cabinet secretary agree that any delay would be unfortunate if it means that young people continue to be taught in sub-standard conditions? Will she therefore take any and all opportunities to accelerate funding for Dumbarton academy?

**Fiona Hyslop:** I welcome Jackie Baillie's welcome for funding for Dumbarton academy, for which she and the local council have campaigned. The case for Dumbarton academy has been well made by several people. There is no delay; we have only recently announced the provision for Dumbarton academy and I look forward to seeing plans and progress. As the member will well understand, however, numerous problems—not the least of which are historical planning and other issues—need to be resolved. Those include procurement and tendering problems, which need

to be completed before we can supply the information that she seeks so keenly.

## **Europe, External Affairs and Culture**

**The Presiding Officer (Alex Fergusson):** Question 1 was not lodged.

### **Scots Language**

**2. Dave Thompson (Highlands and Islands) (SNP):** To ask the Scottish Government what progress has been made since completion of the audit of the Scots language. (S3O-8247)

**The Minister for Culture, External Affairs and the Constitution (Michael Russell):** Good progress has been made on matters relating to the Scots language since the completion of the audit. Following the audit, the Scottish Government has organised a conference for Scots language interests; taken over the funding of two key Scots language bodies—Scottish Language Dictionaries and the Scots language centre; commissioned further research; and invited nominations for a Scots language advisory group.

I am pleased to say today that the group will be established and Derrick McClure will be its chair. I hope to attend the first and last meetings of the group. The other members announced today are Matthew Fitt, Michael Hance, Billy Kay, Alasdair Allan, John Corbett, Laureen Johnson, Janet Paisley, James Robertson, Christine Robinson and Rab Wilson. There is a further member still to respond, but I hope that we will add one more member. I look forward to the recommendations that come from the first ever group to look at policy and the Scots language.

**Dave Thompson:** It is good news that we are making progress. Although there seems to be a lot of good work by teachers in promoting Scots at primary level, I understand that it is not matched at secondary level. Will the minister confirm that the advisory group will consider issues such as the lack of such provision at secondary level and the need for teacher training?

**Michael Russell:** The group will be fully familiar with all the work that is being done, including through the curriculum for excellence. There is a broad commitment throughout Government to ensure that Scots has its rightful place, and I am grateful for the work and co-operation of my colleagues in education, who are present as a sort of visual aid this afternoon. We are all working in the same direction and we will complete the task.

### **Cultural Collections Budget**

**3. Rhona Brankin (Midlothian) (Lab):** To ask the Scottish Executive what it anticipates the

impact will be of the real-terms cut to the cultural collections budget in 2010-11. (S3O-8174)

**The Minister for Culture, External Affairs and the Constitution (Michael Russell):** As a result of the budget cuts imposed by Westminster for 2010-11—[*Interruption.*] The member appears to be shouting about that, but I tell her that facts are chieftains that winna ding, if I may use Scots this afternoon.

I have reluctantly had to make cuts to parts of the culture budget for 2010-11. However, I have been determined not to impose a cash cut from 2009-10 levels. The budget for the cultural collections will still increase from £98.9 million to £99.7 million in cash terms between 2009-10 and 2010-11. I will discuss the specific plans for the cultural collections as part of the corporate planning process for 2010-11.

**Rhona Brankin:** The cabinet secretary for bluster can bluster all he likes, but the real-terms cut to the cultural collections budget gives Michael Russell's praise for the national collections during his statement on cultural policy in April a hollow ring. What can the minister say to those concerned for the future of the cultural collections who are facing a double whammy—a cut in its budget and the prospect through the Public Services Reform (Scotland) Bill of Mr Russell being given the power to dispose of art and museum collections? How does he respond to the joint evidence from National Museums Scotland and the National Galleries of Scotland to the Finance Committee that such powers might

"remove some independent protections that ensure that the national collections, which have been built up over hundreds of years, will be maintained for future generations"?

**Michael Russell:** I respond simply by saying that it is hysterical nonsense. The reality of the situation is that all the things that the member mentioned are simply not happening. The national collections are in good form, there is constructive discussion between me and the national collections, and we are absolutely determined that they should grow and develop. If the member wishes to continue in her role as Ms Angry for Midlothian, I cannot stop her. I simply point out that it is not doing her much good.

**The Presiding Officer:** After that exchange, I remind members that I do not like the use of nicknames in this chamber and I would prefer it to be avoided.

**Alasdair Allan (Western Isles) (SNP):** A dh'fhaighneachd don mhinistear an tèid am buidseat airson na Gàidhlig a ghearradh a chionn 's gun tèid buidseat na h-Alba a ghearradh an da-riabh ann an 2010-11.

To ask the minister if the Gaelic language will suffer as a result of the real-terms cut in Scotland's budget for 2010-11.

**Michael Russell:** Cha bhi lùghdachadh sam bith ann am maoin na Gàidhlig airson 2010-11. Tha Gàidhlig na prìomhachas aig Riaghaltas na h-Alba, agus bidh sinn a' coimhead ri adhartas a dhèanamh ann an leasachadh na Gàidhlig anns a' bhliadhna a tha romhainn.

There will be no reduction of Gaelic funding in 2010-11. Gaelic is a priority for the Scottish Government. We look forward to making progress with Gaelic development in the next year and to building a new generation of Gaelic speakers.

### Climate Change

**4. Gil Paterson (West of Scotland) (SNP):** To ask the Scottish Government what representations the Minister for Culture, External Affairs and the Constitution is making to the European Union on the subject of climate change. (S3O-8245)

**The Minister for Culture, External Affairs and the Constitution (Michael Russell):** As Minister for Culture, External Affairs and the Constitution, I have many opportunities to highlight the Scottish Government's work on climate change while carrying out the work of my portfolio—for example, my attendance at the meetings of the joint ministerial committee on Europe and visits to Brussels and further afield, including my recent visit to India, where climate change featured in many of the discussions that I had.

The member will also be aware that several of my colleagues have portfolio interests in this area. The Cabinet Secretary for Finance and Sustainable Growth met the European Commissioner for Environment, Stavros Dimas, on 13 October and outlined Scotland's position ahead of the climate change summit in Copenhagen, and the Minister for Transport, Infrastructure and Climate Change attended the environment council on 21 October, when climate change was the main agenda item.

**Gil Paterson:** Can the minister provide details on any of the discussions between the Scottish Government and Commissioner Dimas on Scotland's being represented at the United Nations climate change conference in Copenhagen in December, which he mentioned?

**Michael Russell:** There is a widespread view that the attitude of the United Kingdom Government is surprising to say the least. There is a precedent for the presence of Scottish Government ministers in such circumstances. Indeed, I seem to recall a picture of a previous First Minister sitting at a conference in South Africa that dealt with these issues.

Given the hard work that was done throughout the Parliament on the Climate Change (Scotland) Bill, it would be appropriate for that work to be represented in Copenhagen, and we continue to make representations on the matter. However, as I said on a previous occasion, a Scottish minister will be in Copenhagen—the issue is in whose delegation he will sit and in what way, but I repeat that a minister will be there.

### Film Industry

**5. Charlie Gordon (Glasgow Cathcart) (Lab):** To ask the Scottish Executive what initiatives are in place to sustain and develop Scotland's film industry. (S3O-8184)

**The Minister for Culture, External Affairs and the Constitution (Michael Russell):** Lead responsibility for sustaining and developing Scotland's film industry lies with Scottish Screen. Scottish Screen's work includes investing to improve skills in the industry; attracting production businesses into Scotland; building the capacity of screen businesses; and supporting the development of original screen content.

Of course, during 2010, Scottish Screen's responsibilities will be taken over by creative Scotland, which will provide clear leadership for the film industry and other associated creative industries.

**Charlie Gordon:** In noting the minister's confidence that institutional change, albeit delivered at snail's pace, will sustain and develop our film industry, I point out that my question related to what is in place. Thousands of jobs in Glasgow rely on the film and television industries, yet some resources that were in place are no longer in place. The Glasgow Film Office has lost two of its three funding partners in the European regional development fund and Scottish Enterprise, leaving Glasgow City Council as the sole funder of services, which no longer include business advice and development for small companies in the film industry. Can the minister stop the rot?

**Michael Russell:** If there were a rot, I would stop it, but there is not. The reality is that the creative industries partnership, which has required hard negotiation—which has taken place—will for the first time bring the resources and focus of bodies such as Scottish Enterprise directly into the creative industries. Creative Scotland is breaking new ground and, in doing so, is bringing in new resources right across the creative industries, including in film and television.

There are other areas of concern in the film and television industries, not least the decline in broadcasting commissions. Yesterday, I met representatives of Channel 4 to discuss that very

issue and I remain active on it. One of the biggest pieces of progress would be made if the Parliament and the Government had the power to offer the tax breaks and incentives for production that are the norm elsewhere. For example, local authorities, provincial governments and the federal Government in Canada all offer their own such packages. Having tax powers for the Parliament would make an enormous difference to film production and many other matters.

**Ian McKee (Lothians) (SNP):** How is Scotland's film industry benefiting from the European Union's Media programme 2007 to 2013?

**Michael Russell:** Scottish companies, organisations and individuals received a total of £247,000 of funding from the Media programme in 2008. That included a grant of just over £100,000 for Napier University from Media's training fund for film schools and universities.

**Ted Brocklebank (Mid Scotland and Fife) (Con):** The minister knows that, like others that are involved in media matters, Scotland's film industry is concerned that BBC Alba is not being allowed to compete for audience share on a level playing field. Will he confirm that the Government will make a strenuous submission to the BBC trust to help to influence its deliberations on permitting BBC Alba to be screened on Freeview?

**Michael Russell:** I certainly confirm that. Like many people, I was surprised by the information that the BBC trust released this week about the possible consequences of MG Alba's entry on to Freeview, which have never been mentioned to me in all my discussions of the issue in the past eight months. I am at least sceptical about some of what we have heard, but the member can be assured that we will make the most vigorous response. We will argue and continue to argue for MG Alba on Freeview, so that the channel can build its audience.

### Youth Music Initiative

**6. Ken Macintosh (Eastwood) (Lab):** To ask the Scottish Executive what discussions the Minister for Culture, External Affairs and the Constitution has had with the Cabinet Secretary for Education and Lifelong Learning to ensure that the youth music initiative continues to contribute to the future of instrumental music services in schools. (S3O-8194)

**The Minister for Culture, External Affairs and the Constitution (Michael Russell):** I will refer to my colleague, the Cabinet Secretary for Education and Lifelong Learning, not as a visual aid again but as a full and willing partner in all such matters. She and I discuss the subject regularly. We have jointly decided that the youth music initiative will continue in its current format for the rest of the

spending review period, until March 2011, with £10 million that is allocated in annual funding through the Scottish Arts Council and creative Scotland. It will thus continue to make a major contribution to our children's music education, which includes its contribution through instrumental music services in schools.

**Ken Macintosh:** I welcome the minister's comments on the YMI's success so far. However, is he aware that local authorities such as Renfrewshire Council have made cuts to instrumental music services and that more cuts are proposed for next year? Is he aware of the devastating impact that those cuts can have on young musicians in secondary 1 to S3 who are preparing for their music exams? What is his thinking on the subject? Would he like it to continue beyond 2011 or will he negotiate through single outcome agreements or another mechanism to protect musical instrument tuition, which as a non-statutory service is vulnerable to cuts?

**Michael Russell:** I said that the YMI would continue until March 2011. The work under the initiative has strong support.

It is important to recognise the role of local authorities. Extra-curricular music provision, as well as in-school music provision, is offered. It is important to note that East Renfrewshire Council—which must of course make its own decisions—has received £808,000 under the youth music initiative. I was struck that the council's quality improvement officer noted that the YMI had had an enormous impact on music provision and ensured that every child throughout primary school received a quality experience. She said that the initiative encouraged the authority to evaluate the opportunities that were provided for young people, provided a platform to engage with stakeholders, presented opportunities to share good practice, and helped to encourage the authority to spend more. I ask every local authority to consider its experience with YMI and the beneficial effects of music and music tuition.

**Ken Macintosh:** On a point of order, Presiding Officer. I agree with the minister's comments about East Renfrewshire Council, but I clarify that my question was about Renfrewshire Council.

**The Presiding Officer:** That is a point of clarification.

#### **United Kingdom Government (Protocols)**

**7. Robert Brown (Glasgow) (LD):** To ask the Scottish Executive what progress has been made in developing and implementing protocols on ministerial relationships with the UK Government. (S3O-8209)

**The Minister for Culture, External Affairs and the Constitution (Michael Russell):** The protocols that govern the relationships between ministers of the Scottish Government, the UK Government and the other devolved Administrations are set out in the memorandum of understanding and its associated overarching concordats. The four Administrations are discussing revisions to the MOU, which will be published on the conclusion of those discussions.

**Robert Brown:** I was intrigued to hear the minister's support for the Government of Canada's federal structures in an earlier reply. Does he accept, particularly in these difficult financial times, the innumerable overlaps where the work of the two Governments comes together? Surely it is important for Scotland and the whole of the UK for there to be an effective partnership between the two Governments. That is not obviously or always the hallmark of the current Government.

I accept the need for certain confidential exchange between the two Governments, but will the minister undertake to report on a periodic basis to the Parliament on the meetings that have taken place at ministerial level with London, including the subject of discussion? Will he also undertake to publish the minutes of meetings, when that is appropriate, rather like the Bank of England does? Would that not be a great move forward in transparency and openness in the relationship between the two Governments?

**Michael Russell:** There are regular discussions on a whole range of issues and at a whole range of levels. For example, only this morning, the Cabinet Secretary for Education and Lifelong Learning held one of her regular discussions on employment issues with UK minister Jim Knight. I am very happy to say that, far from Robert Brown's presentation of the matter, there is an atmosphere of positive engagement among the Administrations. That continues to be the case.

The issue of publication is a germane one. It was raised by the First Minister at the recent plenary of the joint ministerial committee. Certainly, the proposal that there should be more active publication of the outcome of the JMC has the support of the Scottish Government. We are pursuing that. Of course, we cannot decide that unilaterally; it has to be decided among the Administrations.

I ask Mr Brown to remember that the other Administrations are also involved in these matters. There has to be agreement among all the Administrations for progress to be made. Certainly, this Administration, in its usual positive and constructive manner, is keen to be as transparent as possible.

**Pauline McNeill (Glasgow Kelvin) (Lab):** The minister talks of his willingness to continue to have constructive dialogue with the UK Government. Will he outline the discussions that the Government has had on the Calman commission proposals on the joint ministerial committee? Does he support the enhancement of joint ministerial committees? Has any meeting been held specifically to discuss that under the banner of the Calman commission proposals?

**Michael Russell:** I am happy to say that the matter has been raised at official and ministerial level. Indeed, a statement was published at the end of the recent JMC plenary—there was discussion of the matter. I think that we all were slightly surprised to have jumped upon us by the Secretary of State for Scotland his decision to publish the response to Calman without any previous notification to anybody else. Of course, I am much more constructive than he is.

We will be very happy to continue to make representations on changes to the JMC structure. We cannot unilaterally impose that—any decision will involve the other Administrations, too—but we have put the Calman recommendations into the mix. Indeed, there are Calman recommendations that the chamber could decide on today, if it chose to do so. If the member would like to bring forward support for the draft orders that I have published, some of Calman could be in effect tomorrow.

### **Brussels (Visits)**

**8. Michael McMahon (Hamilton North and Bellshill) (Lab):** To ask the Scottish Executive when the Minister for Culture, External Affairs and the Constitution last visited Brussels. (S3O-8195)

**The Minister for Culture, External Affairs and the Constitution (Michael Russell):** I last visited Brussels on 7 and 8 September.

**Michael McMahon:** The minister's international relations budget is rising by 25 per cent, his major events budget is tripling and his budget for the big blether—what the Government euphemistically calls civic participation—is being maintained. Surely the Scottish people do not want to see that happen, particularly at a time when this Government is proposing to squeeze budgets on housing, regeneration, education and health? As we heard earlier, the minister's department is seeing cuts in the cultural collections budget. Does he not agree that the priorities for the people of Scotland are housing, regeneration, education and health? Instead of focusing on those priorities, why does he prefer to use his position to gallivant across Europe, seeking to undermine the constitution of the UK?

**Michael Russell:** I am quite sure that many people would like to encourage me to gallivant even more than I do.

I have two important points to make. First, my visits to Brussels are always multifaceted. On my last visit, in addition to working on the national conversation, I met members of the European Parliament, discussed a number of matters with senior officials, and met the director general of education. I will continue to have those meetings.

Secondly, I am astonished by the contrast between the open and international vision of the Government and what we have just heard, especially on international development. The Government is determined to increase its contributions to the poorest in the world. I am astonished that the Labour Party does not appear to support that.

## Scottish Economy

**The Deputy Presiding Officer (Trish Godman):** The next item of business is a debate on motion S3M-5071, in the name of John Swinney, on the Scottish economy.

**Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD):** On a point of order, Presiding Officer. I understand that documents providing an update on the economic recovery plan are being placed at the back of the chamber. That information is germane to the debate, but members have not had an opportunity to see it, as the documents are only now being presented to the chamber.

In response to previous points of order, the Presiding Officer indicated that the Presiding Officers have had discussions about best practice on publication of material. Have subjects such as this been raised in those discussions? What conclusions have been reached with regard to courtesy to Parliament?

**The Deputy Presiding Officer:** We will reflect on the points that you have made and respond to them later this afternoon.

14:56

**The Cabinet Secretary for Finance and Sustainable Growth (John Swinney):** I welcome this opportunity to lead a further debate in Parliament on the Scottish economy.

It is now more than a year since the Scottish Government first took action to support the Scottish economy through the downturn. We have taken a comprehensive approach to the implementation of a programme that ensures that Scottish individuals, households, communities and businesses are equipped to weather the storm and emerge successfully from recession. We have begun to see the first signs of recovery, but last week's news of a continued contraction in the output of the United Kingdom economy in the third quarter of 2009 is a salutary reminder of the fact that we need to continue to implement a range of key measures in the coming months to support a recovery that is clearly fragile at this stage.

This has been a recession on a significant scale. However, let us not forget that our skilled workforce and world-class business environment continue to make Scotland an attractive location for new investment. We must support and build confidence in the Scottish economy at this critical time. What matters most is how strongly we emerge from the downturn. For that reason, the Government is correct today to provide information updating our economic recovery plan for Scotland. The Government is focused on recovery. Our plan

is a platform for the future growth of our economy, maintaining our focus on the Government's unifying objective: sustainable economic growth in our country.

In common with countries across the globe, Scotland entered recession in the middle of 2008. What we have seen in the past year is unprecedented—a synchronised, global recession, prompted by crisis in the financial sector but now felt in every sector of our economy, most acutely in our industrial sector. The origins of the recession are the financial crisis, which restricted the growth of our economy by constraining the availability of finance. We have worked hard to address that issue over the past year.

Since the middle of last year, there has been a cumulative contraction in Scotland's output of 6 per cent, which is in line with that in the rest of the United Kingdom. However, we have not faced the catastrophic collapses in output that have faced some of our neighbours.

**Margo MacDonald (Lothians) (Ind):** Before the cabinet secretary develops his point, I would like to backtrack to the effect of the recession on our financial services sector. Has the Government given any thought to the recommendations of the governor of the Bank of England on restructuring those banks that are more or less nationalised and owned by us?

**John Swinney:** That is a live issue. I discussed it when I was in Brussels the other week—I am not sure whether it offends anyone that I was there—as the issue is live on the European Commission's agenda. The Administration wants any action to restructure the banks in line with European Commission requirements to be taken in a fashion that is compatible with the long-term financial interests of Scotland and with ensuring that we have a diversity of financial provision in our country. The announcement that was made earlier this week of the acquisition of Standard Life Bank by Barclays brings another substantial player into the Scottish market, and the Government welcomes Barclay's participation in the Scottish market.

Aside from the significant factors that are affecting the financial services sector, the situation is dominated by economic conditions, and the conditions in the global economy have improved since the end of the first quarter of 2009 as financial markets have stabilised and optimism about a global economic recovery has increased.

Scotland has begun to look towards growth again. The rate of decline in Scottish output eased in the second quarter, with gross domestic product falling by 0.8 per cent. There is now a general improvement in business and consumer confidence in the global economy, which suggests

that the economic performance of many advanced economies will improve in the second half of the year. The latest business surveys indicate a marked improvement in optimism across the Scottish economy, which suggests that growth will return to parts of our economy in the third quarter of 2009.

We must understand the lessons of previous recessions in Scotland. Growth will return to the Scottish economy, but the impacts of recession will be felt for some time afterwards. Our prime focus in that respect must be on employment. After GDP turns positive, we can still expect a continued rise in Scottish unemployment in the coming months as overall demand in the economy remains low.

The Scottish unemployment rate has already risen sharply in the first half of 2009, but the Scottish economy demonstrates a number of resilient characteristics, and I have been encouraged by the easing in the rate of increase in recent months. Our current level of unemployment, at 7.1 per cent, remains below that of the rest of the United Kingdom and many other advanced economies such as those of the United States, Germany, France and Spain.

**Gavin Brown (Lothians) (Con):** I concur with the cabinet secretary's comments on unemployment. Does he share my concern that the rate of increase in unemployment is now higher in Scotland than it is in the rest of the UK?

**John Swinney:** I think that that was the case earlier in the year. According to the most recent figures, there has been a tempering in the pace of the increase in unemployment in Scotland, which I welcome. I would be the first to concede and accept that we must be very careful about the judgments that we make based on statistical information and on numbers from one particular period. However, that recent tempering in the rise of unemployment gives the Government confidence that we will retain our advantage in relation to the rest of the United Kingdom. It also informs our attitude to the response to the situation, which is why the Government has made such a strong plea for a further tranche of accelerated capital expenditure—I will deal with that in a moment.

**Jeremy Purvis:** Under the heading "Jobs and communities", the Scottish National Party's European Parliament election manifesto stated that the economic recovery plan will create 20,000 more jobs. Will the update that the Government has published today detail the 20,000 new jobs that the Government claimed to be in place?

**John Swinney:** The Government's economic recovery plan document provides an update on

the initiatives that the Government has taken, and I am just about to set out a number of them.

The update puts in context how the Government's use of public expenditure has supported the development of employment and communities. In that respect, we have taken measures to ensure that accelerated capital expenditure at national and local levels has supported direct employment at the local level. We are spending almost £3.8 billion on capital investment this financial year, which includes the acceleration of £293 million. That spending is providing a significant stimulus to the construction industry, and it will ultimately support nearly 37,000 jobs in the construction sector alone. The accelerated capital expenditure, which is a proportion of that, has been enormously valuable in supporting economic recovery, and I welcome the statements that have been made today by the Labour Party, which believes that, at this stage in the economic cycle, we should secure another tranche of accelerated capital expenditure. I hope that that approach is supported by the Chancellor of the Exchequer when he makes his pre-budget report statement to the House of Commons in due course.

**Margo MacDonald:** Will the cabinet secretary give way?

**John Swinney:** I ask Margo MacDonald to forgive me, but I must make further progress.

At this stage in the recovery, and particularly bearing it in mind that last Friday's GDP statistics suggest that recovery is fragile, the case for increasing capital investment is clearer than ever.

In addition to the support for capital expenditure and the acceleration of many investments through the European social fund and the European regional development fund, the Government's economic strategy rests on capitalising on Scotland's greatest comparative advantage: its people. A healthy, well-trained and well-educated workforce is pivotal to shaping the long-term success of our economy. The ScotAction programme, which the Cabinet Secretary for Education and Lifelong Learning launched, represents a major package of measures to meet the challenges and help individuals and employers. With an extra £16 million, we have funded an additional 7,800 apprentices in this financial year, which represents a 73 per cent increase on normal funded apprenticeship places. Yesterday it was announced that a successful bid for ESF moneys means that we can further extend the apprenticeship scheme. The cabinet secretary today visited one of the companies that will take part in the new scheme to provide a golden hello of £2,000 to 16 to 19-year-olds in the manufacturing, textiles, food and drink and energy

sectors. The approach will provide much-needed assistance.

The Government's economic recovery plan also focuses on investing in innovation and industries of the future. We have set out various interventions that we are able to make to ensure that the best possible advisory services are available to businesses and individuals, to help them to manage the impact of the downturn. Services such as the expanded Scottish manufacturing advisory service and the Scottish Government's website on help through the downturn exist to provide assistance to companies, in addition to well-supported initiatives such as public contracts Scotland, which has attracted a significant amount of public sector business for the purposes of contracting with companies in the Scottish economy.

In the field of innovation and industries for the future, there is a great opportunity for us in the context of what we can achieve in the renewables sector and as part of the creation of a low-carbon economy. Scotland's future rests on the development of innovative technology and we are determined to ensure that we deploy our resources and provide the support that is necessary to ensure that we can create tens of thousands of green jobs during the next decade in diverse generation systems and in energy management, energy efficiency, renewables, biomass and recycling.

The Government is focused on ensuring that we deliver economic recovery in Scotland. We must operate in a challenging climate. We will press the argument for further accelerated capital expenditure to assist us, and we pledge our commitment to working with all aspects of the Scottish economy to deliver the prosperity that our people require.

I move,

That the Parliament recognises the impact of the recession on Scotland and notes the actions that the Scottish Government is taking to support jobs and communities, strengthen education and skills and invest in innovation and industries of the future to ensure that the nation is both protected from the worst of the downturn and well placed to take advantage of any recovery.

15:08

**Andy Kerr (East Kilbride) (Lab):** Well, well, well. What a difference a year makes to the Government's economic strategy. After all those meetings and prawn cocktails, and after all those mind-numbing mind maps from Mr Mather, there is total condemnation of Scotland's economic strategy from Scotland's business community.

Iain McMillan, of the Confederation of British Industry Scotland, said:

"What is happening now seems to directly contradict the SNP's stated primary aim of growing the Scottish economy. At the moment there are more harmful things for business than positive ones from the Scottish Government."

That is a damning comment indeed. David Watt, of the Institute of Directors Scotland, said:

"It also seems completely wrong to cancel infrastructure projects ... when we should be building as much as we can to support the economy and prepare it for the recovery."

The issue is not just that businesses are disappointed by the lack of policy coming through all the discussions. The decisions of the Government are having a direct effect on our ability to come through the recession. The credibility of the economic team hangs in the balance and the budget will be the test of its ability to listen to the Scottish business community and wider civic Scotland, to ensure that we put the Government's tools and resources to good use for the purposes of economic recovery.

I look forward to Mr Swinney scoring his hat trick today. This is the man who brought us the local income tax—and had to ditch it; the fiasco of the Scottish Futures Trust; and now an economic strategy that has been condemned by our business community. He also thinks that, during a recession, it is clever to signal the end of infrastructure projects such as the Glasgow airport rail link, which was a project of national importance. The CBI put it better when it said:

"The SNP is talking the talk, but not walking the walk".

Although I welcome some of the cabinet secretary's statements and announcements, there needs to be a fundamental review of his budget and his Government's flimsy strategy for economic recovery. Part of that process is our support for accelerating capital; we have supported that approach in the past and will continue to do so, if a number of conditions are met.

It is a pity that the Government's previous capital acceleration programmes have largely been failures. According to the Government's track record on capital acceleration, only a quarter of the funding had a direct impact on jobs.

**John Swinney:** What?

**Andy Kerr:** The Deputy First Minister verified that in committee. Spending money on houses that are already built does not stimulate economic growth, and she said that only a quarter of the previous accelerated funding had had a direct impact on jobs. When we support the Government in its requests for more capital acceleration, we want to be sure that the money will be spent more effectively than it has been in the past. Of course, we also want more attention to be paid to making the budget support our economy through the recession.



I say to Mr Swinney that it is hardly the best way to conduct negotiations to ask the United Kingdom Treasury for capital acceleration, get it, expound its virtues, and then blame or condemn the UK Treasury and Government for cutting the budget.

The bigger and more substantive issue in the debate is this: the Scottish Government has been caught in the headlights of the global economic recession. The UK Government took swift, effective and continued action with impacts and interventions that a separatist, independent Government could only dream of using during the current economic climate. I am talking about the £50 billion to save the banks, the £2 billion in tax cuts, the £500 million in support for the Department for Work and Pensions in Scotland, and the measures taken to delay tax from business. All those were effective measures that countries such as Iceland and Ireland could only dream about. We do not hear much about them any more.

Of course, we intend to make sure that the Government's budget seeks to address the recession in a way that is based on morals, values and effective economic interventions. I reflect on the value-free zone of Thatcher's response to the previous recession and the long-term damage that her Government did to our economy.

**Margo MacDonald:** Does the member agree with what the governor of the Bank of England said about restructuring the banks in Scotland? That is such an important sector in our economy.

**Andy Kerr:** Yes, it is a very important section of the economy, and I believe that those ideas require further examination. I would like to have greater engagement before pronouncing unequivocally on the point.

The First Minister called it all wrong at the time of our banks' difficulties, and I believe that the Government's economic response to the recession also calls it wrong. When the Scottish budget is growing by £600 million in real and cash terms, the Government chooses to make cuts in many of the budget areas that are specifically designed to stimulate economic growth. The budgets for Highlands and Islands Enterprise, Scottish Enterprise, housing, infrastructure, regeneration and tourism have all been cut by the Government. I remind the chamber again that the budget has grown by £600 million and has benefited from the inflation bonus: the £880 million additional spending power that we have in Scotland.

The disgraceful decision to end the GARL project was, I believe, cooked up by Mr Salmond and Mr Swinney in consultation with nobody, particularly not—probably—the Minister for Transport, Infrastructure and Climate Change. The

project was not about Glasgow and the west of Scotland, but about Scotland. It was not about taking folk on their holidays, albeit that they would have benefited from that rail link, but about bringing much-needed conference business and other business to Glasgow and the west of Scotland. We will ensure that, through the 2010-11 budget process, we bring that project back into the Scottish budget and ensure that it is delivered.

**John Swinney:** Can Mr Kerr share with us in the remaining two minutes that he has available what his alternative vision is? We have heard the usual negative rant from him. Can we perhaps hear some of his ideas about what he would do differently?

**Andy Kerr:** With due respect to Mr Swinney for his comment about negative rants, we are here to hold him to account for his actions. I am holding him to account for the Government's inaction in addressing our economic ills. I have not mentioned yet the Scottish Futures Trust, which has cost the Scottish economy thousands of jobs over two and a half years and has led to a loss of skills in the economy. I had not mentioned that, but Mr Swinney reminded me that I should do.

I have not said much either about the arc of prosperity and the economies of Ireland and Iceland, to which the cabinet secretary and the First Minister aspire. Let us look at the situation in which those countries find themselves—and in which we would find ourselves if Mr Swinney's vision for Scotland of independence and separation from the rest of the UK was realised. His whole economic case for independence has been destroyed by the perfect storm of the collapse of the banks in Scotland, the fluctuation in oil prices and the global economic recession. One need only consider the case of those nations that previously Mr Swinney used as examples to follow—clearly, they are examples with which we do not now wish to associate. Being part of the UK has allowed us to respond much more effectively to the challenges.

I am disappointed that the Government's economic levers are not being used. We will come back to the Government about regeneration, training, skills, support for small and medium-sized enterprises, cuts to Scottish Enterprise and HIE, and other matters. However, we understand and share the optimism that should be around in Scotland about our economy's ability to work and the crucial role that banking and finance will play, along with biosciences, the low-carbon economy, the environment, energy and tourism, in the sound future that it should have. The Scottish Government is undermining all those areas through its budget.

I move amendment S3M-5071.3, to leave out from "recognises" to end and insert:

"notes the concern of Scotland's business organisations that the Scottish Government's budget fails to prioritise sustainable economic growth, as the Scottish Government has made substantial cuts to the enterprise, tourism, regeneration and housing budgets and has decided to cancel the Glasgow Airport Rail Link, a decision that was taken without prior consultation, despite the fact that it is an infrastructure project of national importance; believes that all of these decisions compound the failure of the Scottish Futures Trust to deliver capital investment, to the detriment of jobs and infrastructure, and calls on the Scottish Government to bring forward new proposals to create jobs, increase infrastructure investment and grow the Scottish economy."

15:17

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

As the longest recession in British history continues, with rising unemployment across Scotland and the rest of the UK and continuing economic uncertainty, the announcement of the Government's updated economic recovery plan is at least timely. However, no one would know that there was a recession, let alone the longest one in British history, if they were to look at the Labour and Liberal Democrat amendments to the motion, which would remove all reference to the existence of the recession. If only tackling the recession were as easy as that.

We have said before that the Scottish Government and the First Minister in particular regularly overstate the capacity of the devolved Government to tackle the recession's consequences. We have seen positive moves from the Scottish Government, but the reduction in or abolition of business rates for small and medium-sized businesses would not have been in place until next year, when even this recession will be over, had Parliament supported the SNP Government's original budget plans. The Conservatives were therefore right to push for early implementation of that measure, and no one should be in any doubt that it has saved businesses and protected jobs. We should also not forget the positive local impact of the £60 million town centre regeneration scheme, which features to a large extent in the updated document. Again, that measure was implemented after pressure from the Conservatives. In addition, the abandonment of the discredited local income tax was welcomed across the business community.

Although we accept that the Government is undertaking some measures with a view to improving skills or supporting jobs, we do not necessarily agree with everything in the economic recovery plan or with the view that the Scottish Government has sufficient powers to deal with the recession in a way that contrasts with the approach of the UK Government. The economic levers are, to a significant extent, in the hands of

politicians at Westminster, and the options there are constrained by public finances and a significant structural deficit that compounds the cyclical budget deficit. We have the longest recession and the highest national debt in British history, while the British Government is significantly constrained in its options.

Further accelerated capital funding, as requested by the Scottish Government, can be delivered only if it is affordable within the constraints of UK public finances. It is far from obvious to me that it is affordable, particularly given the sharp declines in tax receipts and the lengthening of the recession since the UK budget in April. We will find out soon enough in the pre-budget report whether the current UK Government believes that such acceleration is affordable.

However, we must assume that the Scottish Government's request for additional capital will be granted, given that Iain Gray has now demanded that that happen. Today, the Labour leader introduced a fairly novel concept: he wants accelerated capital funding to be provided by the UK Government only if the Scottish Government spends the money on certain things. That would seem to undermine the very principle of devolution, as it would in effect mean the UK Government introducing ring fencing of funding in Scotland. The UK Government has no business telling the Scottish Government how it should spend its budget. The Labour Party would do well to remember that.

In the update of the economic recovery plan that it published today, the Scottish Government appears to want the UK Government to spend more and tax less. Compounding our public debt cannot be the answer to our current economic difficulties. If the Scottish Government had the greater powers over taxation and borrowing that it seeks, such a proposal would be inconceivable. The Scottish Government's call for increased spending appears designed more to cause conflict with the UK Government than to tackle the problems in our public finances. Conflict between our Governments will not help us to get out of recession.

**Andy Kerr:** Will the member give way?

**Margo MacDonald:** Will the member take an intervention?

**Derek Brownlee:** I give way to Andy Kerr first.

**Andy Kerr:** Let me just clarify the point. I have said that we on the Labour benches will support the Government in its call for increased acceleration of capital funding if we are assured that the capital will actually make a difference. That is the condition that is being attached.

**Derek Brownlee:** That is a helpful clarification, but it is certainly not what Iain Gray said at First Minister's question time.

I also heard an intervention request from behind me. I give way to Margo MacDonald.

**Margo MacDonald:** I am intrigued by Derek Brownlee's explanation of the Scottish Government's attitude to taking on more borrowing, which will increase debt and prolong the agony. He suggested that the reason was to annoy the UK Government. I think that the Scottish Government wants to try to persuade the Scots that they are not as badly off as they think they are, because it believes that only optimism and determination will get us through. I think that that is wrong.

**Derek Brownlee:** We certainly will need a lot of optimism and determination to get us through.

We need all levels of government to work together. That is why we propose that the Scottish Government should give new incentives to local authorities to encourage business start-ups locally by allowing local authorities to retain the additional business rate receipts that are generated if such start-ups are successful. That could operate in tandem with the new national insurance incentives that a Conservative UK Government would introduce for new start-ups in their first two years. That fiscal incentive at the UK level could be backed by support at the Scottish level, with the Scottish Government and local authorities pulling in the same direction as the UK Government. That would help to create new businesses and new jobs.

A long-standing and serious problem has been Scotland's failure to match the new business start-up rate that is achieved elsewhere in the UK. Tackling that is part of the Scottish Government's economic strategy, but the data on the Scotland performs website still refer to 2007. As the technical note explains, the recent increase is a result of tax changes rather than any underlying improvement. More recent evidence suggests that we are falling further behind. If we are to get out of the recession with a sustainable recovery, jobs must be created in the private sector rather than in the public sector for the years to come. We need to improve our business creation rate.

That is why our focus today is on the need for the Scottish Government to work with the business community to introduce measures that will allow new businesses to flourish. That will allow us to tackle the problem that has compounded Scotland's economic performance for too long: namely, the failure to generate sufficient new businesses to create the growth in economic wealth that ultimately underpins all the public services that we value.

I move amendment S3M-5071.1, to insert at end:

“; further recognises the need to support existing and new businesses to create jobs; regrets the historic underperformance of the Scottish economy in new business creation; welcomes the positive and timely impact of the significant business rate reductions for small and medium-sized businesses and the Town Centre Regeneration Fund, and calls on the Scottish Government to work with all other levels of government and with the business community to do more to help raise the level of new business start-ups in Scotland.”

15:24

**Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD):** Before Scotland was hit by the recession—or economic storm, as the cabinet secretary described it—the Liberal Democrats warned that the changes to the enterprise network would not provide more focus but instead create confusion. We said that the establishment of new quangos with models that the Government knew would not deliver on expectations—I refer to the Scottish Futures Trust—and the real reductions in the delivery of the enterprise budgets were the wrong things to do for the economy. In a recession, they are catastrophic things to do because they provide no focus for strong recovery. The economic recovery plan that the Government put in place was simply not sufficient for Scotland to grow.

We share the view that has been expressed on the growth of Scottish GDP. We can have little confidence that the Government is grasping the issue. On its Scotland performs website, the Government claims that it is meeting its target of matching the GDP growth of the UK, but when I ask parliamentary questions about whether that is really happening, I am simply told that our economy is falling at the same rate as the UK economy, and that that is an achievement for the Scottish Government. That is not the type of debate that the Parliament needs when we discuss how we will come out of the recession.

One of the critical aspects is our banking sector, as Margo MacDonald and others have said. Exactly a year ago, we debated a motion, in Liberal Democrat time, that raised concerns about competition in the banking sector in Scotland. In particular, the motion focused on lending to small businesses. A year later, not one business group is saying that its priority is not access to finance and the cost of that finance. That is why, unashamedly, we know that banking competition is inextricably linked with the country's problems in the recession. We do not need to state it.

We ask those who opposed that motion last year to reflect on that and to support the comments of the Government's chief economist to the Economy, Energy and Tourism Committee that he

wants more competition in the banking sector in Scotland. We ask them to agree with the governor of the Bank of England, who says that he wants monolithic banks to be broken up. We ask them to agree with the European commissioner who believes that it cannot be good for Scottish businesses to have two state-funded near monopolies running Scottish banking. We ask them to support the Federation of Small Businesses, which says that Scottish businesses have only one choice when it comes to lending by the banking system—take it or leave it. That is not good enough.

When we debated the issue last year, the Office of Fair Trading predicted that the takeover of HBOS by Lloyds would lead to a “substantial lessening of competition”. We have seen that; it is happening. It is simply not good enough for elected representatives from the Conservative party to continue their laissez-faire attitude. Last year, Derek Brownlee said:

“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.”—[*Official Report*, 30 October 2008; c 11879.]

George Osborne obviously was not listening, given that he called last week for caps on bonuses in the financial sector. He said in a Canary Wharf speech that they should be capped at £2,000. The critical issue for our economy is not £2,000 bonuses but how we will get, over the next five to 10 years, an appropriate level of competition in our banking sector in Scotland. Given that 95 per cent of businesses in Scotland are small businesses, it is critical that we have a vibrant financial sector.

**Gavin Brown:** The member mentioned the Office of Fair Trading report. Is he suggesting that, if the takeover of HBOS by Lloyds had not happened, businesses in Scotland would have greater access to finance today?

**Jeremy Purvis:** As the member will realise, there was no capitalisation offer on the table for the Bank of Scotland. He knows that the OFT’s competition concerns were set aside by Lord Mandelson and that no capitalisation offer was on the table. The member forgets that point.

**John Park (Mid Scotland and Fife) (Lab):** Will the member take an intervention?

**Jeremy Purvis:** I am sorry; I am afraid that I do not have time.

On the Government’s economic plan, there has been assertion and rhetoric, no more so than with regard to the Scottish Futures Trust, where the farce continues. This week, the Cabinet Secretary for Finance and Sustainable Growth wrote to me

to say that the official Government employment figures for the past three quarters indicated that the Scottish Futures Trust had no one working for it. A letter of clarification that was provided to me last night says that that was incorrect and that

“the figures should have indicated that SFT had one full-time member of staff”

as at quarter 2 of 2009. The letter continues:

“This anomaly arose as a result of a return from SFT not being included in the published figures.”

Presumably, the member of staff was in the toilet when the Government asked who was working for the Scottish Futures Trust. It is becoming a joke, and that is the problem.

The latest year-on-year construction figures for new orders show that construction contracts have fallen by 17 per cent in England and 47 per cent in Scotland. That is shocking. Without the level of finance that we need for the economy, things will not get better. We do not have enough competition. Without a real Government focus on infrastructure investment as opposed to what the CBI described this week as the “farce” of the Scottish Futures Trust, we have concerns about the future recovery of our economy.

I move amendment S3M-5071.2, to leave out from “recognises” to end and insert:

“; believes that it is in the best interests of the Scottish economy to encourage a vibrant and competitive banking sector by separating the investment and retail functions of the biggest banks and giving customers and businesses the choice of smaller and more secure banks, for example by bringing the Bank of Scotland home to Scotland as a low-risk high street bank that serves the needs of local people and businesses.”

15:30

**Patrick Harvie (Glasgow) (Green):** It is natural in our debate on responding to the recession to expose various political stances on the causes of that recession before we can understand the responses. Greens have argued for years about the unsustainable nature of the growth-obsessed, market-dominated economy. The parties that have served their time in government in Scotland and the UK have for years courted the favours of big business, made speeches about encouraging the risk takers, and pursued policies that have been entirely consistent with Lord Mandelson’s intense comfort with some people becoming extremely rich.

**Andy Kerr:** I would like to draw others into our company. Is it not the case that the First Minister of Scotland, Alex Salmond, said that regulation was gold plated and that it should therefore be reduced?

**Patrick Harvie:** That is precisely why I referred to all the parties that have served their time in government in Scotland and the UK.

We have taken a different view. We believe that it is not enough to put a nominal safety net at the bottom while the richest handful in society pull ever further away. We have argued for a fundamentally more just and equal economy. We have challenged the complacency about an economy that has been built on flimsy foundations. We have done so as debt has spiralled out of control, largely to fuel wasteful consumption by the wealthy, not to provide the essentials of life for those who lacked them.

When I spoke about the problems of sub-prime debt before the 2007 election, I did not do so because I had a crystal ball or insight into the future credit crunch; I was more concerned with the impact on households in Scotland burdened with exploitative levels of debt than with the United States housing market. I did so because of a basic principle that such levels of debt are inherently unhealthy. I am not talking about only financial debt, whether it is owed by a householder to a money lender, a credit card company or a mortgage company, or owed by Governments to an international bank or a private finance initiative consortium; I am also talking about the ecological debt that our generation owes to the next generation. There can be no doubt that we have been living beyond our means economically and ecologically for far too long, and that there were always going to be consequences of that. Living beyond our means can be fun for a while, but it cannot last.

The consequences that we are now living with are partly the result of political failure and partly the result of market failure. It is sickening that the debate has moved on so swiftly to arguments about which public services should be cut first and when to start cutting. Sadly, we in Scotland are faced with the consequences of continuing political and market failure.

A very gloomy economic and social outlook was presented at the Poverty Alliance annual general meeting in Glasgow the other weekend. There is the prospect of cuts that will have an impact on people living in poverty, and the need to fight the immediate threat from those cuts versus the need to keep up the long-term challenge to the values of our unequal and unfair society is an issue. The evidence has never been clearer or more objective. A more equal society is happier, healthier, safer and more sustainable. I am sorry to say that the political emphasis has not caught up with that, and that costs opportunities.

For a recovery—however we might define that word—to be truly sustainable, it must be political as well as economic. It must be a recovery of

values that were lost from the political establishment at least 30 years ago—indeed, probably twice that long ago. Those values will challenge the absurd idea that what matters in our lives can be measured in GDP terms alone, that people's worth is determined by what they consume, and that the fetishisation of extreme wealth is harmless.

**Margo MacDonald:** Does the member agree that we could summarise the change for which he asks as

"From each according to his abilities, to each according to his needs"

and that we could transfer power and wealth along the way?

**Patrick Harvie:** Each generation puts it in its own words.

Where would that leave a Scottish Government programme? It would end the contradictions that still exist between Government policy and commitments on climate change, sustainable development and green jobs and the policy and spending decisions that are made when the economy is the main focus. For far too long, those have been seen in opposition to one another. Carbon targets are set, but aviation can apparently expand forever. Commitments are made on public transport, but road traffic levels continue to rise. Commitments are made on renewables, but the level of wasted energy continues to rise. The potential of marine renewables excites everybody, but the level of Government investment in it has gone down. The green jobs agenda took hold at first, but it has stalled at simply counting how many jobs are green jobs rather than thinking about how we can green all aspects of employment.

The need to upgrade the energy grid is abundantly clear, yet we have seen interminable delay in approving the work that needs to be done. The Beaulieu to Denny transmission line is only the most obvious example of that. We will need further changes to accommodate marine renewables as well as decentralised energy. Nevertheless, the Beaulieu to Denny line is a vital project, and if the Government attaches too many conditions to the approval of the project, it will risk years more delay and I can only imagine what the impact will be on the confidence for investment in marine renewables in Scotland.

Beyond the infrastructure, the economic debate must become one with the social and ecological priorities that we all claim to hold dear. We must come to understand that the economy is a wholly owned subsidiary of the environment. Living within our means will demand that we learn to measure and value everything that matters in life, not simply the narrow concept of material wealth that

dominates our decision making and will continue to serve best those who already have most.

I move amendment S3M-5071.4, to insert at end:

“; believes that the Scottish Government should be supporting only those projects that can promote true sustainability in the long term such as public transport, energy efficiency, low-carbon technologies, including renewable energy and its required infrastructure such as vital grid upgrades, and accepts that the benefits of a low-carbon economy must be achieved in a manner that ensures fairer distribution of wealth and opportunity and promotes wellbeing in the broadest sense, instead of continuing to promote an economy that is still based on ever more unsustainable levels of ecological and financial debt.”

15:37

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

The context of the debate is well served by the words of the Confederation of British Industry in a submission on the Government's draft budget. It states:

“The constrained spending growth for 2010/11 is merely a harbinger of far tougher spending limits ahead. As such they”—

the Government—

“will have to cut their cloth accordingly, though there are different opinions as to the nature, scale and timing of the measures required.”

In this debate, we should consider the Government's options and some of the constraints that it has had to face.

The Labour Party's amendment seeks to portray the Glasgow airport rail link as a major national project. Let us be clear. The Government has a lot of support in Glasgow—perhaps more per head of the population there than in other areas. However, when questioned in the discussions in the Transport, Infrastructure and Climate Change Committee, the British Airports Authority saw the business case for GARL as woolly. There are no figures for where people would go or how people would get to the airport. There is no information about whether most people would go to Glasgow rather than other parts of Scotland. Those were all unanswered questions in the committee, and I suggest that the Labour Party read the *Official Report* of that meeting.

**Andy Kerr:** Does the member share the view of the First Minister, who said that GARL is a project of national significance? Does he share the view of the business community that GARL would have a great multiplier effect that would boost our economy?

**Rob Gibson:** I am interested in looking at it in the round. It could be a national project if the connectivity within Glasgow was built in; however,

it has been suggested that without all those parts to it it is more of a regional project. People want to know that the commitment is there to consider its potential for the future. If the Labour Party is saying that the project is essential, what does it suggest that we cut in the meantime?

I turn to the Liberal Democrats' amendment, which talks about banking. In the inquiry that the Economy, Energy and Tourism Committee is conducting, we will find out a lot of information about that subject. Indeed, I echo the information about the European Competition Commission's view of the break-up of the banks. It is important to note that the Scottish Government believes that we need to have a wider range of banking. Already, examples such as the banking exercises involving Tesco and Virgin show that we are supporting that. In this recession, we are looking to help business by seeing that that happens.

The events of the past year raise fundamental questions about the structure of our financial sector and the role of Governments. The questions about smart regulation, liquidity and so on will all have to be answered. I believe that, as we move into the spring, the Economy, Energy and Tourism Committee will be able to help the debate in this Parliament by getting some of those answers.

People have been saying, “Ha ha. We don't hear much about Ireland and Iceland at the moment.” Well, is that not strange? I point out that, at the moment, their GDPs per head are far higher than that of the UK, and they will come out of recession faster than we will.

**Andy Kerr:** Will the member give way?

**Alex Johnstone (North East Scotland) (Con):** Will the member give way?

**Rob Gibson:** I will take Alex Johnstone, for a change.

**Alex Johnstone:** Does the member acknowledge that the Irish economy has one tremendous advantage over ours, which is that it is two thirds private sector and one third public sector?

**Rob Gibson:** I might suggest that the fact that Ireland is in the euro zone might have been a more important factor in that economy's survival than the one that Mr Johnstone suggests.

It is important to recognise that a number of advanced economies, both large and small, have recorded a return to a positive quarterly GDP and that Britain is coming out of the recession more slowly. The rates of recovery of Japan, Portugal and Sweden are increasing, as are those of France and Germany. Above all, the same is true of our nearest neighbours across the North Sea,

the Norwegians, with their vast oil fund that they are able to use for investment at this time.

Now that we have consensus about the need to get accelerated capital spending, I hope that London is listening to the will of the Parliament because we have been deprived of the ability to use our own resources to take us out of the problems that we are in. That is why I hope that, when we agree the motion today, that issue will form a central part of our message.

The CBI said that it wants legislators to “behave collegiately” and pass the budget in a timely fashion. That will be an aid to getting our country on its feet. As part of that process, we ought to be hearing from parties the kind of positive remarks that we could do with a bit more of today.

We are told that business organisations are opposed to the way in which the Government is going about things. However, the Scottish Council for Development and Industry is happy about the small business bonus, as is the Federation of Small Businesses, which called for more modern apprenticeships. From the answer to my parliamentary question this afternoon and from statements that have been made, we have learned that there will be European social fund incentives of £2,000 for companies to take on a new 16 to 19-year-old apprentice. That shows that the Scottish Government is making the effort to get the sector moving.

**John Park:** Does the member agree that it is disappointing that, since the apprenticeship guarantee was agreed during the previous budget process, more than 1,200 apprentices have been made redundant and the Scottish Government has been able to place only 400 of them?

**Rob Gibson:** In the difficulties in which we find ourselves, the minister who responds to the debate might well be able to deal with that point in detail.

The approach to apprenticeships that I have discussed has been welcomed by business, so that is another aspect that shows that this Government is a business-friendly organisation.

In my area, we can see the investments that are starting to be made in the renewable energy industries. It is interesting that bodies such as Scottish Renewables can see that issues concerning our need for suitable, skilled people—lack of such people has been one of the main barriers to our getting out of this recession—are beginning to be addressed. A lot of young people with energy will be able to get involved in the business of helping us to reap that huge renewables harvest.

The motion provides us with the way forward but the amendments are, perhaps, a distraction. We

should go forward, united, with a message that we need accelerated capital spending so that we can move forward with recovery.

15:45

**Ms Wendy Alexander (Paisley North) (Lab):** I welcome the Government-sponsored debate on the economy. This year it has taken only eight weeks after the summer for the Government to get round to debating the economy. Last year, despite the financial crisis raging around us, we had to wait 10 weeks after we came back before the Government could find time for a debate on the economy. Today there is a new document at the back of the chamber. It was published at 2.55—so timed, I presume, to ensure that members could not read it in advance of the debate.

It is almost two years since the Government's economic strategy was launched, yet it has been debated in the chamber only once. Surely once every two years is not too often to debate the Government's economic strategy. When the cabinet secretary sums up, will he commit to finding Government time before Christmas to debate the Government's economic strategy, which was published in November 2007 and has so far been debated only once?

I turn to today's motion. Let me begin by acknowledging that to govern is to choose. No one denies that the cabinet secretary had choices to make in his budget—he had to manage a less than 1 per cent decline in his budget next year in real terms—but Scottish businesses want answers about the choices that he has made. With just 1 per cent less to play with, why did he choose to cut the enterprise, energy and tourism budget by 13 per cent in real terms? The enterprise budget was hit 13 times harder and deeper than the overall cut in the budget. Yesterday, the chief economic adviser provided a paper to the Economy, Energy and Tourism Committee. The paper, which is on the committee's website, provides the plans for all the 24 different budget lines that fall within the enterprise, energy and tourism budget. It reveals that 21 of those 24 lines face a deeper cut than the 1 per cent cut in the budget overall. Scottish businesses want an explanation of why those choices have been made. They want to know why, months after visionary legislation on climate change was passed, the budget for next year proposes a bigger than average cut in the energy efficiency budget. If skills are at the heart of recovery, why is the education and skills budget overall being cut by 6.5 per cent? That is six times more than the reduction in the overall budget.

In his two committee appearances this week, the cabinet secretary did not remain cool and collected, as he often does, in defence of the

choices that he has made. I invite him to offer us, in his summation, a cool, rational defence of his choices about where the axe should fall, because we tend to find that the shakier the case the shriller the rhetoric. I do not think that that helps, given the scale of the crisis that we are facing.

I will use my remaining time to touch on another area in which we need some candour about where the Government stands. In the recovery plan that was published a few moments ago, which is now available at the back of the chamber, there is barely a mention of the banks.

**Margo MacDonald** *rose—*

**Ms Alexander:** I see Margo MacDonald rising, but let me deal with the banking issue.

On 24 September, I asked the Scottish Government whether it stood by

“the First Minister’s previously stated view that spivs and speculators caused the demise of HBOS.”

Thirty days later, I still do not have any answer. That is a small point but, much more important, I asked in writing what the Scottish Government was doing about the lack of competition in Scottish financial services—back came the answer that it had carried out a survey. I challenge the cabinet secretary to confirm that, over the past 12 months, the Scottish Government has made no written representations whatever to the OFT asking it to carry out an inquiry into the lack of competition in banking services in Scotland or elsewhere in the UK.

I come to another matter on which the Government is not dealing with the realities of the banking crisis.

**Margo MacDonald:** Will the member give way?

**Ms Alexander:** Let me come to the point.

I asked the Scottish Government what views it had offered the European competition authorities on breaking up banks in this country—back came the answer that the Government had not been asked for evidence, so it had provided none. Thirdly, I asked the Government what its views were on bankers bonuses—back came the response that no representations had been made by ministers to the UK Government, the European Union or the Financial Services Authority. The Government has had nothing to say to Europe or the OFT and nothing to say on bonuses. No wonder the Government dislikes debates on the economy. It must start offering a view on the tough issues of the day. Do ministers have a view or do they just want to keep their heads down and their mouths shut? Scotland deserves better.

15:51

**Alex Johnstone (North East Scotland) (Con):**

Many people, including the cabinet secretary, have described the current predicament as the perfect economic storm. That has been said often enough, but it stands repeating once again. If the timing of the debate has any significance, I suggest it is that we might look back on this time and see it as the very eye of the storm. We have entered recession and, as the recently published figures show, we continue to be in economic decline. We now know how deep the recession is, but we still have to face in the other direction and consider how we will emerge from it.

Scotland has suffered badly. We were perhaps slower to enter recession than other parts of the United Kingdom, but that is largely because we were lucky enough to have a proportionately higher level of public expenditure than the rest of the UK. That predetermined expenditure reinforced us on the way into the recession but, as a consequence of the need for spending cuts, we will find it harder to climb out.

**Margo MacDonald:** Does the member share the opinion that was voiced by the previous speaker, Ms Alexander, that we were in a crisis?

**Alex Johnstone:** I will decline to answer that, because we would have to consider carefully what we mean by a crisis. The situation has been called a crisis and a storm, but it is a recession—the deepest recession since world war two, and one that we are all in together. Some of us like to pass blame around, while others look for a way out.

To return to Scotland’s position in the recession, on unemployment, Scotland is now suffering more than the rest of the United Kingdom. As we move forward, we might struggle to return to the rates of growth that are achieved in other parts of the United Kingdom. That is why I once again repeat my call to the cabinet secretary that, whatever he chooses to do, he should ensure that all public expenditure is used to maximise the recovery in the private sector, to increase the creation of wealth and to change the balance of our economy. That will mean that, as the private sector-fuelled recovery arrives, Scotland will, with each day that passes, be in a better position to take advantage of it.

We need to be in that better position because, let us face it, Scotland might be a wealthy nation, but it has always had its problems and it still has them. We have areas of poverty in Scotland. We talk repeatedly about difficulties relating to the quality of housing. We need to fight further against child poverty. We have problems associated with fuel poverty, which we all know so well, as a result of increases in fuel prices. That is why I am fundamentally committed to the concept that the



redistribution of wealth is important. However, too many people in the Parliament and across the political divide concentrate too much on the redistribution of wealth without understanding that the creation of wealth is at least as important, if not more so. That is why, unlike some members, I will say today and repeatedly, that growth is essential to our recovery.

We have heard that there has been a 6 per cent contraction of the UK economy since the middle of last year. Although we know that the rate of decline has slowed recovery, the definition of recovery is difficult to achieve. In fact, once we have returned to growth, recovery will only just have begun. Not until we make up the drop that we have suffered over the past 18 months and begin to go into net growth over that period will we see the benefits of redistribution once again. My primary demand is that the Government ensures that money spent helps to change the balance of the economy and protects us from the damage that we have suffered.

In the final moments available to me, I will reflect on some comments from other parties. It was interesting to hear Jeremy Purvis criticise the Government on the areas in which it has decided to cut expenditure. There are some short memories in politics. Jeremy Purvis, who is good at taking the spend, spend, spend approach to politics, is the same man who less than a year ago proposed an £800,000 million cut in Scottish expenditure. There is a wholly inconsistent element in his position that simply takes away credibility from the demands that he has made and continues to make.

My final remarks must be for the Labour Party. I have sincere sympathy for those on the Labour front bench in the Scottish Parliament. They can criticise, carp and complain about the way in which resources are distributed in Scotland, although they often make constructive suggestions about how it might be done better. However, what they cannot and must not acknowledge—because they have been told not to—is that this recession is Gordon Brown's and Labour's recession. The recession is worse here than in any other country in Europe and it is now longer than in any other country in Europe. Above all, this country needs a change of Government.

**The Deputy Presiding Officer (Alasdair Morgan):** We do not have enough time to finish the debate, so members must not exceed their time limit.

15:57

**Tricia Marwick (Central Fife) (SNP):** I welcome the opportunity to take part in the debate. It gives me the chance to thank the Scottish Government

for its continued support for the Fife energy park in Methil. I was pleased to welcome the Minister for Enterprise, Energy and Tourism, Jim Mather, to the energy park a couple of months ago, when he announced that money would be made available by Scottish Enterprise to continue to improve the infrastructure of the energy park and the companies that work in it, including BiFab. I also welcome the recent regional selective assistance grant awarded to Stevenson Grantech in Glenrothes that will protect existing manufacturing jobs.

I mention those two facilities in particular because the manufacturing industry in my constituency is important for the jobs that it provides and its contribution to the local, Scottish and wider UK economy. The manufacturing industry sells abroad and attracts foreign money into the country; it is important that we continue to support it. Much is said about the financial services industry, but it is important that we continue to support the manufacturing industry for constituencies, such as mine, that rely so heavily on it. I welcome the Scottish Government's efforts in that regard.

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

**Tricia Marwick:** If I get a chance, I will let the member in.

I will concentrate most of my comments on the relationship between small and medium-sized companies, the banks and Her Majesty's Treasury. I have had the most frustrating summer. I visited medium-sized companies in my constituency to ask about their difficulties, what they were doing in the recession and whether they were having any difficulties with the banks. There were times during the summer when I felt that I was in a parallel universe. Companies were telling me about the unreasonable conditions placed on them by the banks while Lord Mandelson and the Treasury were telling me that HM Government was supporting companies and instructing the banks to support them.

Qualtronic, which had been in Glenrothes for 25 years and employed 35 people, was experiencing cash-flow problems because of a delay in placing orders by its major customers. Everybody recognised that it was only a delay and that the orders were never going to be cancelled because they were working for the aerospace industry—the blue-chip companies. Qualtronic approached its bank because it had been advised that it was eligible for the UK Government's loan guarantee scheme. HBOS told it that, regardless of whether it was eligible for the UK Government's scheme, it did not meet HBOS's own criteria and HBOS would not assist it.

I wrote to Lord Mandelson on 22 May and on 8 July to ask what the point was of a Government scheme when the banks were just doing what they wanted to do anyway. I finally received a reply on 26 August, which offered an apology for the delay in responding, which was

“caused by the exceptionally high volume of correspondence to the department on similar issues”.

I am not surprised. The letter went on to say:

“The EFG exists to help viable businesses during an unprecedented period of tightened credit conditions, and is not designed for the majority of viable businesses to whom banks should lend; nor is it intended for businesses who are not viable and that banks are rejecting on that basis. Decision-making on individual loans is fully delegated to participating lenders and is done on commercial grounds. ... Where there is public sector investment in financial institutions these stakes are managed at arm’s length and on an independent basis.”

So much for the UK Government’s support for businesses. Despite the fact that the public have bailed out the banks to the extent that our grandchildren will still be paying off that debt, the banks are thumbing their noses at the UK Government and forcing companies such as Qualtronic out of business. Qualtronic went into liquidation and 35 workers were paid off. It was a successful business that was forced to the wall by the banks. The good news is that, with private money, Qualtronic has been bought out and the core staff have been rehired.

I also met a company that has been in business for more than 100 years, which pays its way and employs significant numbers of local people. Last year, its bank slipped a new clause into its agreement. The bank decided unilaterally that, in future, a charge of 1.5 per cent would be applied to the unused balance of the overdraft—that is right: the portion of the overdraft that the company does not use is charged at 1.5 per cent.

I wrote to Alistair Darling, the chancellor, and received a reply from a Mr Ian Pearson, which concentrated on personal overdrafts, not business overdrafts.

I wrote again to the chancellor on 4 August, following his public declaration that he had instructed banks to ease lending to small businesses. I pointed out the difficulties of yet another company in my constituency and challenged him on what instructions he had been giving the bank. I received a reply from yet another junior minister who confirmed that the banks were doing very little. It stated:

“Decisions about the pricing, terms and conditions of loans to specific business cases remain commercial decisions for the banks and building societies. The Government expects to see banks offer competitively priced loans.”

In fact, the Government did nothing to instruct the banks to get on with it and help businesses in my constituency.

**The Deputy Presiding Officer:** I am sorry, but the member’s time is up.

16:03

**James Kelly (Glasgow Rutherglen) (Lab):** I will start by taking on the charge that we often hear in these debates from the Tory party, which we heard from Alex Johnstone, that this is a Labour recession or Gordon Brown’s recession.

Let me take us back to September 2008, when, as a result of an international crisis and weak business models, two banks in particular—HBOS and the Royal Bank of Scotland—were on the verge of collapse, which would have threatened jobs in the financial sector in Edinburgh and throughout Scotland. At that time, we saw swift action from the UK Government with the investment of £37 billion to shore up those banks and save Scottish jobs. In addition, we had a £20 billion investment package in the pre-budget report—again, that was swift and urgent action. Throughout all that, the Tories dithered one way or the other about whether they were going to support those policies. We had direct action and we are now able to see the effects of it on the economy.

**Joe FitzPatrick (Dundee West) (SNP):** Will the member give way?

**Alex Johnstone:** Will the member give way?

**James Kelly:** I will develop my points. I acknowledge that the economy is still contracting, but the evidence shows that Scottish households’ discretionary income is £12 a week higher than last year; that mortgage approvals are at their highest level in 18 months; and that car sales have increased by 11.4 per cent. Those factors demonstrate that the actions of last September, October and November are beginning to bear fruit.

**Alex Johnstone** *rose*—

**James Kelly:** I will take Joe FitzPatrick first.

**Joe FitzPatrick:** Does the member recognise that the banks have ploughed £40 billion into the Labour Government’s coffers in the past decade? Will he acknowledge that the UK Government did not somehow find £37 billion from its own back pocket but had to borrow the money from world money markets?

**James Kelly:** Perhaps Joe FitzPatrick should explain his intervention to the thousands of employees not just in banking but throughout Scotland whose jobs were saved by the UK Labour Government’s swift action.

The cabinet secretary complained that people were not presenting solutions, so I will concentrate on the Scottish situation and consider three ways in which the Scottish Government has been lax and slow to react. The document that has just been released and which was made available at the back of the chamber before the debate started makes little mention of energy. Before the recess, we had a constructive debate on the Economy, Energy and Tourism Committee's report about energy. The new document refers to

"green opportunities for sustainable ... growth",

but we heard at First Minister's questions today that the Beaulieu to Denny line will not be decided on until the end of the year. It is crucial to put that in place if we are to maximise proper renewable opportunities. We wait and wait on the Beaulieu to Denny line; it is time for action.

The Council of Economic Advisers produced a report on all aspects of energy policy that Mr Mather told us three weeks ago was still in his in-tray. Perhaps the cabinet secretary will say in his closing speech whether Mr Mather has got round to reading that report.

As others have said, the Scottish Futures Trust—its budget has been doubled in the draft budget—has failed to deliver anything in two and a half years. It will be post-2011 before any of the schools that were announced a couple of weeks ago come to fruition. When 8,500 construction workers have been made redundant, the Scottish Futures Trust is an abysmal failure and a white elephant that the Government must bear.

The scrapping of six-month sentences and the creation of community payback orders will cost about £28 million. We are not only telling prisoners that prison is "a skoosh", as the Cabinet Secretary for Justice said, and scrapping six-month sentences, but costing the public purse money in due course. That is not good enough.

I endorse the actions of the Labour Government at Westminster. I warn against the Tory approach of rushing to public spending cuts and I call for the SNP to move more quickly on energy policy and on creating construction jobs. Scotland needs progress to move the economy forward.

16:09

**Ross Finnie (West of Scotland) (LD):** Much of this afternoon's debate on the economy and the means by which we might be able to stimulate it and guide it through the recession is predicated on the view that there needs to be a banking sector that can facilitate the way in which business operates. The point was made in interventions, particularly from Margo MacDonald, as it was in Jeremy Purvis's opening remarks. As he said, the

Liberal Democrats are disturbed that such a banking model is not in place. We think that its absence inhibits the way in which we can progress.

In his book, "The Storm: The World Economic Crisis and What it Means", Vince Cable, the Liberal Democrat shadow chancellor drew attention to the way in which the banking crisis has elevated the economic term "moral hazard" to a new and unsustainable level. For banks to take risks that result in large dividends and remuneration payments when things are alleged to be going well, but which result in losses for taxpayers when reality strikes, is not only an extreme version of moral hazard but poses serious questions about whether such institutions should be supported by political parties as deserving of public support.

Such institutions have been described as "too important to fail". At the time of the crisis, they were too important to fail because they were the only structure of banking institution in town. The Government and the Bank of England had to act to prevent a collapse of the whole banking system. I say to Gavin Brown that that is the point that we are trying to make. As my colleague Jeremy Purvis said, we expressed our doubts about the system at the time. Now, having had time to reflect on where we should be, we say that this is the time to question the present model of banking and look to a different one.

The Scottish economy is as dependent as any other economy on having a sound and dependable banking system, one that provides companies and households with a ready means to make payments for goods and services and a channel for savings to fund investment. That is a fundamental and essential part of banking, one that is far removed from the higher-risk elements of investment banking that have developed in recent years and whose trading has brought such financial instability.

Liberal Democrats are clear on the matter: if economic recovery is to be achieved on a sustainable basis, an essential building block of recovery is a fundamental restructuring of our banking system—hence the Liberal Democrat amendment.

**Margo MacDonald:** The Parliament cannot restructure the banks. Does the member have any idea how it can influence the powers that be at Westminster?

**Ross Finnie:** Unless, as part of the debate, the Parliament signals very clearly its support for reform of the banks, it will be in dereliction of its duty. The Parliament must indicate the broad thrust of where we want to go.

It is interesting to note that, while Liberal Democrats—Vince Cable in particular—were in the vanguard of calling for banking reform, the governor of the Bank of England is now calling for reform of both the structure and regulation of our banking system. Margo MacDonald alluded to that at the outset of her earliest intervention.

The governor posited two possible solutions to the issue of banking structures, the first of which is—to be fair—merely a refinement of the current situation. I refer to his proposal to impose capital requirements on banking and financial institutions. The problem for Liberal Democrats in terms of that proposition is that it still leaves us with institutions that are “too important to fail” but which contain elements of business that involve a high degree of risk-taking that does not warrant public support.

His second solution is to separate out financial institutions into those that provide core banking services and those that create risky assets. The governor refuted the suggestion that such separation was impractical on the ground that existing prudential regulation makes a distinction between different types of banking activities when determining capital requirements. Liberal Democrats have expressed concerns about lack of competition. It is interesting to note that the governor also supports that stance. He observed that, even by international standards, the UK banking sector is highly centralised, with only four major banking groups, two of which are now largely in state ownership.

Liberal Democrats do not believe that simply breaking up the banks will of itself resolve the whole problem. Root-and-branch reform of banking regulation would still be required. We seek support across the chamber for our proposition on the following grounds. First and foremost, it would restrict the moral hazard category of “too important to fail” to those banks that supply core banking functions. If we were to do that, it would radically reduce taxpayer exposure to risk.

Secondly, the break-up of the banks would not preclude the continuation or creation of risk-taking institutions, but they would be wholly dependent on market support and not taxpayer support. Thirdly, in Scotland, in particular, the break-up would provide the basis for the creation of much-needed competition, to the benefit of individual customers and businesses. Last, but by no means least, it would provide the basis for the repatriation of the Bank of Scotland as a core retail bank in the “too important to fail” category, restoring the bank to its rightful place in the Scottish economy.

For those reasons, we seek support for reform of the banks and ask Parliament to signal to the relevant authorities that this is a vital matter that is integral to how we—

**The Deputy Presiding Officer:** I am sorry, but the member's time is up.

16:15

**Joe FitzPatrick (Dundee West) (SNP):** I am pleased to take part in the debate, keeping the economy at the top of our agenda, where it belongs.

This recession has affected families and businesses in ways that we have not seen in a generation, and it is far from over. In times such as these, it is crucial to feed money back into the economy. That is why I fully support the cabinet secretary's plans to accelerate spending. I am pleased that Iain Gray and Scottish Labour appear now to be echoing the SNP's calls—it is better late than never.

The cabinet secretary has used every lever available to him to help Scotland through these rough times. However, instead of being able to get the funding that he needs to continue his efforts, he must ask Westminster to throw Scotland a few crumbs. Rather than providing Scotland with acceleration of funding to enable us to get out of the recession and to support recovery, Westminster has reduced our budget by £500 million this year, when we are still in recession, and a further £500 million next year, when we are hoping to be in the early stages of recovery. It is exactly the wrong time to cut Scotland's budget.

If Scotland were independent and had the powers of a normal nation, it would be able to recover from recession at a much faster rate. We are not independent, so we are reliant, at least in part, on Westminster ministers making the correct decisions to support recovery. However, both Gordon Brown and Alistair Darling continue to battle from the bow of their sinking ship and are dragging Scotland down with them by refusing to grant the stimulus funds that she is in dire need of. In fact, the UK is the only nation in the G20 that does not have a fiscal stimulus plan for next year.

The International Monetary Fund has forecast that Norway will be shielded from the worst parts of its recession due largely to its oil fund—something that could exist in an independent Scotland.

**Andy Kerr:** Is the SNP's economic strategy based on that of Ireland, where unemployment is 14 per cent, there has been a 7.5 per cent cut in public sector wages and children are told to take toilet rolls to school, because there is no budget for that, or on that of Iceland, which is now in debt to the IMF and Russia and whose economy is essentially bankrupt? That is the solution that the member is proffering.

**Joe FitzPatrick:** The SNP's economic solution is that the Parliament should have the full range of economic powers so that it can make the best decisions for our nation and people. The member will note the recent IMF findings that Iceland, Ireland and Norway are all still wealthier per head of population than the United Kingdom and that those countries are expected to get out of recession more rapidly than the United Kingdom.

Clearly, Scotland's potential for recovery is stifled by Labour's failed economic policies. The video games industry is one of the few industries that have continued to thrive globally despite bleak economic conditions. Last year, video games outsold DVD movies for the first time, with £22 million in global sales. The industry is particularly important to Scotland, nowhere more so than in my constituency in Dundee. Edinburgh-based Rockstar North created the best-selling video game of all time, the Grand Theft Auto series. Dundee-based Realtime Worlds produced the highly successful game Crackdown. However, countries such as France, Germany and Canada are willing to give those companies generous tax breaks if they agree to move their operations.

Now Ireland has its sights on Scotland's video games industry and is considering what tax incentives it could offer to entice our businesses to relocate there. Do not be mistaken—the companies love being in Scotland, especially in Dundee, where the University of Abertay Dundee has a top-notch programme to produce highly-skilled graduates attuned to the needs of the industry. However, Ireland's proposed five-year tax holiday might be just too good an offer to pass up. Relocating from Dundee to Montreal might be a step too far, but Dundee to Dublin might not. It is vital that such companies receive similar tax breaks in Scotland in order to level the playing field.

**Jeremy Purvis:** The member knows that the digital media remain a responsibility of Scottish Enterprise. Why has his Government slashed the budget of Scottish Enterprise?

**Joe FitzPatrick:** The SNP Government has supported the video games industry in Scotland in the way that it can, providing the skills that ensure that we have the best graduate base for companies. Abertay university in particular is working very closely with the industry to ensure that its graduates have exactly the tools that the industry requires.

I had the opportunity to host a panel discussion yesterday among more than 75 members of the video games industry. There were loud calls for tax breaks. Unfortunately, the only thing that Mike Russell and I could say was that we did not have the power, and that they would have to ask Westminster.

There are signs, however, that a concerted effort, co-ordinated by the Dundee-based UK Independent Game Developers Association—TIGA—is starting to pay off, and UK ministers appear finally to have acknowledged the importance of the games industry. TIGA has produced a relatively modest culture-based tax break for games development, and has delivered its proposals to the UK Government. It has the potential to generate 3,500 good-quality graduate jobs, and the signs are positive. Several UK ministers have come to Dundee to see at first hand the centre of excellence that has developed around Abertay university's collaboration with Dundee's games industry.

If we are to prevent the loss of thousands of jobs, the chancellor urgently needs to announce the early introduction of tax breaks for games development in his pre-budget report next month.

16:21

**Margaret Curran (Glasgow Baillieston) (Lab):** Last autumn, the world's financial system stood on the precipice. Without action, we would have faced a collapse of the banks and possibly the implosion of the financial system, with catastrophic consequences for the global economy. We are told that, ultimately, all politics is local, but to miss the global dimensions of the experience—as the Tories have done this afternoon—and not to appreciate the global action that is required is fundamentally to misunderstand what actually happened and what must be done.

This afternoon, however, we are focusing on the work of the Scottish Government and the Scottish Parliament, and on what we can and should do in these particularly challenging circumstances. I will argue that, in the face of this situation, we in the Scottish Parliament should have three priorities: jobs, jobs and jobs again. As the banks attempt to regroup and recover, it is essential that they understand that Government action was not intended to enable them to return to old habits. In return for assistance from the taxpayer, the public have clear expectations—we want a return for hard-earned cash input. Banks need to get moving. They must prioritise jobs and the public interest.

The debate that is whirling around us about the global economic crisis has allowed British politics to be seen again in primary colours, as one commentator recently put it. We have seen that in Scotland, too. In the blue corner, we have the once again not-so-modern Tories. There is to be no more engagement with huskies and hoodies—we are now back to the raw attack beloved of the Reagan and Thatcher era. There is no mention of market failure in the Tories' analysis and there is no appreciation that it was only the intervention of

Government that avoided economic and financial catastrophe.

Bizarrely, the SNP has tried to say that there is no difference between Labour and Tory. It is as if SNP members can will themselves away from one of the most fundamental dividing lines of modern politics across the world: the role of Government in the economy. They are so desperate for a Tory Government that they cannot bring themselves to say that Gordon Brown and the Labour Government got it right and took the right action.

**Tricia Marwick:** Will the member give way?

**Margaret Curran:** I do not have time.

As Wendy Alexander said, when are we ever going to find out what the SNP actually thinks about the economic analysis and what its response to the situation would have been? The SNP always tries to face two ways. As we are beginning to understand, those who do that finally become unstuck. We know—especially those of us who have been around in Scottish politics for a wee while—that the appeal to business is only skin deep. A long-held commitment to bus re-regulation was dropped—allegedly—when Brian Souter got involved. We witnessed the spectacle of John Swinney voting for a third-party right of appeal on the eve of an election and running for cover thereafter. No wonder people questioned his stewardship of planning reform. When the SNP faces a different audience it retreats to the tired, crude analysis that Labour did so much to eradicate: private always bad, public always good.

What we have had from the SNP Government is just not good enough. Instead of looking for alibis, which Joe FitzPatrick did most shamefully, and instead of peddling misinformation, the Government needs to get its priorities right. The fact is that its budget is increasing by £600 million. Whether the Government likes it or not, we will hold it to account on how it uses that money to promote and protect jobs, particularly for the people who need them most.

What have we had from the Government? There is the cancellation of the Glasgow airport rail link project, which has caused widespread outrage and insulted Glasgow again—after the insult of last year's budget. There are deep cuts in transport and tourism, there are cuts in enterprise and housing, and there is no coherent plan for industry and skills. Despite representations and serious questions being asked about Skills Development Scotland and the intervention that we need on training, there has been no action at all.

At this time of unprecedented economic difficulty, the Parliament must do all that it can. I hope that for once the Government will pay attention to the different voices in the Parliament.

Surely we can try to unite around a programme for jobs and economic recovery. At least let us reinstate the GARL project. The Government should let the Scottish Futures Trust go the way of the local income tax and admit that it does not deliver. The Government should waste no more time or money on the SFT. It should stop taking a marginal and indulgent position in the debate on housing and get to the heart of the issues. It should get investment and work under way. It should prioritise the needs of young people. It is vital that we expand apprenticeship schemes. I do not know the details of what the cabinet secretary announced today in that regard, because I have not had time to read the update on the economic recovery plan, but we all know that much more work needs to be done.

It is time for SNP members to stop congratulating themselves. They must start to play their part more effectively and more assertively. Much more needs to be done if we are to help our people. There is great worry and concern throughout Scotland. The Government needs to sharpen its focus. We need an infrastructure investment plan that helps all our cities, leaving none behind, and we need to do much more on jobs. Perhaps then the budget will be worthy of support.

16:27

**Patrick Harvie:** What an interesting speech from Margaret Curran. She articulated well some fair criticisms of the SNP but completely ignored the fair criticisms that should be levelled at the UK Labour Government. On one hand she demarcated the dividing line in politics around the role of the state; on the other she lambasted the SNP because its desire to placate big business is not sincere enough. Is it not clear that the UK Government's desire to placate business interests during the past decade and more was one of the factors that led to the failure of regulation and allowed the failure in markets?

**Margaret Curran:** We need more time to go into the issue in greater depth, but I was trying to argue that in the past decade Labour has taken us into new territory, where it is possible to create an honest partnership between business and public services, and that Government intervention is at the heart of that. The SNP Government is deceitful about that.

**Patrick Harvie:** I agree that the UK Government took us into new territory. With its business partners, it carefully constructed a house of cards.

The Labour amendment focuses on GARL. It is known that I am a lukewarm supporter of the project. If we were willing to limit the growth of aviation and use the rail link to improve the

experience of using the airport and displace more polluting forms of surface transport, that would be all well and good, but I am sad to say that I do not think that the Labour Party would support those limits on aviation growth any more than the SNP would do. We might need to rely on rising oil prices to bring the number of flights down to a sustainable level. Labour's position seems to confirm that the UK party still has a business-as-usual mentality, just as Scottish Labour does—as if I did not already know that.

Although I expected a more wide-ranging amendment from a party that should be jumping up and down with excitement at the prospect of coming to power in a few months, Derek Brownlee made at least one important point about accelerated capital spending. If such spending becomes a regular tussle between the UK and Scottish Governments, and if any settlement comes with strings attached, it will indeed be a form of ring fencing, although I am a wee bit surprised that we have not seen such ring fencing already. If Mr Brownlee's comments can be taken as a commitment that such strings will never be attached if his party comes to power in the UK, they are worth hearing.

Understandably, much of the debate has focused on the short term and the immediate impact on our constituents, whether of the economy or cuts in public spending. Those cuts will hit hardest those who are already in poverty and who have suffered most during the recession. We should ensure that we have a longer-term focus as well. It is not as if there are no other options to protect public spending, or at least to ensure greater equity in the face of cuts.

At the UK level, there has been no consideration of ending the tax loophole that allows major banks to offset their previous losses against future taxation as they return to profitability, ensuring that some of them will not pay tax at all for many years to come, despite Adair Turner warning to the idea of options like a Tobin tax to curb the efforts of the mega-rich to line their pockets further through speculation.

Why has there been no crackdown on those who evade and avoid tax, or on the obscene salaries and bonuses in the banking sector? The usual answer that we get to that question is that we must retain the talent. Those clever, clever people who are so talented at shafting the rest of us must be rewarded, otherwise they might leave the country and start shafting someone else instead. I say, let them go. Just as our political landscape needs to face up to fundamental economic change, many parts of our private sector could do with a purge of the casino capitalists instead of yet another attempt to flatter them and indulge their whims.

I say to the Labour members, and to their Westminster colleagues, the Tories will not do those things; this is Labour's last chance. Of course Labour members will not do it, any more than they will take our nationalised banks' money out of the arms trade or tar sands. They will not do those things because they have spent so long pretending to have abandoned any radical left-wing agenda that it has become the truth.

Jeremy Purvis made an important contribution on breaking up the banks. I want to add to that the argument about changing the banks' culture. It is important that we change their structure, and I was disappointed to hear the cabinet secretary respond by welcoming the merger of another bank. That leads not to more diversity but to less, and to the agglomeration of banks into megabanks. If we want diversity in the banking sector and in other financial services, such as building societies, credit unions and co-operatives, we need to be willing to do the job fully, so as well as breaking up the structure of the banks, we need to consider breaking open their culture. A Government that had the nerve to do that would not only stand a chance of getting re-elected, it could lay the foundations of a new social contract that is fit for the 21<sup>st</sup> century.

16:33

**Iain Smith (North East Fife) (LD):** In such an important debate on such an important subject, it is a disgrace and discourtesy to the Parliament that the Government published the economic recovery plan update this afternoon without first advising Parliament and MSPs that it would be published and without making it available to Opposition spokespersons in advance of the debate, and only sneaking it in to the back of the chamber as the debate began. I look forward to hearing the Presiding Officer's response to Jeremy Purvis's point of order at the start of the debate.

In the limited time that I have had to scrutinise it, I am slightly surprised that in the economic recovery plan update I see no reference to the economic recovery plan, which was announced in a great blaze of publicity—to the media, not the Parliament, of course—last October as a six-point plan that would somehow be our saviour and get us out of our economic disaster. I would have thought that the glossy document that the Government has published today would refer to that plan, or maybe even have a point-by-point analysis of what the Government has done to implement it, indicating the impact of its action, but no. Instead, we have a “third iteration”, which is apparently

“rooted firmly within the *Government Economic Strategy*”.

That strategy was published in 2007, which was before the recession and even before the Council

of Economic Advisers was established. It is therefore slightly surprising that the strategy has not been revised to take account of the very different economic world in which we live. We might have thought that after nearly two years, the Council of Economic Advisers, that highly paid and wonderful body—or highly expensed, I should say, rather than paid—might have come up with something in relation to a new economic strategy for Scotland.

However, fear not folks, and do not worry, because business breakfasts continue between ministers and business leaders across Scotland, with bacon, sausage and a large side-helping of scrambled thinking. The simple truth is that business does not want more breakfasts; it wants more action. The love affair between Scotland's business community and the minority SNP Government is now over. The CBI has said:

"Scottish Ministers ... response to date is inadequate".

The Federation of Small Businesses has said:

"more concerted action will be necessary to kick-start the economy."

The Scottish Council for Development and Industry said in its budget response to the Economy, Energy and Tourism Committee:

"The Scottish Government has stated that its purpose is higher sustainable economic growth ... Overall ... we do not consider that the draft Scottish Budget displays this long-term prioritisation".

I note that the Scottish economic recovery plan update refers to the importance of the accelerated capital spending. It states:

"This spending is expected to provide a significant stimulus to the construction industry at a time when private sector demand has fallen. The Government's capital budget for this year will ultimately support approximately 57,000 jobs in the Scottish economy, including nearly 37,000 in the construction sector alone."

That would certainly be welcome, but we have yet to see the evidence to back up that assertion. We look forward to seeing it. In his evidence on the budget to the Economy, Energy and Tourism Committee, Michael Levack, from the Scottish Building Federation, raised serious concerns that a large part of the advance capital money had gone not to new building and housing projects but to measures such as buying up existing housing stock and adding to land banks, and had not created any new jobs.

There is also serious concern about how the Government is monitoring the effect of the accelerated capital spending. In answer to a parliamentary question from Jeremy Purvis recently, the Government said that it was monitoring the spend but would know whether the advance capital expenditure had created any new jobs only when the accounts were published next

summer. The Government will therefore not know the position for another year. However, the SNP's European elections leaflet managed to state this summer that the Government's economic recovery plan was creating 20,000 more jobs. Where is the evidence for that? What information or statistics does the Government have to prove that that is the case? It claimed last summer that there would be 20,000 new jobs, but it cannot tell us until next summer whether any new jobs have been created or whether any jobs have been saved. I say to the cabinet secretary that that is simply not good enough on such an important issue.

The Government could do a number of things to create jobs, and it could refocus some of its budget to do so. For example, the economic recovery plan update refers to energy efficiency and states that the

"job creation opportunities are significant. Estimates of job creation in one recent programme to promote energy efficiency at the UK level showed it sustained 11 direct and 60 indirect full equivalents for every £1 million invested by Government."

Many parliamentary committees have demanded that the Government invest more in energy efficiency programmes, yet we have no extra money in the budget for them. Indeed, we have not been able to identify a single penny that the Government has provided to implement its responsibilities under its Climate Change (Scotland) Act 2009, which the Parliament passed before the summer recess and for which the Government claims great things.

For Tricia Marwick's benefit, I say that if the Government had followed the example of the National Assembly for Wales and done something about getting hold of some funding from Europe through JEREMIE—joint European resources for micro to medium enterprises—some of the issues to which she referred might have been addressed. However, the Government failed to take action on that particular source of income.

The reality is that we are in the deepest recession for some time, yet Scottish Enterprise's budget is being cut, as are the budgets of Highlands and Islands Enterprise and VisitScotland, and Scottish Development International's budget is frozen, so it is being cut in real terms. In addition, despite all the talk from Joe FitzPatrick and John Swinney about the importance of innovation, Scottish Enterprise's innovation and commercialisation budget is being cut significantly this year. The Government has got its priorities wrong. It needs to take action to change them if it is to create an economic recovery rather than just another document.



16:39

**Gavin Brown (Lothians) (Con):** Members of all parties will have been disappointed with the recent GDP figures. Despite underlying hope of a return to positive—albeit very small—growth, the recent figures make it clear that that has not happened yet. Although the decline was not as sharp as in previous quarters, it was a decline nonetheless. In quarter 2, the economy contracted by 0.6 per cent in the UK and by 0.8 per cent in Scotland, which means that the UK has experienced six successive quarters of negative growth. As has rightly been pointed out, countries such as France, Germany and Japan have moved into growth and are technically out of recession. However, I add a minor word of warning that growth from such a low base—and from such a desperate position—might not be particularly positive and could be extremely fragile. We need to be aware of that as we move forward.

As we have heard from all sides of the chamber, the unemployment statistics make for depressing reading. Some 192,000 people in Scotland are now unemployed, and it is quite likely that the number will continue to rise over the next couple of quarters. When I intervened on the cabinet secretary to voice my concern about the faster rate of increase in unemployment in Scotland, he retorted that the situation had improved slightly. However, the figures for quarter 2 show that the rate of increase in unemployment in Scotland was almost double the rate of increase in England. I accept that that relates only to one quarter, but if that trend were to continue, it would be deeply worrying, because Scotland's unemployment rate would then be in danger of overtaking that of the UK. I ask the Scottish Government to examine that issue closely as we move forward.

Other miscellaneous points arose during the debate, including Mr Kelly's claim that increased discretionary spending has been available to families throughout Scotland. However, it must be borne in mind that much of that increase could be due to the fact that interest rates are currently at 0.5 per cent. Although the statistic that Mr Kelly mentioned might sound nice, it is not one that I recognise. If interest rates were to increase to 3 or 4 per cent, there could be a dramatic decrease in the discretionary spend of families in Scotland. Also on the horizon is a climbing oil price—it was over \$70 a barrel yesterday—and the danger that the effects of quantitative easing could lead to inflation. The dangers on the horizon are possibly greater than they have ever been.

**Margo MacDonald:** I apologise for introducing a more philosophical note at this stage in the debate, but does the member accept that, if we controlled all the levers of economic management, we would not fear a rise in oil prices?

**Gavin Brown:** Whether or not we have such control, oil is a global commodity that is generally traded in dollars, so even if we were independent, I am not sure that we would have greater control. However, I take the point, as that is probably the first and perhaps the last time that Margo MacDonald will give me an apology during a debate.

I want to focus the rest of my remarks on issues over which the Scottish Government and Scottish Parliament have powers, especially those items that are mentioned in the economic recovery plan update. First, as Derek Brownlee did well to point out, we need to start putting more emphasis on our business start-up rate and on growing our smaller businesses into medium-sized enterprises. I gently point out that the Scotland performs website indicates that we have made progress in that regard, but almost all of the recent increase—the rate was flat for about 10 years—could be attributed to the change in VAT law, which meant that many companies became eligible for VAT and were given a commercial reason for becoming so. It would be interesting to know whether the 2008 figures are available, given that the latest figures on the website relate to 2007.

The updated economic recovery plan also refers to

“reducing the business costs of regulation”,

which all Conservatives want to see. However, the document gives the impression that that has already happened. I would be interested to know from the Minister for Enterprise, Energy and Tourism or from the Cabinet Secretary for Finance and Sustainable Growth—whichever of them will sum up today's debate—whether he feels that those costs have been reduced. Setting up the regulatory review body was a good piece of work, but it seems to me that not much of its work has been put into practice thus far. I do not think that I have yet seen a piece of legislation for which a business impact assessment has been produced.

On energy, the Council of Economic Advisers expressed a big concern, as did most of the business community, about the Government's energy policy. Now that the independent report has been produced, I ask the cabinet secretary whether we can see it so that we can produce our own analysis and determine whether the independent experts also had concerns about the policy.

The Scottish Investment Bank was announced in April. The economic recovery plan update tells us that it has now been incorporated as a legal entity, but that takes approximately one day and is an extremely simple process. Where is the Scottish Investment Bank going, when will it

happen on the ground and, most important, what difference will it make?

16:46

**John Park (Mid Scotland and Fife) (Lab):** I welcome this afternoon's debate. It has been a difficult year, particularly for people outside the Parliament who have been dealing with the real consequences of the economic recession that we face. We might have a knockabout here in the Parliament, but in opposition we have tried to make constructive suggestions to aid economic recovery. Initially, we made some suggestions through our 15-point plan last October, and our approach to the budget for this year focused on skills and redundancy support. In our approach to the budget for next year we are again calling for a targeted approach to boost economic performance, and we offer our support for accelerated capital spending in this year's PBR, which would have a positive knock-on effect for Scotland. We are keen to continue to make such contributions.

There are a number of key issues, including in particular apprenticeships, investing in our people, supporting our manufacturing sector and, most important, considering ways in which to stimulate economic growth. Much of the discussion has been about capital acceleration. Our position is clear, but I will make it clear again this afternoon. We support such measures as long as they lead to shovels hitting the ground and to employment.

In the debate, there was a bit of discussion about the extra 7,800 apprenticeships that were agreed in the budget last year. I remind members that if the Greens and Labour had not voted down the original budget—the two votes from the Greens were ultimately very important—we would not have had those 7,800 apprenticeships in the budget. The vote enabled the Parliament to discuss the issues again. Although we welcome the extra apprenticeships and the announcements that have been made, my deliberations with training organisations and employers suggest that we need to continue to pursue the issue over the next year. There is capacity in both the training sector and the employment sector to have many more apprentices in future.

The main problem is that apprentices are facing redundancy, despite the guarantee that is in place. Rob Gibson gave me an opportunity to raise the matter during his speech. Some 1,200 apprentices have been made redundant in the past seven or eight months and most of them have not found alternative employment. Although I welcome any announcement on the expansion of apprenticeship training—we heard about that from both John Swinney and Fiona Hyslop this afternoon—we need to address the particular problem that we

have at the moment and ensure that the years of training that have gone in for hundreds of apprentices are not lost to our industry and to them as individuals. They must get the opportunity to play a positive role and contribute to the economy in future.

We also need to think about how we support smaller businesses to take on apprentices. In a helpful contribution two weeks ago, Andy Willox of the FSB said:

"Apprenticeships are good for the apprentice, good for the business and good for the economy. But too many small firms wouldn't even know where to start in recruiting one."

That is an important point. I understand that the Cabinet Secretary for Education and Lifelong Learning will make an announcement to the Parliament next week about apprenticeship expansion. I hope that the issue of small businesses will be addressed as part of that.

Tricia Marwick spoke about support for the manufacturing sector, and I agree 100 per cent. The proportion of service sector employment that we have in Scotland—four jobs out of every five—is probably unsustainable in the long term. I hope that the Parliament can agree some form of manufacturing strategy for the future. I know that Mr Mather has spent a lot of time speaking to employers and mapping out their concerns over the past couple of years, but we now need to see a little more action. I would like us to focus directly on the manufacturing industry and find out what we can do for it. There are many sub-sectors in that industry that we could support. That would provide brilliant opportunities for people in our communities whom we seek to represent. The Scottish Government needs to take direct action, and I would like it to bring forward a strategy as a matter of urgency.

Iain Smith mentioned the ProAct scheme in Wales. As well as considering a wider manufacturing strategy, we need to deal with issues that we face now. ProAct, which provides support for businesses that are on short-time working, is a very good Welsh Assembly Government initiative; such an initiative here would help businesses now. The expansion of the Scottish manufacturing advisory service has put companies in Scotland's manufacturing sector on a positive footing, but we still need a wider strategy.

Jeremy Purvis made some excellent points about PFI and PPP. The impact of not having a funding mechanism in place for the types of projects that PFI and PPP supported in the past will be felt for years to come in terms of infrastructure projects and skills shortages. It is not just the pipeline of infrastructure projects that is

drying up; the pipeline of individuals is drying up too.

On Jeremy Purvis's comments about the HBOS-Lloyds TSB situation, I would be careful not to be too critical of the HBOS-Lloyds TSB merger. We must look to the future and consider what the banking framework, not only regulation, will look like. At the time of the merger, most people recognised that the HBOS banking model was defunct. Immediate action had to be taken to stabilise the whole system. It was not only capital injection that was required; structural changes were required.

I say to Rob Gibson and Joe FitzPatrick that we must be careful when we make comparisons with other countries. No one would seriously suggest that global banks that are based in Scotland and have their roots here, such as HBOS and the Royal Bank of Scotland, could have been supported in an independent Scotland. I do not think that any serious economist in or outside the Parliament would even suggest that.

Alex Johnstone spent the final minute of his speech criticising the Labour Government. I will return the favour. What would the Tories have done in the situation that we faced last year? At the start of the crisis, they were still calling for the deregulation of the mortgage market. The Tory party was the only political party in the G20 countries to oppose the fiscal stimulus measures that all those countries were pursuing, and the Tories want to cut back on spending now, when every G20 country and all the business organisations are saying that it is far too early to remove support. They keep on using terminology that they get from Conservative central office—they talk about "Labour's recession", for example. Under them, there would have been a Tory depression. The Tory recessions of the 1980s and 1990s fractured communities throughout Scotland. I assure Alex Johnstone and his colleagues that no one in Scotland will forget that.

16:53

**John Swinney:** Mr Park made the fair point that Opposition parties have made suggestions that the Government has accepted and which have been reflected in budget priorities. That is exactly what we have done. We did that last year. I have made no secret of the fact that the Government has accepted a number of suggestions that the Labour Party has made to deal with the economic difficulties that we have faced. As Mr Park rightly said, if we had not had a budget rematch, there would not have been the extra support for apprentices. That is crystal clear, but the consequence of that, of course, was that we did not quite have enough support for as extensive a programme of home insulation as the one that Mr

Patrick Harvie talked about at that time. I say that simply to illustrate clearly that choices have to be made. I am regularly on the receiving end of many demands for more expenditure, but I am never on the receiving end of many demands for reductions in expenditure.

**Patrick Harvie** rose—

**John Swinney:** Mr Harvie's suggestions do not always command universal support in the Parliament, but I will give way to him in a moment.

As we go through a budget process, we must observe that maxim. The discipline and the rule that apply to the Cabinet Secretary for Finance and Sustainable Growth must apply throughout the Parliament.

**Patrick Harvie:** The point has been made that at least some of us are willing to propose that cuts should be made to the most damaging, polluting and wildly overbudgeted projects, Forth road bridges included.

**John Swinney:** I thank Mr Harvie for his further constructive contribution to the debate on choices. I am sure that we will continue it in due course.

**Iain Smith:** Will the cabinet secretary take an intervention?

**John Swinney:** I ask Mr Smith to forgive me, but I have a number of points to respond to.

Wendy Alexander asked why we have not had a further debate on the Government's economic strategy. The Government's economic strategy was published in November 2007 and had at its heart a focus on delivering increased sustainable economic growth. Not for the first time in the Parliament, I make the point that the economic circumstances have not forced the Government to change its economic strategy but have simply increased the scale of the challenge that we face. We believe the foundations of our economic strategy to be the correct foundations based on investment in the human capital of Scotland and the creation of Scotland as a competitive place in which to do business.

The different updates that I have provided to Parliament on the economic programme and the economic recovery plan have been given in the context of the economic strategy. I am regularly in the chamber to debate the economy, and I would be happy to have a debate on the Government's economic strategy, but it is unclear to me whether that request has ever been made at the Parliamentary Bureau. Whenever Mr Crawford receives a request for a debate at the Parliamentary Bureau, he is the first to come to me and demand that I turn up for the debate, and I always do what Mr Crawford tells me. I simply make the point that I would be very happy to debate the issue.

There has not been due acknowledgement in the debate of the direct support that has been given to a range of businesses to support employment creation. Only yesterday, the First Minister made a series of announcements in Ayrshire regarding the creation or safeguarding of 530 jobs in consequence of decisions of the Government. In August, 300 new jobs were announced at Scottish and Southern Energy's centre of engineering excellence for renewable energy, and there was also the announcement of jobs at Tesco Personal Finance. It would have been fairer if those announcements of good news had been mentioned in the debate.

**Margo MacDonald:** I thank the cabinet secretary for taking an intervention at this late hour. I fully appreciate the Government's attempts to protect the Scottish economy. However, I am unable to support the Government's motion tonight because it asks us to recognise the Government's actions

"to ensure that the nation is ... protected from the worst of the downturn".

To "ensure" means to guarantee, and the Scottish Government does not have the fiscal powers to do anything like that. Therefore, I shall not support the motion.

**John Swinney:** We will use and are using every lever that we have at our disposal to support economic recovery. Of course, I would like the Scottish Government to have a fuller range of powers—I have spent my entire adult life trying to secure that, and I will continue to do so.

Wendy Alexander also asked me about the work that the Government has done on access to finance. I say to her and to other members that the Government has regular discussions with the banks in Scotland—including Lloyds TSB, RBS, HSBC and Barclays—about their approach to lending. I met HSBC over the past few days and I will meet RBS again shortly. Wendy Alexander cited a written parliamentary answer that I gave to her on the access to finance survey. If she had given the full explanation, members would have understood that the survey was put together to assess the impact on the Scottish market—the lack of competition—of our having two dominant banks. I dutifully submitted the findings of the survey to the Chancellor of the Exchequer as the person who is responsible for regulation. The Labour Party could have criticised me for spending public money to undertake that survey—and I am sure that it would have—but it is complaining that I have not shared it with enough people. Well, I shared it with the Chancellor of the Exchequer to advise him of the issues.

**Ms Alexander:** Will the cabinet secretary take an intervention?

**John Swinney:** I am afraid that I must draw my remarks to a conclusion.

**Ms Alexander:** Oh, come on.

**The Presiding Officer (Alex Fergusson):** No. The minister is in his last minute, Ms Alexander.

**John Swinney:** I suggest that Wendy Alexander show a little bit more respect to the strictures of the Presiding Officer, as Mr Crawford and I always do.

Andy Kerr's contribution to the issue of the choices in the budget did not take account of the fact that the Government is investing £2 billion in skills and further and higher education and £1 billion in our transport infrastructure and is helping small businesses by maintaining the small business bonus scheme.

Those are the things that the Government is doing. We are taking forward an agenda that delivers for the Scottish economy. We have done that since we came to office and we will continue to do so.

**The Presiding Officer:** Before we come to decision time, I would like to give an answer to the point of order that was raised earlier by Jeremy Purvis.

It is, obviously, a matter of good practice that all material that is relevant to debates in the Parliament be made available to members in sufficient time. If the relevant material is Government information, the responsibility for ensuring that that happens lies with the Government. However, I understand that, on Tuesday morning, the Minister for Parliamentary Business made all business managers aware of the arrangements for the distribution of the document that accompanied today's debate on the Scottish economy. Further, the minister has confirmed that, as agreed, a copy of the document was made available to either the business managers or the resource teams of the parties at 8 o'clock this morning. I can suggest only that, if Mr Purvis wishes to take the matter further, he does so with his own business manager.

## Decision Time

17:01

**The Presiding Officer (Alex Fergusson):**

There are seven questions to be put as a result of today's business. I remind members that, in relation to the debate on the Scottish economy, if the amendment in the name of Andy Kerr is agreed to, the amendment in the name of Jeremy Purvis will fall.

The first question is, that motion S3M-4969, in the name of Richard Lochhead, on the Marine (Scotland) Bill, be agreed to.

*Motion agreed to,*

That the Parliament agrees to the general principles of the Marine (Scotland) Bill.

**The Presiding Officer:** The next question is, that motion S3M-4518, in the name of John Swinney, on the financial resolution to the Marine (Scotland) Bill, be agreed to.

*Motion agreed to,*

That the Parliament, for the purposes of any Act of the Scottish Parliament resulting from the Marine (Scotland) Bill, agrees to any expenditure of a kind referred to in Rules 9.12.3(b)(ii) and (iii) and 9.12.4 of the Parliament's Standing Orders arising in consequence of the Act.

**The Presiding Officer:** The next question is, that amendment S3M-5071.3, in the name of Andy Kerr, which seeks to amend motion S3M-5071, in the name of John Swinney, on the Scottish economy, be agreed to. Are we agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

**FOR**

Alexander, Ms Wendy (Paisley North) (Lab)  
 Baillie, Jackie (Dumbarton) (Lab)  
 Baker, Claire (Mid Scotland and Fife) (Lab)  
 Baker, Richard (North East Scotland) (Lab)  
 Boyack, Sarah (Edinburgh Central) (Lab)  
 Brankin, Rhona (Midlothian) (Lab)  
 Brown, Robert (Glasgow) (LD)  
 Butler, Bill (Glasgow Anniesland) (Lab)  
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)  
 Curran, Margaret (Glasgow Baillieston) (Lab)  
 Foulkes, George (Lothians) (Lab)  
 Glen, Marilyn (North East Scotland) (Lab)  
 Godman, Trish (West Renfrewshire) (Lab)  
 Gordon, Charlie (Glasgow Cathcart) (Lab)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 Gray, Iain (East Lothian) (Lab)  
 Hume, Jim (South of Scotland) (LD)  
 Kelly, James (Glasgow Rutherglen) (Lab)  
 Kerr, Andy (East Kilbride) (Lab)  
 Lamont, Johann (Glasgow Pollok) (Lab)  
 Livingstone, Marilyn (Kirkcaldy) (Lab)  
 Macdonald, Lewis (Aberdeen Central) (Lab)  
 Macintosh, Ken (Eastwood) (Lab)  
 Martin, Paul (Glasgow Springburn) (Lab)  
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)

McCabe, Tom (Hamilton South) (Lab)  
 McConnell, Jack (Motherwell and Wishaw) (Lab)  
 McInnes, Alison (North East Scotland) (LD)  
 McMahon, Michael (Hamilton North and Bellshill) (Lab)  
 McNeil, Duncan (Greenock and Inverclyde) (Lab)  
 McNeill, Pauline (Glasgow Kelvin) (Lab)  
 McNulty, Des (Clydebank and Milngavie) (Lab)  
 Mulligan, Mary (Linlithgow) (Lab)  
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)  
 Murray, Elaine (Dumfries) (Lab)  
 Oldfather, Irene (Cunninghame South) (Lab)  
 Park, John (Mid Scotland and Fife) (Lab)  
 Peacock, Peter (Highlands and Islands) (Lab)  
 Peattie, Cathy (Falkirk East) (Lab)  
 Pringle, Mike (Edinburgh South) (LD)  
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)  
 Scott, Tavish (Shetland) (LD)  
 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)

**AGAINST**

Adam, Brian (Aberdeen North) (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)  
 Coffey, Willie (Kilmarnock and Loudoun) (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)  
 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)  
 Harvie, Christopher (Mid Scotland and Fife) (SNP)  
 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)  
 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)  
 McGrigor, Jamie (Highlands and Islands) (Con)  
 McKee, Ian (Lothians) (SNP)  
 McKelvie, Christina (Central Scotland) (SNP)  
 McLaughlin, Anne (Glasgow) (SNP)  
 McLetchie, David (Edinburgh Pentlands) (Con)  
 McMillan, Stuart (West of Scotland) (SNP)

Mitchell, Margaret (Central Scotland) (Con)  
 Morgan, Alasdair (South of Scotland) (SNP)  
 Neil, Alex (Central Scotland) (SNP)  
 Paterson, Gil (West of Scotland) (SNP)  
 Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)  
 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)  
 Smith, Iain (North East Fife) (LD)  
 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)

#### ABSTENTIONS

Harper, Robin (Lothians) (Green)  
 Harvie, Patrick (Glasgow) (Green)

**The Presiding Officer:** The result of the division is: For 48, Against 67, Abstentions 2.

*Amendment disagreed to.*

**The Presiding Officer:** The next question is, that amendment S3M-5071.1, in the name of Derek Brownlee, which seeks to amend motion S3M-5071, in the name of John Swinney, on the Scottish economy, be agreed to. Are we agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

#### FOR

Adam, Brian (Aberdeen North) (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)  
 Coffey, Willie (Kilmarnock and Loudoun) (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)  
 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)  
 McLaughlin, Anne (Glasgow) (SNP)  
 McLetchie, David (Edinburgh Pentlands) (Con)  
 McMillan, Stuart (West of Scotland) (SNP)  
 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, Claire (Mid Scotland and Fife) (Lab)  
 Baker, Richard (North East Scotland) (Lab)  
 Boyack, Sarah (Edinburgh Central) (Lab)  
 Brankin, Rhona (Midlothian) (Lab)  
 Brown, Robert (Glasgow) (LD)  
 Butler, Bill (Glasgow Anniesland) (Lab)  
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)  
 Curran, Margaret (Glasgow Baillieston) (Lab)  
 Finnie, Ross (West of Scotland) (LD)  
 Foulkes, George (Lothians) (Lab)  
 Glen, Marlyn (North East Scotland) (Lab)  
 Godman, Trish (West Renfrewshire) (Lab)  
 Gordon, Charlie (Glasgow Cathcart) (Lab)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 Gray, Iain (East Lothian) (Lab)  
 Hume, Jim (South of Scotland) (LD)  
 Kelly, James (Glasgow Rutherglen) (Lab)  
 Kerr, Andy (East Kilbride) (Lab)  
 Lamont, Johann (Glasgow Pollok) (Lab)  
 Livingstone, Marilyn (Kirkcaldy) (Lab)  
 Macdonald, Lewis (Aberdeen Central) (Lab)  
 Macintosh, Ken (Eastwood) (Lab)  
 Martin, Paul (Glasgow Springburn) (Lab)  
 McArthur, Liam (Orkney) (LD)  
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)  
 McCabe, Tom (Hamilton South) (Lab)  
 McConnell, Jack (Motherwell and Wishaw) (Lab)  
 McInnes, Alison (North East Scotland) (LD)  
 McMahon, Michael (Hamilton North and Bellshill) (Lab)  
 McNeil, Duncan (Greenock and Inverclyde) (Lab)  
 McNeill, Pauline (Glasgow Kelvin) (Lab)  
 McNulty, Des (Clydebank and Milngavie) (Lab)  
 Mulligan, Mary (Linlithgow) (Lab)

Munro, John Farquhar (Ross, Skye and Inverness West) (LD)  
 Murray, Elaine (Dumfries) (Lab)  
 Oldfather, Irene (Cunninghame South) (Lab)  
 Park, John (Mid Scotland and Fife) (Lab)  
 Peacock, Peter (Highlands and Islands) (Lab)  
 Peattie, Cathy (Falkirk East) (Lab)  
 Pringle, Mike (Edinburgh South) (LD)  
 Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)  
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)  
 Scott, Tavish (Shetland) (LD)  
 Smith, Iain (North East Fife) (LD)  
 Smith, Margaret (Edinburgh West) (LD)  
 Stephen, Nicol (Aberdeen South) (LD)  
 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)

#### ABSTENTIONS

MacDonald, Margo (Lothians) (Ind)

**The Presiding Officer:** The result of the division is: For 64, Against 52, Abstentions 1.

*Amendment agreed to.*

**The Presiding Officer:** The next question is, that amendment S3M-5071.2, in the name of Jeremy Purvis, which seeks to amend motion S3M-5071, in the name of John Swinney, on the Scottish economy, as amended, be agreed to. Are we agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

#### FOR

Brown, Robert (Glasgow) (LD)  
 Finnie, Ross (West of Scotland) (LD)  
 Harper, Robin (Lothians) (Green)  
 Harvie, Patrick (Glasgow) (Green)  
 Hume, Jim (South of Scotland) (LD)  
 MacDonald, Margo (Lothians) (Ind)  
 McArthur, Liam (Orkney) (LD)  
 McInnes, Alison (North East Scotland) (LD)  
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)  
 Pringle, Mike (Edinburgh South) (LD)  
 Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)  
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)  
 Scott, Tavish (Shetland) (LD)  
 Smith, Iain (North East Fife) (LD)  
 Smith, Margaret (Edinburgh West) (LD)  
 Stephen, Nicol (Aberdeen South) (LD)  
 Stone, Jamie (Caithness, Sutherland and Easter Ross) (LD)  
 Tolson, Jim (Dunfermline West) (LD)

#### AGAINST

Adam, Brian (Aberdeen North) (SNP)  
 Aitken, Bill (Glasgow) (Con)  
 Alexander, Ms Wendy (Paisley North) (Lab)  
 Allan, Alasdair (Western Isles) (SNP)  
 Baillie, Jackie (Dumbarton) (Lab)  
 Baker, Claire (Mid Scotland and Fife) (Lab)  
 Baker, Richard (North East Scotland) (Lab)  
 Boyack, Sarah (Edinburgh Central) (Lab)  
 Brankin, Rhona (Midlothian) (Lab)  
 Brocklebank, Ted (Mid Scotland and Fife) (Con)

Brown, Gavin (Lothians) (Con)  
 Brown, Keith (Ochil) (SNP)  
 Brownlee, Derek (South of Scotland) (Con)  
 Butler, Bill (Glasgow Anniesland) (Lab)  
 Campbell, Aileen (South of Scotland) (SNP)  
 Carlaw, Jackson (West of Scotland) (Con)  
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)  
 Coffey, Willie (Kilmarnock and Loudoun) (SNP)  
 Constance, Angela (Livingston) (SNP)  
 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)  
 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)  
 Glen, Marlyn (North East Scotland) (Lab)  
 Godman, Trish (West Renfrewshire) (Lab)  
 Goldie, Annabel (West of Scotland) (Con)  
 Gordon, Charlie (Glasgow Cathcart) (Lab)  
 Grahame, Christine (South of Scotland) (SNP)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 Gray, Iain (East Lothian) (Lab)  
 Harvie, Christopher (Mid Scotland and Fife) (SNP)  
 Hepburn, Jamie (Central Scotland) (SNP)  
 Hyslop, Fiona (Lothians) (SNP)  
 Ingram, Adam (South of Scotland) (SNP)  
 Johnstone, Alex (North East Scotland) (Con)  
 Kelly, James (Glasgow Rutherglen) (Lab)  
 Kerr, Andy (East Kilbride) (Lab)  
 Kidd, Bill (Glasgow) (SNP)  
 Lamont, Johann (Glasgow Pollok) (Lab)  
 Lamont, John (Roxburgh and Berwickshire) (Con)  
 Livingstone, Marilyn (Kirkcaldy) (Lab)  
 Lochhead, Richard (Moray) (SNP)  
 MacAskill, Kenny (Edinburgh East and Musselburgh) (SNP)  
 Macdonald, Lewis (Aberdeen Central) (Lab)  
 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)  
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)  
 McCabe, Tom (Hamilton South) (Lab)  
 McConnell, Jack (Motherwell and Wishaw) (Lab)  
 McGrigor, Jamie (Highlands and Islands) (Con)  
 McKee, Ian (Lothians) (SNP)  
 McKelvie, Christina (Central Scotland) (SNP)  
 McLaughlin, Anne (Glasgow) (SNP)  
 McLetchie, David (Edinburgh Pentlands) (Con)  
 McMahon, Michael (Hamilton North and Bellshill) (Lab)  
 McMillan, Stuart (West of Scotland) (SNP)  
 McNeil, Duncan (Greenock and Inverclyde) (Lab)  
 McNeill, Pauline (Glasgow Kelvin) (Lab)  
 McNulty, Des (Clydebank and Milngavie) (Lab)  
 Mitchell, Margaret (Central Scotland) (Con)  
 Morgan, Alasdair (South of Scotland) (SNP)  
 Mulligan, Mary (Linlithgow) (Lab)  
 Murray, Elaine (Dumfries) (Lab)  
 Neil, Alex (Central Scotland) (SNP)  
 Oldfather, Irene (Cunninghame South) (Lab)  
 Park, John (Mid Scotland and Fife) (Lab)  
 Paterson, Gil (West of Scotland) (SNP)  
 Peacock, Peter (Highlands and Islands) (Lab)  
 Peattie, Cathy (Falkirk East) (Lab)  
 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)  
 Stewart, David (Highlands and Islands) (Lab)  
 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)  
 Whitefield, Karen (Airdrie and Shotts) (Lab)  
 Wilson, Bill (West of Scotland) (SNP)  
 Wilson, John (Central Scotland) (SNP)

**The Presiding Officer:** The result of the division is: For 18, Against 99, Abstentions 0.

*Amendment disagreed to.*

**The Presiding Officer:** The next question is, that amendment S3M-5071.4, in the name of Patrick Harvie, which seeks to amend motion S3M-5071, in the name of John Swinney, as amended, 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)  
 Aitken, Bill (Glasgow) (Con)  
 Alexander, Ms Wendy (Paisley North) (Lab)  
 Allan, Alasdair (Western Isles) (SNP)  
 Baillie, Jackie (Dumbarton) (Lab)  
 Baker, Claire (Mid Scotland and Fife) (Lab)  
 Baker, Richard (North East Scotland) (Lab)  
 Boyack, Sarah (Edinburgh Central) (Lab)  
 Brankin, Rhona (Midlothian) (Lab)  
 Brocklebank, Ted (Mid Scotland and Fife) (Con)  
 Brown, Gavin (Lothians) (Con)  
 Brown, Keith (Ochil) (SNP)  
 Brown, Robert (Glasgow) (LD)  
 Brownlee, Derek (South of Scotland) (Con)  
 Butler, Bill (Glasgow Anniesland) (Lab)  
 Campbell, Aileen (South of Scotland) (SNP)  
 Carlaw, Jackson (West of Scotland) (Con)  
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)  
 Coffey, Willie (Kilmarnock and Loudoun) (SNP)  
 Constance, Angela (Livingston) (SNP)  
 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)

Glen, Marlyn (North East Scotland) (Lab)  
 Godman, Trish (West Renfrewshire) (Lab)  
 Goldie, Annabel (West of Scotland) (Con)  
 Gordon, Charlie (Glasgow Cathcart) (Lab)  
 Grahame, Christine (South of Scotland) (SNP)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 Gray, Iain (East Lothian) (Lab)  
 Harvie, Christopher (Mid Scotland and Fife) (SNP)  
 Hepburn, Jamie (Central Scotland) (SNP)  
 Hume, Jim (South of Scotland) (LD)  
 Hyslop, Fiona (Lothians) (SNP)  
 Ingram, Adam (South of Scotland) (SNP)  
 Johnstone, Alex (North East Scotland) (Con)  
 Kelly, James (Glasgow Rutherglen) (Lab)  
 Kerr, Andy (East Kilbride) (Lab)  
 Kidd, Bill (Glasgow) (SNP)  
 Lamont, Johann (Glasgow Pollok) (Lab)  
 Lamont, John (Roxburgh and Berwickshire) (Con)  
 Livingstone, Marilyn (Kirkcaldy) (Lab)  
 Lochhead, Richard (Moray) (SNP)  
 MacAskill, Kenny (Edinburgh East and Musselburgh) (SNP)  
 Macdonald, Lewis (Aberdeen Central) (Lab)  
 Macintosh, Ken (Eastwood) (Lab)  
 Martin, Paul (Glasgow Springburn) (Lab)  
 Marwick, Tricia (Central Fife) (SNP)  
 Mather, Jim (Argyll and Bute) (SNP)  
 Matheson, Michael (Falkirk West) (SNP)  
 Maxwell, Stewart (West of Scotland) (SNP)  
 McArthur, Liam (Orkney) (LD)  
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)  
 McCabe, Tom (Hamilton South) (Lab)  
 McConnell, Jack (Motherwell and Wishaw) (Lab)  
 McGrigor, Jamie (Highlands and Islands) (Con)  
 McInnes, Alison (North East Scotland) (LD)  
 McKee, Ian (Lothians) (SNP)  
 McKelvie, Christina (Central Scotland) (SNP)  
 McLaughlin, Anne (Glasgow) (SNP)  
 McLetchie, David (Edinburgh Pentlands) (Con)  
 McMahon, Michael (Hamilton North and Bellshill) (Lab)  
 McMillan, Stuart (West of Scotland) (SNP)  
 McNeil, Duncan (Greenock and Inverclyde) (Lab)  
 McNeill, Pauline (Glasgow Kelvin) (Lab)  
 McNulty, Des (Clydebank and Milngavie) (Lab)  
 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)  
 Oldfather, Irene (Cunninghame South) (Lab)  
 Park, John (Mid Scotland and Fife) (Lab)  
 Paterson, Gil (West of Scotland) (SNP)  
 Peacock, Peter (Highlands and Islands) (Lab)  
 Peattie, Cathy (Falkirk East) (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)  
 Smith, Elizabeth (Mid Scotland and Fife) (Con)  
 Smith, Iain (North East Fife) (LD)  
 Smith, Margaret (Edinburgh West) (LD)  
 Somerville, Shirley-Anne (Lothians) (SNP)  
 Stephen, Nicol (Aberdeen South) (LD)  
 Stevenson, Stewart (Banff and Buchan) (SNP)  
 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)  
 Wilson, Bill (West of Scotland) (SNP)  
 Wilson, John (Central Scotland) (SNP)

**The Presiding Officer:** The result of the division is: For 3, Against 114, Abstentions 0.

*Amendment disagreed to.*

**The Presiding Officer:** The next question is, that motion S3M-5071, in the name of John Swinney, on the Scottish economy, as amended, be agreed to. Are we agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

**FOR**

Adam, Brian (Aberdeen North) (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)  
 Coffey, Willie (Kilmarnock and Loudoun) (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)  
 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)  
 Harvie, Christopher (Mid Scotland and Fife) (SNP)  
 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)  
 McLaughlin, Anne (Glasgow) (SNP)  
 McLetchie, David (Edinburgh Pentlands) (Con)  
 McMillan, Stuart (West of Scotland) (SNP)  
 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, Claire (Mid Scotland and Fife) (Lab)  
 Baker, Richard (North East Scotland) (Lab)  
 Boyack, Sarah (Edinburgh Central) (Lab)  
 Brankin, Rhona (Midlothian) (Lab)  
 Brown, Robert (Glasgow) (LD)  
 Butler, Bill (Glasgow Anniesland) (Lab)  
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)  
 Curran, Margaret (Glasgow Baillieston) (Lab)  
 Finnie, Ross (West of Scotland) (LD)  
 Foulkes, George (Lothians) (Lab)  
 Glen, Marlyn (North East Scotland) (Lab)  
 Godman, Trish (West Renfrewshire) (Lab)  
 Gordon, Charlie (Glasgow Cathcart) (Lab)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 Gray, Iain (East Lothian) (Lab)  
 Harper, Robin (Lothians) (Green)  
 Harvie, Patrick (Glasgow) (Green)  
 Hume, Jim (South of Scotland) (LD)  
 Kelly, James (Glasgow Rutherglen) (Lab)  
 Kerr, Andy (East Kilbride) (Lab)  
 Lamont, Johann (Glasgow Pollok) (Lab)  
 Livingstone, Marilyn (Kirkcaldy) (Lab)  
 Macdonald, Lewis (Aberdeen Central) (Lab)  
 Macintosh, Ken (Eastwood) (Lab)  
 Martin, Paul (Glasgow Springburn) (Lab)  
 McArthur, Liam (Orkney) (LD)  
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)  
 McCabe, Tom (Hamilton South) (Lab)  
 McConnell, Jack (Motherwell and Wishaw) (Lab)  
 McInnes, Alison (North East Scotland) (LD)  
 McMahon, Michael (Hamilton North and Bellshill) (Lab)  
 McNeil, Duncan (Greenock and Inverclyde) (Lab)  
 McNeill, Pauline (Glasgow Kelvin) (Lab)  
 McNulty, Des (Clydebank and Milngavie) (Lab)  
 Mulligan, Mary (Linlithgow) (Lab)  
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)  
 Murray, Elaine (Dumfries) (Lab)  
 Oldfather, Irene (Cunninghame South) (Lab)  
 Park, John (Mid Scotland and Fife) (Lab)  
 Peacock, Peter (Highlands and Islands) (Lab)  
 Peattie, Cathy (Falkirk East) (Lab)  
 Pringle, Mike (Edinburgh South) (LD)  
 Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)  
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)  
 Scott, Tavish (Shetland) (LD)  
 Smith, Iain (North East Fife) (LD)  
 Smith, Margaret (Edinburgh West) (LD)  
 Stephen, Nicol (Aberdeen South) (LD)  
 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)

#### ABSTENTIONS

MacDonald, Margo (Lothians) (Ind)

**The Presiding Officer:** The result of the division is: For 62, Against 54, Abstentions 1.

*Motion, as amended, agreed to,*

That the Parliament recognises the impact of the recession on Scotland and notes the actions that the Scottish Government is taking to support jobs and communities, strengthen education and skills and invest in innovation and industries of the future to ensure that the nation is both protected from the worst of the downturn and well placed to take advantage of any recovery; further recognises the need to support existing and new businesses to create jobs; regrets the historic underperformance of the Scottish economy in new business creation; welcomes the positive and timely impact of the significant business rate reductions for small and medium-sized businesses and the Town Centre Regeneration Fund, and calls on the Scottish Government to work with all other levels of government and with the business community to do more to help raise the level of new business start-ups in Scotland.

## Schools (North-east Fife)

**The Deputy Presiding Officer (Trish Godman):** The final item of business is a members' business debate on motion S3M-4110, in the name of Ted Brocklebank, on the new secondary school for north-east Fife. The debate will be concluded without any question being put.

*Motion debated,*

That the Parliament believes that the children, parents and communities of Tay Bridgehead in north-east Fife require a new secondary school and community facility in addition to the proposed single site at Madras College; highlights that the campaign for a new Tay Bridgehead school has been ongoing for more than half a century; considers, in light of recent leaked figures, that the proposed new Madras College will not be big enough to accommodate all the pupils, including those from the Tay Bridgehead area; notes that currently around 850 pupils from the Tay Bridgehead and Leuchars area have to be bussed to school and that this has affected their education and involvement in school activities, as has been the case for generations; congratulates *The Courier*, *Fife Herald* and *St Andrews Citizen* for highlighting the growing public support for a Tay Bridgehead school, and supports all those involved in the campaign.

17:08

**Ted Brocklebank (Mid Scotland and Fife) (Con):** During the recess I was fortunate enough to be in that most Scottish of New Zealand cities, Dunedin. When I visited the country's oldest university, Otago, I was greeted by a nonagenarian former member of the university staff who wanted to know whether I was the boy from Madras. I am not sure what pleased me most—the accolade “boy” or the fact that this wonderful old lady had, like me, been educated at Madras college in St Andrews. She told me of other former pupils who are doing well in Australasia, including the recently retired chancellor of the University of Sydney, who turned out to be my former next door neighbour when I was growing up in St Andrews, wee Gavin Brown—another Gavin Brown.

It is no mystery to those of us who are lucky enough to attend Madras that our local high school should bear the name of an Indian city; we all know that a local lad of parts, Andrew Bell, made his siller with the East India Company in Madras and chose to endow a place of learning in his home town. Madras and Bell Baxter in Cupar—also founded by Andrew Bell—have among the highest pupil rolls in Scotland. Each day around 850 pupils are bussed from Fife's Tayside communities—most are bussed to Madras but some are bussed to Bell Baxter, which is described as already being at 101 per cent capacity. The journey for pupils who come from the outlying villages of Balmerino and Gaudry can take up to 90 minutes each way—that is three

hours added to the school day. The taxpayer picks up the transportation costs, which are now approaching £1 million per annum.

For more than half a century, as I can personally testify, there has been a campaign to site a separate secondary school at the Tay bridgehead. In a recent poll on a local newspaper website, 67 per cent of the responses were in favour of a Tay bridgehead school.

**Iain Smith (North East Fife) (LD):** Will the member take an intervention on that point?

**Ted Brocklebank:** Not at this stage. The member will have ample time to reply to all the points. I will try to let him in later if I have time.

Some might recall that I introduced a members' business debate on plans for a bridgehead school shortly after I became a member of the Parliament in 2003. At that time, Fife Council was controlled by Labour, and I received support from Tricia Marwick and the constituency member, Iain Smith. Mr Smith said:

"I certainly do not need Ted Brocklebank to tell me about the need for a new school for north Fife, as I have been campaigning for one for many years."—[*Official Report*, 4 June 2003; c 394.]

In his Lib Dem campaign material for the 2003 and 2007 Scottish parliamentary elections, Iain Smith claimed that his number 1 priority was

"New secondary schools for St Andrews and the Tay Bridgehead."

That was his number 1 priority, no less. I have examples of the pamphlets that he put out at that time.

Mr Smith waxed even more enthusiastic when his party went into coalition with the Scottish National Party in Fife Council. On 17 May 2007, he welcomed the new political alliance and urged it

"to give priority to the need for a new secondary school which serves the Tay Bridgehead area and for a single site Madras College."

However, that was then and this is now.

Members' business debates are, by tradition, consensual, and I am trying very hard to be consensual, but it is difficult if members display all the consistency of a blancmange when it comes to living up to pre-election promises. Early in the new administration, the SNP-Lib Dem coalition on Fife Council decided that declining pupil numbers meant that there was no longer a need for a bridgehead school, so Mr Smith had to change his tune, and quickly. He says that events have moved on significantly. In a recent interview in *The Courier*, he claimed that he was surprised that tonight's members' business motion was even considered appropriate. What surprised him, I

believe, was that some parties actually stick to their election promises.

Let us consider whether events have moved on significantly. Fife Council certainly seems set on a single-site school to replace the current Madras college on South Street. The council estimates that the new school will have a roll of 1,342 pupils, which is 300 or so short of the present figure but still 350 more than the 1,000 pupils who attend top-achieving schools such as Cults academy, Banchory academy and Boroughmuir high school, which are second, fourth and ninth respectively in the school national league tables.

How accurate are the council's future pupil estimates? Significantly, education officials have always placed qualifications on their school roll projections, advising that they should be treated with "considerable caution". Perhaps that is because a leaked Lib Dem memo showed that the proposed new single-site Madras college would not have sufficient capacity to accommodate future pupil roll numbers. In other words, if population projections for north-east Fife proved wrong—and remember that the area's population has risen continuously since the war—the proposed new Madras would be over capacity before it was even built. Fife education officials' methodology appears to have been to apply national pupil roll predictions rather than to address the situation on the ground in north-east Fife. At one stage, even Iain Smith was demanding an independent assessment of the figures. Of course, that demand has quietly been dropped.

I repeatedly urged the council to wait until the local plan was published, to allow a mature judgment of how extra housing might influence pupil roll projections. Well, the finalised St Andrews and east Fife local plan has been published and the most cursory examination reveals that the estimated housing capacity for the Madras catchment area is no fewer than 1,700 new homes in the nine-year period up to 2018, with the potential for a further 835 houses. Taking the lower figure of 1,700, even if two thirds of those houses are occupied by retired or childless people, and even if we allow for only one child per household for the remainder, that still adds up to more than 500 extra youngsters who will be eligible to go to Madras within a decade. However, Fife Council argues that, somehow, we will lose about 300 pupils from the Madras roll over the same period. How can those housing figures possibly tally with the pupil roll projections?

North-east Fife parents should tell Fife Council in no uncertain terms that we require not one, but two single-site schools of about 1,000 pupils each—one to replace Madras and the other at the bridgehead.

I have yet to be convinced that a new 1,000-pupil Madras college could not be sited in an upgraded and expanded school on the present historic site in South Street. That would preserve Andrew Bell's A-listed building and go some way to satisfying the many former Madras pupils who, like me, believe that our school has been scandalously neglected by Fife Council over the years. The other option must surely be a greenfield site adjacent to the playing fields at Station park.

It would be the height of folly for the council to proceed with its present plans for a 1,342-pupil single-site school anywhere in St Andrews, if—as seems to be virtually certain—its pupil roll projections prove within a decade to be hopelessly inaccurate. That is exactly the situation in prospect, based on the housing estimates in the 2009 local plan, which everyone can study on the council website from tomorrow.

17:15

**Christopher Harvie (Mid Scotland and Fife) (SNP):** I am grateful for the opportunity to speak in this debate and I congratulate Ted Brocklebank on bringing it to the chamber. I am aware that attempts to secure a secondary school for north-east Fife go back to the 1970s and agree that the current situation, in which hundreds of pupils are bussed from Tayport and Newport to a Madras college that is split between two sides of St Andrews, leaves a lot to be desired.

I share Ted Brocklebank's affection for old school buildings since I was for a short time—just about the length of a session of Parliament, in fact—educated at Royal High school. I remember that the place was warmed by colossal coal fires, which meant that one could always recognise a Royal High master because he was the man with the burned bum, so to speak: the gowns were frayed where they had been baked against the fires. I left before the place had central heating, let alone got anywhere near the 20<sup>th</sup> century.

Fife Council's current plans to build a new Madras college largely meet with my approval, and I will explain why. In a country that for the benefit of my Conservative friends I will call Ruritania, in which I served at a university for something like 30 years, there has been much reconstruction of secondary schools. Those schools are big and have a wide range of student facilities with a particular concentration on technical subjects—and they are all on railway lines.

It does not seem to have occurred to folk that the business of bussing people rather slowly across northern Fife could be obviated by having a new railway station on what was the old branch

line, very close to the site that is proposed for the new school. If we were in Ruritania, trains would leave Dundee—which has two universities, lots of schools and teaching hospitals—and run right through to St Andrews along what must be potentially the richest educational corridor in Scotland, although it is sadly neglected. Why is it that such a huge tourist resort and centre of learning has only a bus service through to Leuchars junction?

My suggestion—which in Ruritanian terms is utterly orthodox and rather boring—is that we have a train service that terminates in St Andrews, at a college centre station. We would, as we have heard, have an almost immediate subsidy of £1 million a year. In Ruritania, that type of service draws many orthodox passengers to use the railway services in rural areas and it restores a public service.

Our Minister for Schools and Skills can testify to the fact that, after much struggle and strife involving underestimates and overestimates, a railway was built through to Alloa. In place of the expected 150,000 or 160,000 passengers a year, more than 400,000 currently use that service, so it has been a whirl of a success.

Why is there not a bit of joined-up thinking on this matter? If we have a secondary school—an expanded Madras college—just outside St Andrews, it would be in an area that is rich in potential teachers. That is something from which Ted Brocklebank has undoubtedly benefited in his time. I speak as someone who grew up in a university town and who is well aware of the usual masses of excellent but relatively poorly paid teachers in such areas.

We ought to look at what we will do with the corridor between St Andrews and Dundee and the chances that we have to develop all the communities along it. We should think of a joined-up solution, which has already been shown to be successful in the case of Alloa. We should think about our schools and our transport systems at the same time.

17:20

**Claire Baker (Mid Scotland and Fife) (Lab):** I am a bit wary of getting in between the Conservatives and the Liberals on this, but I will give it a go.

I am happy to take part in this evening's debate, and I congratulate Ted Brocklebank on securing it, although I feel that the lack of cross-party support for his motion will be reflected in this evening's contributions. I recognise his consistency in calling for a Tay bridgehead school, and I congratulate him on highlighting the issue for those who are involved in the campaign. It is good that we have

members' business debates to highlight issues about which local people are passionate.

I suspect that Mr Brocklebank's motivation in this debate is as much to have a pop at the Liberals in Fife as anything else—or even to have a pop at Iain Smith, although I am sure that he can speak for himself. However, Mr Brocklebank is right to say that, prior to the most recent local government elections, the Liberals in Fife campaigned for two schools in north-east Fife. They made promises that they have abandoned now that they are in power in Fife with the Scottish National Party.

It is regrettable that members' business debates about Fife always seem more suited to the cut and thrust of Thursday mornings than to Thursday tea times, but education in Fife is a concern. The rate of progress from the local authority on improving Fife schools and undertaking new builds is woeful—it has been far too slow. If there was more progress on Madras college, the needs of secondary pupils in the Tay bridgehead area would be better met.

I appreciate that Ted Brocklebank made a persuasive argument for a new school in the bridgehead area, and Fife Council did not help itself with the fiasco over the leaked figures, but there are questions to answer about having two new-build schools in the north-east. Where will the money come from? Some £40 million has been committed to a new Madras college, there is a pressing need for a new school in Kirkcaldy, and there are far too many C condition schools in Fife that need to be improved. A new school in the Tay bridgehead area is financially unachievable.

House building and community expansion is planned for St Andrews and Cupar, which is where the majority of the pupil numbers will be and where the resources must be focused.

I appreciate that there are real issues with transport and that parents will often appreciate having a school close to their home, but there must be other considerations in the provision of secondary education. We expect our modern secondary schools to be able to offer choice in the curriculum, such as a range of languages, drama and the sciences, all of which an improved single-site Madras college, with links to the University of St Andrews, could offer. It is debatable whether a smaller high school could deliver the same variety and breadth and the opportunities that pupils and parents expect.

Although having a school nearby has its attractions, it is not the only factor in a decision about where a young person goes to school. In parts of Fife we already have fairly active use of placing requests at secondary level. We have to question whether travel would be the most

pressing concern for parents and young people when choosing between a school with an established reputation, a wide range of courses and a modern environment and an untested school offering more limited educational choices. The issue of locality is different for secondary pupils and primary pupils. We must deliver the highest level of education for all our pupils.

The Labour Party in Fife has made no secret of the fact that we are committed to a single-site school for Madras college and that building two schools in the north-east was never realistic and is not the right solution. There is the clear potential to develop Madras college as a state-of-the-art school that is able to deliver a modern, broad education with links to one of the top universities in the world, never mind in Scotland.

It is regrettable that in nearly three years of the current Fife Council administration we have not seen the progress at Madras that is needed. Madras college needs to be a centre of excellence that will benefit pupils throughout north-east Fife. I thank Ted Brocklebank for the opportunity to discuss the issue this evening.

17:24

**Iain Smith (North East Fife) (LD):** I am happy to participate in this debate on the important issue of secondary education in my constituency of North East Fife, and I congratulate Ted Brocklebank on securing the debate, despite the lack of cross-party support for his motion.

There is no question but that there is an urgent need to replace the current school buildings that house Madras college in St Andrews. A few years ago, a report by Her Majesty's Inspectorate of Education was scathing about the standard of accommodation that pupils and teachers have to put up with. It highlighted problems caused by the split site—teachers spend much of the day travelling between the two sites—problems of management and issues of discipline, which were thought to be affected by the lack of influence of senior pupils on younger pupils in the school.

The poor accommodation and split site were thought likely to have a detrimental effect on the education of the children who attend Madras college. It is only through the dedication of teaching staff and the hard work of pupils that Madras college manages to maintain the high standards of education that it provides. The message was clear—the existing Madras accommodation was no longer fit for purpose and needed to be replaced urgently. Our kids deserved better.

It is regrettable that inaction from the then Labour-led Fife Council followed that. Only after the 2007 election, when the Liberal Democrats

took over Fife Council with the SNP, did progress start to be made on replacing Madras college.

**Claire Baker:** Does the member acknowledge that two more secondary schools and 14 more primaries in Fife have fallen into the C and D categories since 2007? That has all happened under the SNP and Liberal administration.

**Iain Smith:** Let us be honest—schools do not suddenly deteriorate in two years. It is a process, and a lack of investment for several years caused the problem. Madras college has one of the most serious problems, which needs to be addressed urgently. Thanks to the Liberal Democrats being part of the administration in Fife, Madras is a top priority for Fife Council and £40 million has been committed to a new school.

The question of where any new school should be built remains. Two years ago, like Ted Brocklebank I took the view that there was a strong case for considering two new schools—one to serve the Tay bridgehead area and another to serve the St Andrews area. Madras college has been one of the largest schools in Scotland. Its roll has been over 2,000 and it was still 1,722 in 2004. It is not unreasonable to argue that a school of such size is too large and that two schools could be created instead, which would cut travel time for students from the Newport, Wormit and Tayport areas. The roll is split roughly 60:40 between the St Andrews and bridgehead areas. An overall roll of about 1,750 would allow one secondary school with a roll of about 1,050 and another with a roll of about 700. They would be reasonably sized schools to operate.

On that basis, although my top priority in the 2007 election campaign was definitely to have the existing Madras college buildings replaced, I also preferred the two-school option—I make no bones about that. However, it has become clear that school rolls in the area are continuing to decline. Madras's roll was 1,621 in 2008 and is only 1,513 this year. The roll is expected to fall below 1,400 by 2014 and, even if we allow for the expected house building in the local plan of which Ted Brocklebank made much—that is all included in the future roll projections—the roll is not expected ever to rise above 1,500.

That means that the roll of a new Tay bridgehead school would be unlikely ever to reach 600. It is generally accepted that a secondary school of such a size would struggle to provide an adequate range of curriculum options and to sustain a satisfactory fifth and sixth-year cohort. Furthermore, parental choice would be likely to mean that the number in the bridgehead continued to drop as the prospect of a new Madras with a larger curriculum became a greater draw. A new Tay bridgehead school would reduce rather than

enhance the educational opportunities for children in the area.

I refuse to play politics with pupils' futures, and I will not continue to support an option that will not provide children in my constituency with the best possible education. Discussion has—rightly—turned to the best site for a new single-site school in St Andrews. I have been in regular contact with Fife Council in the past two years, and I know that the council has worked with parents—including those with children in Tay bridgehead area schools—through the Madras college local development group, which has focused clearly on the location of a new single-site school in St Andrews.

I am pleased to report that Fife Council is working closely with St Andrews University and that the possibility of locating a new Madras school to the west of St Andrews is on the cards. Everyone who is involved is optimistic about a positive outcome because of the shared vision of an opportunity to provide a unique school that works closely with a first-class university. It is hoped that a report to develop the proposal will go to Fife Council's education and children's services committee in the near future.

A new Madras college that was co-located with St Andrews University would provide an exciting new opportunity for the next generation of pupils in the St Andrews and Tay bridgehead areas. We cannot afford to miss that opportunity. I am afraid that Ted Brocklebank and his motion are way off the pace. I hope that he will come up to speed with the rest of us and start to campaign to ensure that we have the best possible school for St Andrews and the Tay bridgehead.

17:29

**Elizabeth Smith (Mid Scotland and Fife) (Con):** I congratulate my colleague Ted Brocklebank on securing this debate. I cannot claim to be the girl from Madras, despite having played hockey against the school many times when I was at school.

As a former teacher, I am only too aware of the positive impact that a school can have, not only on the education of its pupils but on their families and the wider community. Indeed, in some areas, the school becomes the central focus for the community. In debating the motion, we must think to the future and not the present.

Accessibility is a key component, not only in facilitating travel to and from school but in giving greater opportunities for pupils to take part in after-school activities. In my opinion, the latter is as important to the development and wellbeing of our young people as classroom learning is. It is clear that parents are focusing on the issue.

Like many communities across Scotland, the population of north-east Fife has seen significant growth in recent years. That is set to continue. The school estate statistics for 2009 predict an eventual increase in school rolls in the area as a result of demographic trends. We must be mindful of that in planning ahead. By national standards, Bell Baxter high school is already a large school—last year's roll was 17 pupils over the given capacity. We must also take account of the projected local developments that are set out in the St Andrews and East Fife local plan, particularly those that relate to local employment patterns. The projected long-term changes that will come on line in 10 or 20 years' time must be added to the current level of secondary pupils who reside in north-east Fife. That has convinced Scottish Conservatives that a new secondary school at the Tay bridgehead is essential in addition to the new development for Madras college. When one looks at what other politicians in the local area have said, the only conclusion that one can draw is that there is cross-party consensus on the matter. I say that despite the fact that that consensus has been broken this afternoon.

Building a new school at the Tay bridgehead would not only create that new community facility but would allow pupils to identify more easily with the area from which they come. At present, they are commuters—sometimes over substantial distances—sitting in buses for a considerable length of time on either side of the school day. I do not agree entirely with Claire Baker that that is not the only consideration; it is a significant one. I think that I am correct in saying that it formed part of a debate in the local press and that 67 per cent of parents argued that a new school in the area would be appropriate.

**Iain Smith:** The figure of 67 per cent has been mentioned a few times in the debate. Does the member accept that only about 50 people responded to that online poll?

**Elizabeth Smith:** That is only one example. I understand that there are several other media reports in which local parents were questioned on the subject. Local parents are the main stakeholders in this whole business: they should have the choice and they should determine which school they want their children to attend. The substantial feeling of the vast majority of parents in the area is that some of the distances that their children are being asked to travel are simply not acceptable. On that basis, we have a strong case.

A new secondary school at the Tay bridgehead is very much on the cards. Indeed, there is growing support in the local community for the idea. We must take note of what people are saying in any discussion of a development programme for

the local economy. It is not acceptable that Liberal Democrat and SNP councillors are dragging their heels on the matter. Scottish Conservatives will continue to make the case for a new secondary school for the Tay bridgehead area. The basis for doing so, to which Mr Smith alluded, is the best educational interests of children and families in the area.

Elections in the next three years will give voters in north-east Fife the opportunity to ask their elected MP, MSP and councillors where their priorities lie. Do they want to spend just under £1 million each year on bussing children to school or invest in a new secondary school and community centre for the Tay bridgehead that will bring long-term educational, economic and social benefits to the area? This time next year, the choice that they make will be an interesting one.

17:34

**The Minister for Schools and Skills (Keith Brown):** I congratulate Ted Brocklebank on securing the debate. I welcome the opportunity to highlight the Government's continued commitment to the improvement of the school estate.

Since May 2007, 110,000 pupils have been lifted out of poor condition schools and over 230 schools have been refurbished or built. We have lifted over 13 per cent of Scotland's school estate out of bad or poor condition.

In addition, we have announced a new school-building programme that will involve investing a further £1.25 billion in the school estate the length and breadth of Scotland, delivering around 55 new schools. Auchmuty high school in Fife, which has been mentioned, will be one of the new schools that will be built as part of that programme. We are confident that schools and communities in Fife will benefit from the investment that local and national Government are making in the school estate.

I appreciate that there is a deal of local support for a new school to be built to serve the community of the Tay bridgehead and acknowledge that that is an on-going issue. However, I also acknowledge the points that were made by Iain Smith, who made a persuasive argument for the proposals that Fife Council is pursuing. I make it clear that this is a matter for Fife Council, which is responsible for the provision and maintenance of school buildings in its area and for deciding what priority is to be accorded to work on particular schools. Given that responsibility, ministers must stand back from involvement in discussions on the merits of options for work on individual school buildings and cannot intervene in council business to influence which schools are identified as priorities for

replacement or refurbishment or decisions on the establishment of new schools.

On 28 September, the Government, jointly with the Convention of Scottish Local Authorities, published its new school estate strategy, "Building Better Schools: Investing in Scotland's Future", which provides a new route map to ensure that all of Scotland's school estate is up to the required standard. Our shared vision, with COSLA, sets out the high value that we place on places of learning that people and communities can enjoy using and be proud of and that enrich the communities that they serve and the lives of learners and their families.

The strategy sets an ambitious joint Government-COSLA target to ensure that no less than 90 per cent of children in Scotland will be educated in good-condition schools—schools in conditions A and B—with firm plans to lift the remaining children into better-condition schools. As Iain Smith indicated, it is absurd to suggest that either the council of the past two years or the Government of that period are responsible for a huge change in the past two and half years in the number of people who are being educated in C-category schools. Ted Brocklebank mentioned that this has been an issue for 50 years. For the majority of that time, the Governments have been either Conservative or Labour, while the council has been run by the Labour Party.

**Claire Baker:** Does the minister accept that, in the eight years prior to 2007, the number of schools in Fife that were in a poor state and condition was starting to move in the right direction and was going down? As I pointed out earlier, since 2007, 16 more schools have fallen into C and D categories.

**Keith Brown:** We cannot but conclude that the fact that schools have fallen into those categories has a lot to do with what happened during the previous eight years and earlier, rather than with what has happened in the past two and a half years. It is absurd to say that it is the result of what has happened during the past two and a half years and has nothing to do with a lack of investment previously.

The strategy that we have set out sets clear aspirations for Scotland's school estate: schools that are fit for purpose in condition, suitability and sufficiency; schools that are well designed, accessible and supportive of our intentions in relation to the curriculum for excellence; schools that strengthen the communities that they serve, enhance people's health and wellbeing and facilitate sustainable economic growth; and a sustainable estate that makes a full contribution to meeting climate change targets. Schools should be efficiently run and should maximise value for money. Having an estate that is both flexible and

responsive to future changes in demand is in the interests of us all. Pupils, parents, teachers and communities across Scotland, including Fife, are entitled to a school estate that delivers those aspirations for them. I recognise that it is for Fife Council to determine the shape of the school estate within those parameters.

Liz Smith suggested that the council has been dragging its heels. That does not sit well with the fact that, for the majority of the 50-year period during which the issue has been discussed, according to Ted Brocklebank, we have had Conservative or Labour Governments and a Labour council in Fife. The member suggests that it was a pressing issue, but nothing happened during that time. Two and a half decades of nothing, according to Ted Brocklebank, stand against two and a half years of an SNP-Lib Dem council in Fife that has made substantial progress.

The Government has increased substantially support for capital spending by local authorities across Scotland. This year and last year Fife Council has received £94.3 million for investment in infrastructure, including schools, according to its priorities. We believe that, under the concordat and more generally, local authorities should, where possible, have the power to decide their own affairs. Fife Council should choose its priorities for investment in its school estate, as it does for other areas of its estate and as other councils across Scotland do.

Ministers welcome Fife Council's investment plans for its school estate, with £140 million-worth of investment identified within the council's capital plans. The extent to which investment in a new secondary school at the Tay bridgehead features in Fife's plans for future investment in its school estate is a matter for the council, which will be accountable for its decision. I am happy to respond to the debate in those terms.

*Meeting closed at 17:40.*



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