

MEETING OF THE PARLIAMENT

Wednesday 9 December 2009

Session 3

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Scottish Parliament

Wednesday 9 December 2009

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

Time for Reflection

The Presiding Officer (Alex Fergusson):

Good afternoon. As always, our first item of business is time for reflection. Our time for reflection leader today is Father John Campbell, from the parish of St Paul the Apostle, Shettleston, in Glasgow.

Father John Campbell (Parish of Saint Paul the Apostle, Shettleston, Glasgow): Good afternoon.

“What are we to do with a wee lassie?” I am ashamed to say that that was my reply when my mother phoned to tell me that I was an uncle again. You see, I am the oldest of four boys, I already had three nephews, and then, after a gap of eight years, the first girl in the family arrived: a wee niece Olivia.

In a very male environment, that has been a very steep, but enjoyable and different, learning curve. When the boys were toddlers and I was out and about with them, I used to be secretly quite chuffed when people mistook me for their dad, but now I am raging when people look and say, “Oh, your granddaughter’s lovely”.

Olivia is a very lovely and loving child, and she likes you to carry her. However, she is amazingly restless and could easily jump out of your arms. It is not the first time that she has thrown herself backward while sitting on my shoulders and I have been left with her shrieking with delight, hanging down my back upside-down. Her restlessness comes from a desire to be up and around and enjoying life.

In the Christian community, we have just begun the season of Advent, using the Old Testament prophecies to help us to recognise our own restlessness. The prophecies present a perfect humanity, relating perfectly to each other, living together perfectly—the kind of society that we all dream of. The scriptures heighten our longing for that society, recognising that the resulting restlessness should become the motivation for turning our longings and dreams into reality. The Advent scriptures encourage us to be dissatisfied with the status quo.

I am sure that it was dissatisfaction with the status quo that led you to embrace politics as a way of turning your desire and dreams of a better life and society into activity for a better life and

society. As a constituent and beneficiary of your efforts, I applaud your vision, your generosity and your activity on behalf of others.

May you be continually dissatisfied with the status quo.

Scottish Parliament (Further Powers)

The Presiding Officer (Alex Fergusson): The next item of business is a debate on motion S3M-5365, in the name of Fiona Hyslop, on further powers for the Scottish Parliament.

14:34

The Minister for Culture and External Affairs (Fiona Hyslop): It is now more than 12 years since the referendum to establish the Scottish Parliament and determine its powers. After 10 years of devolution, all parties have turned their attention to the future powers of the Parliament. The question is no longer whether the Parliament should have more powers but which powers and which constitutional arrangement it should have and when that can be achieved. This Government believes that independence is the normal state for a nation, and that is what we seek for Scotland, but we also respect the position taken by other parties.

The establishment of the Calman Commission on Scottish Devolution also recognised an appetite for change in Scotland. However, from the beginning, it was hamstrung by its remit, so its response was restricted. The remit that was given to the commission meant that it could not consider independence or federalism, which is why the Scottish Government decided not to participate. We have, however, engaged constructively with its report.

Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD): Can the cabinet secretary refer us to where in its remit the Calman commission was prevented from considering federalism? It certainly did consider that.

Fiona Hyslop: The commission's report and the response from the United Kingdom Government show that the opportunity for consideration of a federal option was highly limited.

We published our response to the commission on 9 November, and the UK Government responded on 25 November. Members might be interested to note that the Scottish Government accepted 29 recommendations—although we believed that some did not go far enough—and that the UK Government accepted 23.

Of course, on 30 November, the Scottish Government published its white paper on Scotland's constitutional future, pushing even further the debate and the Scottish people's right to decide that future.

The purpose of today's debate is to acknowledge that there is common ground in

certain areas and that we should press ahead where consensus can be found. The UK Government was keen to see Calman as an indivisible constitutional package. It has ceded that ground with its response on tax and finance issues—an extremely serious matter that I will return to later. Today's debate must be about what we do about the powers that we can agree on, and how and when we extend the powers of the Parliament.

Power for its own sake is what puts the public off the political process and distances them from politicians. Power for a purpose is what quickens the democratic pulse and reassures the public that powers are being used to benefit the people, not to protect politicians. Powers over air-guns, drink-driving limits, speed limits and so on are all practical proposals that have secured cross-party support since the parliamentary debate on the commission's report in June.

Pauline McNeill (Glasgow Kelvin) (Lab): On 1 December, the First Minister said that he was minded to concede that the Calman proposals should form a second question in a referendum. Today, however, the Government's motion says that more powers should be brought forward now. Will the cabinet secretary clarify the Scottish National Party's position?

Fiona Hyslop: The powers that we can agree on are something that we can take forward now, and I want to develop my arguments about why we should do that and why we should respect the decision that this Parliament has already made that those powers should be transferred.

We already have a procedure for extending devolved powers. Just as powers relating to freedom of information, railways and so on have been changed by orders that have been laid in Edinburgh and London, today's measures can be delivered promptly and effectively. Presenting them as a package of constitutional powers for politicians means unnecessary delay. The powers should be extended now, for the purpose of helping us deal with the heart-rending impact on people of the abuse of air-guns, drink-driving and irresponsible driving.

Let us consider what could be done in two specific areas. In Scotland, air weapons accounted for 47 per cent of all firearms offences in 2008-09. That is less than the year before, but it is still too many. With devolved responsibility, we would build on the consensus for action that exists within Scotland, which was demonstrated through the firearms summit that was held in May 2008, following a debate in this Parliament. We would put air weapons on a similar footing to other potentially lethal firearms by introducing a pilot system of licensing. We would co-operate with others to consider whether a licensing scheme

could work without a complete overhaul of firearms legislation.

Alcohol still accounts for too many of Scotland's road deaths—around one in nine is alcohol related. Research has indicated that around six fatalities a year could be prevented by a reduction in the drink-driving limit, from 80mg per 100ml of blood to 50mg.

Derek Brownlee (South of Scotland) (Con): Does the minister have a figure for the number of fatalities that would be avoided if the existing limit were enforced?

Fiona Hyslop: The consensus that already exists in this Parliament is that there is evidence that, under the proposals, fatalities would be reduced by six a year. That highlights a serious point about delay in decision making. The member makes a correct point about the need to enforce existing legislation, but the debate today is to do with whether we could make a difference to people's lives if we and Westminster were to move now on issues around which we know there is consensus.

On 18 December 2008, this Parliament debated and voted in favour of a reduction in the drink-driving limit. The Scottish Government agrees that the limit should be reduced and, if responsibility were devolved, we would act to make our roads safer.

In June, the Scottish Government published draft orders to show how the relevant responsibilities could be devolved. On 3 July, the First Minister wrote to the Prime Minister and sent copies of the orders so that Whitehall officials could consider them with a view to early implementation.

George Foulkes (Lothians) (Lab): Will the member give way?

Fiona Hyslop: I want to develop my point.

The Secretary of State for Scotland responded that the commission has to be viewed as a "comprehensive package" and said that he would "not embark on an exercise of cherry-picking".

Five months after the commission's report, the UK Government published its response and confirmed that there is substantial consensus in some areas of the report, which we already knew.

The secretary of state told MPs that the UK Government would take the commission's proposals forward as a constitutional package and would introduce a Scotland bill early in the next Westminster Parliament. That puts implementation into the long grass, and even that timetable depends on the result of the UK general election. It prioritises the powers as a constitutional

package for politicians' presentation, rather than as powers with a purpose to serve the people.

George Foulkes: Will the member take an intervention on that point?

Fiona Hyslop: I have already taken a number of interventions.

The transfer of responsibilities in the areas in which there already is consensus would make a real difference to the lives of the people of Scotland. Early action could be taken to tackle some of Scotland's most pressing problems.

The First Minister wrote to the Prime Minister on 25 November to set out a timetable for passing the orders to transfer responsibilities. There are two Privy Council meetings between now and the general election that could have been used to agree the orders. We have drafted the orders and asked the UK Government to take action to implement them. The UK Government has missed the deadline for the February Privy Council meeting, but it is still possible to lay the orders at Holyrood by 20 January, and Westminster by 15 January, in time for the March Privy Council.

Patrick Harvie (Glasgow) (Green): I share, to some extent, the SNP's view that greater independence for Scotland is in the long-term interests of the country. However, does the cabinet secretary share my concern about the midterm? Why should we move on those consensus issues now, when that will reduce the likelihood that an incoming UK Government will have an incentive to legislate on the substantive economic powers, which are perhaps more urgent?

Fiona Hyslop: That is an important point. There are areas in which there is consensus, but Patrick Harvie is right to identify the economic, tax, finance and borrowing issues as the substantive issues that would make a difference to the powers of this Parliament. We will continue to argue for independence as the best way to execute those powers, but it can be contended—I will develop this point—that the arguments around taxation, borrowing and finance, in the Calman commission and particularly in the UK Government's response to it, are extremely problematic and expose extreme risks and dangers to this Parliament as it currently exists. I propose that we move forward on the powers on which we have agreement, while identifying—as the member rightly points out—taxation as the issue to which we will need to return.

We are keen to consider proposals to improve the machinery of intergovernmental relations. A discussion of those issues has been proposed through the joint ministerial committee—that is right, because many of the proposals equally affect the Welsh and Northern Irish

Administrations. We look forward to those discussions, with the aim of progressing towards an even more productive working relationship.

We criticised some of the commission's proposals for confusing the accountability of Scottish and UK ministers to their respective Parliaments, but that does not mean that we would not welcome steps to improve mutual understanding between our institutions. We warmly welcomed the recommendations on improving Scottish Government participation in influencing the UK's position in European Union matters, on the need for better devolution awareness training in Whitehall and on the fundamental principle that there should be mutual respect between the Parliaments and the Governments.

The commission's recommendations to extend devolution powers have been widely welcomed. Recommendations on intergovernmental and parliamentary co-operation are clearly worthy of further debate and discussion. However, the commission's financial recommendations have not been as widely welcomed.

The taxation proposals have the potential to impose significant costs on our budget and economy. Since the publication of the final report, we have made it clear that we believe that the commission's proposals on income tax are not right for Scotland. A range of independent and distinguished economists share that view and have identified significant difficulties with the proposals.

The proposals simply do not match the ambition that we have for Scotland. They will not give the Parliament the tools that we need to maximise—

Andy Kerr (East Kilbride) (Lab): Will the member give way on that point?

Fiona Hyslop: I need to develop my point.

The proposals will not give the Parliament the tools that we need to maximise Scotland's competitiveness and future levels of economic growth. If implemented, they will represent an opportunity cost of tens of thousands of jobs. Only independence and full fiscal autonomy allow the maximum degree of policy discretion and accountability over fiscal and economic policy. It is the arrangement that has been chosen by similar nations around the world, and we believe that it is the only option—

Andy Kerr: Will the member give way?

Fiona Hyslop: I have taken a number of interventions, Mr Kerr.

We believe that it is the only option that would enable Scotland to achieve its full potential.

Although we are clear that the commission's analysis and subsequent recommendations have not gone far enough, the UK Government, and the Treasury in particular, obviously believe that the commission went too far. The UK Government has watered down the commission's financial recommendations. Despite the secretary of state's assertion that the commission's recommendations had to be viewed as a package, the UK Government has cherry picked and revised elements of the financial proposals.

The debate focuses on the areas of agreement in the commission's recommendations and on the importance of acting quickly, but what the UK Government seeks to do has a clear and present danger to Scotland's interests. The UK Government's tax reform proposals would not improve the transparency or accountability of the fiscal framework—in fact, they might reduce it. The Barnett formula would remain the single most important determinant of the Scottish Government's budget and would continue to be set at the UK Government's discretion. Key policy levers would remain reserved and autonomy over income tax would be more apparent than real.

The proposals would expose the Scottish budget to significant risks. Unilateral changes to the income tax system by the UK Government could reduce the income tax revenue that was assigned to Scotland, which would result in immediate and unplanned cuts to our budget.

Andy Kerr: Will the minister give way on that point?

Fiona Hyslop: For example, Mr Kerr, under the commission's proposals, the Chancellor of the Exchequer's decision in May 2008 to increase the income tax personal allowances and reduce the threshold for higher-rate taxpayers would have led to an immediate cut of almost £140 million in the Scottish Government's budget.

The Scottish Government's lack of opportunities to stabilise tax revenues, as other Governments can, would mean that, if the Scottish economy entered recession, a future Scottish Government might have to cut key expenditure programmes at the worst possible time in response to falling income tax revenue.

The commission's recommendations on borrowing autonomy have merit, and I know that there is consensus in the Parliament on the issue, but the UK Government has rejected that and devised an alternative format that would impose significant costs on Scottish taxpayers. Under the UK Government's proposal, any borrowing would have to be self-financed through increased taxation in Scotland above that for the rest of the UK. That would be a significant risk. If the UK Government adopted the same approach to its

borrowing, it would add 20p to the UK income tax rate in the next decade. The proposition is ridiculous and highlights the damaging changes that the UK Government proposes to the original Calman borrowing proposals.

It is almost six months since the commission produced its report. The UK Government suggests that any implementation of the report—even on subjects on which agreement is widespread—must wait until after the UK general election, which could be another six months away. Even then, progress will not be made unless the Labour Government is re-elected, introduces a Scotland bill and secures the Westminster Parliament's agreement to that bill. Six months would become 12 months and then 18 months. We do not see the logic in deciding that widely supported changes to devolved competence on matters such as air-guns and drink-driving should have to wait for the development and introduction of taxation proposals.

The Presiding Officer: I must hurry you, minister.

Fiona Hyslop: We support and can progress many proposals. Orders to achieve that can be proceeded with. The Scottish people may show little patience for a Parliament that seeks delay when consensus exists, but they would welcome an extension of powers for a purpose and to make a difference—a real difference to people's lives, which would in some cases save lives—sooner rather than later.

I move,

That the Parliament welcomes the recommendations of the Calman Commission on Scottish Devolution that responsibility for the law across a range of areas be devolved to the Scottish Parliament and also welcomes the recommendations for closer working between the Scottish and UK Ministers to ensure that the needs of Scotland are properly represented, and urges the UK Government to work with the Scottish Parliament to ensure that, where there is consensus, all such recommendations are implemented before the dissolution of the current UK Parliament.

14:48

Pauline McNeill (Glasgow Kelvin) (Lab): I have actively campaigned for home rule all my adult life. I believe that the best constitutional future for Scotland is to govern devolved issues at home, as part of the United Kingdom. The Labour Government of 1997 made the campaign for home rule a reality. At times, I did not really believe that home rule would happen in my lifetime. I am glad that it did; I honestly believe that Scotland will not look back from the moment that the Scottish Parliament came into being.

I was proud to work with like-minded politicians from different political parties and with people from

trade unions and other organisations as part of the campaign for a Scottish assembly, which established the Scottish Constitutional Convention. On St Andrew's day 2007, the Scottish Labour Party under Wendy Alexander proposed the establishment of a commission on Scottish devolution. We firmly believed then and believe now that devolution is successful, working and here to stay.

I congratulate Fiona Hyslop on her new role as the Minister for Culture and External Affairs. As she is standing in for Alex Salmond today, perhaps she will clarify why he is not leading the debate. Will he answer parliamentary questions on the constitution? Will we have clarity at some point on what the arrangement will be?

The motion is all about introducing more powers for Holyrood now. The motion welcomes the Calman commission only for its proposed new laws and not for its radical tax recommendations—the motion says nothing about them. Patrick Harvie was right to point that out.

The SNP cannot seem to make its mind up. Does it want the proposals to be put to the vote in a multi-option referendum—which is what Alex Salmond seemed to suggest in the quotation that I referred to in my intervention on Fiona Hyslop—or does it, as Fiona Hyslop has argued this afternoon, want the powers to be brought forward as soon as possible? It really needs to clarify its contradictory position.

The Minister for Parliamentary Business (Bruce Crawford): Would the Labour Party support a referendum if it included these proposals?

Pauline McNeill: We have made our position on a referendum clear. Bruce Crawford is deliberately avoiding my question, so I put it to him again: would the SNP prefer to put the proposals to the vote in a multi-option referendum, which is what the First Minister said last week, or would it prefer the powers to be brought forward as soon as possible? It cannot hold both positions.

For the record, on Monday 6 July, the chair of the commission Kenneth Calman told the Scottish Affairs Committee:

“it is not a set of haphazardly chosen changes or adjustments to the Devolution Settlement to meet”

one particular problem

“or political pressures; it is very much a package of 63 recommendations which hang together ... very much a package.”

Bruce Crawford: Does the member also accept that, on 15 June, Kenneth Calman said:

“I think there are lots of bits, as I mentioned, which I think can be implemented quickly and easily without too much fuss”?

Pauline McNeill: After Sir Kenneth said that, he said that the recommendations were “very much a package”. The way in which the UK Government is proceeding makes sense to me and the proposal to publish a Scotland bill is absolutely in line with what the commission said. We realise that that approach will be somewhat time-limited at Westminster, but we do not want a piecemeal approach to be taken.

Of the Calman commission's 63 recommendations, 42 apply specifically to the UK Government and 21 to the UK Government and Scottish Parliament. The UK Government is taking forward 39 of its 42 recommendations, but the Scottish Government accepted only the recommendations that would give further powers to Holyrood and rejected all those that would result in a UK or Great Britain-wide solution, despite the evidence gathered by the commission showing that such a move would be in the Scottish people's interest. The Scottish Government also rejected two thirds of the recommendations that sought to strengthen interparliamentary relations. I am disappointed by that attitude, but it simply underlines the current Administration's lack of interest in Holyrood and in ensuring that devolution continues to work for the people of Scotland.

Like everyone else, I am impatient for change but the process is not as straightforward as the SNP makes out. For example, there is a dispute between the two Governments about whether the orders that have been prepared should be primary or secondary legislation and about which part of the Scotland Act 1998 should be amended.

Fiona Hyslop and others have said that if we do not act on air-guns now we will not be able to protect the people of Scotland. Let me first put on record that I respected Kenny MacAskill's view on this matter when he wrote to the Home Secretary. Indeed, I said as much when I was justice spokesperson. However, some people in the SNP are playing politics with the issue. As the only other MSP who attended the press conference for the launch of Tommy Sheridan's bill on air-guns, I have to say that at the time I noticed a distinct lack of activity from the SNP benches. It is therefore disingenuous of Angus Robertson MP to hype up the issue by asking what ministers would say to parents whose child could have been saved from harm but was not because of London inaction. That takes us to a ridiculous stage of the argument.

Today's motion is a move towards the gradualist independence position—

Patrick Harvie: Will the member give way?

Pauline McNeill: I will take a very brief intervention.

Patrick Harvie: There are hard questions for the SNP in this matter, but I also have a hard question for the Labour group. Given the possibility at least of a Tory Government coming in at Westminster—

Members: Hear, hear.

Patrick Harvie: Not yet, though.

If that happens, will the Labour Party in this Parliament be willing to work towards consensus on economic powers that can gain the majority support of the Parliament? Surely only then will a Tory Government have an incentive to bring anything forward in its four-year term.

Pauline McNeill: The member should put that question to Derek Brownlee. We have been persuaded that the tax proposals give accountability to this Parliament, and we want them to be brought forward in a single bill to avoid a piecemeal approach.

The SNP wants to take a gradualist independence position and move to an independent Scotland by stealth. It would cherry pick the Calman proposals for anything that progresses its view that Scotland should be independent. Its approach is dressed up as consensual but it is purely designed to suit its own agenda. The SNP is in serious danger of clouding the issue.

Alasdair Allan (Western Isles) (SNP): Will the member give way?

Pauline McNeill: No.

This evening, when the parties vote on this cherry-picking motion, they should be aware that the SNP is the anti-devolution party and it is out of step with public opinion. We know fine well that, even if we wanted to, we could not implement all the Calman commission's proposals within the short Westminster timetable, but we refute the allegation that we are kicking the issue into the long grass. We want to make the change work, and we want to get it right for this generation and for the long term. Our vision for Scotland is different from that of the SNP, and our view is widely shared.

If anyone needs to see proof of the case for home rule within the UK and the benefits of being part of the union, they only have to look at what has happened during the past few months. The SNP no longer uses the arc of prosperity as an example. Ireland announced its budget today, and I ask Fiona Hyslop which budget statement she would prefer to hear: the budget statement from Ireland that announced deep and serious cuts in the public sector, or the UK one.

Fiona Hyslop: Will the member take an intervention?

Pauline McNeill: I am running out of time but I will give way.

Fiona Hyslop: There is an issue to consider about the several trillion pound debt in which the UK Government will find itself in 2013. Does the Labour Party in the Scottish Parliament support Calman's view on borrowing or does it support the UK Government's view?

Pauline McNeill: It is interesting that Fiona Hyslop refused to answer the question. Which budget statement would she prefer to hear today? Would it be the Irish Government's statement or the UK Government's? I know which statement the people of Scotland will support. The two Scottish banks would certainly not have survived without the UK bail-out.

In the opinion polls, independence is proving to be more unpopular than it ever has been before. This is the worst time for supporters of independence: even respected figures in the nationalist movement do not support the SNP referendum, and it does not have public support. At the weekend, the First Minister said that the opposition parties had the arrogance of Thatcher because we refuse to allow the SNP to have its referendum. I say that it is arrogant of the SNP Government to make demands of a process in which it has continually refused to participate. Thatcher imposed the poll tax on unwilling Scots, so Alex Salmond is quite cheeky to be threatening us with a referendum that Scotland does not want.

Such a hostile declaration of independence through a referendum is deeply flawed in any case, and the SNP knows it. It is trying to tell people that one simple vote means that we are there. We threw out the challenge to the SNP in 2008 when Wendy Alexander said "Bring it on"; the SNP had its opportunity and it said no.

Margo MacDonald (Lothians) (Ind): Will the member take an intervention?

Pauline McNeill: I will let Margo MacDonald in because I know that she is desperate to say something.

Margo MacDonald: I thank the member for letting me in. I do not think that the First Minister is as stupid as he was made out to be. Some of his troops have turned up here today, but the turnout in the chamber probably shows that most of the people in Scotland are not all that interested in a referendum either.

Pauline McNeill: She said it—the latest polls show that support for independence is lower than it has ever been. As we have said many times, it would be irresponsible to go against the grain of public opinion and to divert the country's attention during a recession. To let the SNP Government off the hook on its handling of the key issues that

matter to our country would be a mistake. Frankly, the public is getting fed up with the SNP's fixation on independence. It has used every platform, soundbite, policy, twist and turn to suit its argument. It has even exploited our civil service in questionable ways.

I ask the Parliament to trust in the Calman process, take it forward as a package and vote for the Labour amendment this evening.

I move amendment S3M-5365.1, to leave out from first "recommendations" to end and insert:

"proposal to strengthen devolution for Scotland and its place within the United Kingdom through the recommendations of the Calman Commission on Scottish Devolution and the subsequent UK Government white paper; recognises the efforts of Scottish Labour, the Scottish Conservatives and the Scottish Liberal Democrats and their respective UK parties in the establishment of and support for the Calman commission, and believes that, 10 years after the establishment of devolution, the purpose of the commission was to take forward a package of greater powers and better accountability for the Scottish Parliament to enhance the devolution settlement for the benefit of all Scots."

14:59

Derek Brownlee (South of Scotland) (Con): I welcome Fiona Hyslop to her new role. I also welcome her significant achievement in dropping all mention of independence from the Government's motion in her first parliamentary outing in that role. That could be, as she said, an attempt to generate consensus in the Parliament, or it could be that she is so gradual a gradualist that she is adopting the same speed of implementation for the SNP's key policy on independence as she did for its policy on class sizes, in which case every unionist in the country can breath an enormous sigh of relief.

There could of course be another reason, which my more cynical colleagues, some of whom are with me today, have in mind. They think that perhaps the relatively timid motion that is before us is an olive branch from the SNP, although not to the Conservatives or the Labour Party. It is perhaps the first step towards a Liberal Democrat return to government and to providing Mike Rumbles with an office of his own to storm out of. However, I know that my cynical colleagues are wrong—I cannot believe that the Liberal Democrats would be guilty of backsliding on the union.

Regardless of why the Government motion is so tame, I congratulate the SNP on allowing us to debate how we strengthen and stabilise devolution, because that is what the Conservatives will do if we are fortunate enough to win the British general election. The union is not, and never has been, a one-size-fits-all entity. Scotland retained a separate legal system after

the union of the Parliaments, the education system has always been distinct and we had administrative devolution with a degree of local discretion, albeit exercised by the party in government at UK level. Devolution as we have it now has changed that and provided a direct line of political accountability.

Elsewhere in the UK, there is a debate in Wales about the devolved arrangements and in Northern Ireland there are different responsibilities, with the Northern Ireland Executive having responsibility over social security and employment law, on which, in Scotland, authority is reserved to the UK Parliament. That shows that different parts of the union can take on different levels of responsibility. Defence of the union need not be defence of the constitutional status quo. There are many different models of what a modern union could look like, of which the Calman proposals are one.

Constitutional issues will not be the top priority for voters at the next election, but that does not mean that we should simply ignore them. That is not just because it is right to update the devolution settlement 10 years on, but because the fatal flaw at the heart of the current arrangements is that they inevitably lead to institutional instability and conflict. The most fundamental political decision at any tier of government is that on the balance of tax and spending, which is why the reduction in the share of revenue that local authorities raise has caused concern to some. The issue is at the heart of the debate that will shape the UK general election, as we saw just a few hours ago in the pre-budget report.

Under our current arrangements, the balance of tax and spending in Scotland is set, largely, not by this Parliament or the Scottish Government, but by decisions that the UK Government takes for England. That will lead to institutional tension between the Scottish and UK Governments, even when the same party is in power in both institutions. It is manna from heaven for the SNP. It is worth reminding ourselves of the wording of the two referendum questions from 1997. Scotland voted not just that there should be a Scottish Parliament, but that the Scottish Parliament should have tax-varying powers.

Fiona Hyslop: In developing the debate, will the member tell us the Conservatives' view on the tax elements of the Calman commission proposals and whether the Conservative party in Scotland supports Calman's borrowing proposals or those of the Labour Party in the UK Government?

Derek Brownlee: I will come to those points of detail later. The important point is that the principle of a Scottish dimension on income tax has been conceded since 1997 and has been in tax law since 1998. David Cameron has made it clear that we agree that we need greater financial

accountability and greater powers over taxation and borrowing. I know that some unionists disagree and feel that giving the Scottish Government greater powers over taxation would somehow weaken the union, but the strength of the union is not measured by the weakness of the Scottish Parliament.

Robert Brown (Glasgow) (LD): The member mentioned that there are several options for the future of the union; I entirely agree with him on that. Which option in particular would the incoming Conservative Government that he seeks support and put to the nation?

Derek Brownlee: I would have thought that the hint was in the point that we will take forward the Calman proposals. It is the package of proposals that the Labour Party and the Liberal Democrats signed up to.

A strong Scottish Parliament can be part of a strong United Kingdom and, importantly, a more accountable Scottish Parliament will be part of a more stable union.

Margo MacDonald: Will the member define "strong United Kingdom"?

Derek Brownlee: A strong United Kingdom is an entity that will stand the test of time and last for another 300 years in the way that the UK has done so far.

I simply ask those who are sceptical about greater financial accountability to imagine that the First Minister and the Government already had greater responsibility for fiscal issues. We would not have the First Minister talking about the

"tightest financial settlement since devolution".

He would not be complaining about Westminster cutting the Scottish budget by £500 million; he would be explaining why Scottish income tax revenues had fallen due to the recession and how he intended to adjust fiscal policy as a result. He would be explaining how it had all happened as a result of global factors, which is the excuse that all failing Governments use. He would still be saying that everything would be better after independence, but no one would believe him. Therefore, the debate would be about what the Scottish Government did to deal with its own fiscal challenges, not about the UK Government against the Scottish Government.

Greater financial accountability would help to make the Scottish Government more responsible and reduce tensions between the UK and Scottish Governments, and would therefore help to deal with a serious threat to the union. If the Conservatives are fortunate enough to win the general election, we will legislate on those issues to deal with that threat.

Fiona Hyslop made a couple of detailed points. We do not necessarily agree with the proposals on borrowing powers in the white paper; we want to look at them carefully, which is why we said that we would produce our own white paper. The UK Government's position is not the same as Calman's or that of the independent expert group. There is scope in the white paper for anyone with an interest to put forward their views on how the proposals could be improved.

We believe that the status quo is not an option and that improving the relationship between Scotland's two Parliaments and two Governments is a prerequisite to making devolution work better. We believe that the Calman proposals for further devolution of non-financial powers are broadly right and that the Scottish Government should have borrowing powers. We also believe that the Scottish Government needs greater financial accountability than it has at present. We therefore believe that further devolution of fiscal powers is necessary. We are committed to those principles and to taking forward the Calman proposals, because we are committed not only to the union but to strengthening Scotland within it.

15:07

Robert Brown (Glasgow) (LD): I join others in welcoming Fiona Hyslop to her new role. However, as has been mentioned, speaking on an issue that is excluded from her ministerial portfolio is a curious debut.

There is a curious line-up for this important debate. On the one hand we have the Labour and Conservative parties, partners with the Liberal Democrats in establishing and supporting the Calman commission, refusing to sign up to early implementation of what are perhaps the less controversial proposals made by that commission, and with well-justified suspicion that their party leaderships at Westminster—or at least some sections of them—would prefer to kick the Calman proposals into the long grass.

On the other hand we have the SNP Government, which castigated the setting up of Calman, poured scorn on the commission's proposals and generally derided Calman and all his works. Now, however, it welcomes the Calman report, urges immediate implementation of the agreed bits, and indeed urges closer working and partnership with the United Kingdom Government. What a topsy-turvy world we live in.

In this 10th anniversary year of the Scottish Parliament, it is worth reflecting on just what a difference the Parliament has made to the people of Scotland. The Parliament was built on the widest possible consensus and on the solid basis of the blueprint that was worked out by the

Scottish Constitutional Convention. The convention, too, was belittled and boycotted by others, specifically the SNP and the Conservatives. Both parties eventually came round to supporting its proposals, although admittedly one did so more quickly than the other.

Liberal Democrats, who played a major part in the creation of the Parliament, did not regard the Scottish Parliament plan as the finished article, but in a real sense it was fashioned in our image. It is a Parliament with wide legislative powers; it has a proportional voting system; it has taxation powers, albeit limited; and it has a defined and quasi-federal relationship with the UK Government. It represented and still represents a real and deep settled will of the people of Scotland.

Liberal Democrats are neither fixated on a perfect constitutional settlement, nor do they take a doctrinal view on independence or the union. We support more powers for our Parliament because we can do effective things for our people with the right mix of powers, not least to help tackle the recession and protect jobs. We support the United Kingdom because it is a strong and successful partnership and its powers and resources are demonstrably vital to our economic future and place in the world.

The Labour Government's white paper is not as ambitious or well thought out as Calman, and in turn, the Calman proposals are not as ambitious as those of the Steel commission, of which I was vice-chair. However, Calman is the pivot point; the commission's proposals are not only the point at which the widest consensus can be created at this time, but the first tentative steps towards a modern constitutional balance on taxation and fiscal issues between the UK and Scottish Governments of the mature type that characterises many states in the modern world.

Margo MacDonald: Does the member believe that any of the states that have such federal relationships have successfully separated taxation and the system of benefits that they operate?

Robert Brown: That is perhaps an issue for a wider debate than that of today. It is true that there are border points between the powers of central Government and those of the provincial or national Governments within them. The solutions have been found in different ways in widely different situations. Clearly, the solution that we develop for the UK has to be appropriate to our situation. We are well on the way to doing that.

Broadly speaking, I support home rule. I echo Pauline McNeill's comments in that regard. I define home rule as a process whereby the nations, regions and communities of Britain take and exercise power for themselves within the vital wider framework of the partnership of the United

Kingdom. As others have touched on, it is not without significance that the polls have registered the lowest level of support for a separate Scotland, given the aftermath of a financial crisis in which the UK Government has committed no less than £850 billion to supporting the shattered banking system that is made up substantially of Scotland-based banks. Whatever the detailed arguments on the measures that were taken, that is a level of commitment that would be impossible for an independent Scotland and a sum that—if my arithmetic is correct—is 26 times the size of the current Scottish budget.

Today's debate is about a fairly modest part of all that—the adjustment of the ordinary powers of the Parliament in accordance with Calman. The primary issues are perhaps control of air-guns, drink driving, speed limits and elections. There is no principled objection from members to any part of that, so why the dither? Why do not the Labour and Conservative parties just agree to deliver the first instalment of Calman now, before the general election and as an earnest of commitment for what is to come?

Derek Brownlee: Given what the minister said about the timings of the Privy Council meetings, if the UK general election is held in March—as some suspect it will be—is that still feasible?

Robert Brown: We are getting into the technical long grass as opposed to the general long grass.

The Conservatives are live to the threat of a Labour Government kicking Calman into the long grass. David McLetchie warned that we need a new Government at UK level if we are to take forward the recommendations of the Calman commission. Frankly, though, he seems to be a lone voice in the Tory party. The Tories refused to commit to any timescale for the implementation of Calman. There is no commitment to legislate within the next session of Parliament. David Cameron does not think that it is a priority; David Mundell is prepared only to give the proposals serious consideration; and Annabel Goldie ducks the question whenever it arises. For all the hype and spin, David Cameron is no more in tune with the people of Scotland on the issue than Margaret Thatcher was.

I do not disagree with the wording of Pauline McNeill's amendment, but she and other members know that, in this context, she is giving us weasel words designed to gloss over the unpalatable fact that Labour has no intention of progressing the Calman agenda before the general election, giving the Conservatives' entirely unspecified white paper a free pass in that regard. I say to both parties that a policy of dither and division on the future of Scotland and the future shape of the United Kingdom will not measure up to the needs of the moment.

Before Calman, the SNP taunt was that there was no worked-out plan for more powers for the Scottish Parliament. However, we have now had the successive reports of the Steel commission and the Calman commission. By way of contrast, it is increasingly difficult to identify a viable case for independence. The Government's white paper says nothing about how Scotland would separate from the rest of the UK and nothing about the consequences: the additional bureaucracy and the cost of a separate Scottish treasury or foreign office. Indeed, in the hands of Alex Salmond, who knows what independence means any more?

The Calman commission offers a practical way forward to equip the Parliament with the powers it needs for today's world, working robustly no doubt—as in all family relationships—but nevertheless in solid partnership with the Westminster Parliament and Government. It is time to step up to the mark and be counted; it is time to move forward. I urge members to take a wider and more consensual view, in the interests of Scotland, and support the early implementation of the agreed Calman proposals, and to do so as an earnest of full implementation as soon as possible.

15:14

Brian Adam (Aberdeen North) (SNP): As I understand it, the debate is about how we might make progress where consensus exists. It may well be that the proposals on which there is consensus are fairly modest. I accept Patrick Harvie's point that what are really required to enable Scotland to make progress are substantive economic powers. It is always easy to identify issues on which we disagree—that has already happened across the chamber—but where we agree we ought, and we have a duty, to make progress; the public expect that of us.

The minister laid out the mechanisms that exist to allow us to make progress now. Indeed, mechanisms exist within the Scotland Act 1998 to allow progress and to move powers north and south of the border. Legislative consent motions are a widely used convention—there were some concerns about the frequency with which they were used initially—and section 30 of the 1998 act allows powers to move from Westminster to the Scottish Parliament. The power under section 30 has been exercised, but unfortunately it has been exercised rather less often.

Jeremy Purvis: Why have there been more legislative consent motions under the SNP Administration than under all the previous Administrations put together?

Brian Adam: That shows the level of co-operation that this Government is prepared to

have with our colleagues south of the border to make progress in the best interests of the people of Scotland.

On the modest proposals on which there is agreement, a variety of technical issues has been put forward as the reason why we cannot make progress now on air-guns, but those arguments are fairly insubstantial. It is also argued that we should not deal with speed limits and drink-driving limits because they should apply across the board.

David McLetchie (Edinburgh Pentlands) (Con): Will the member give way?

Brian Adam: I am happy to give way, but let me develop my point first.

A variety of speed limits already exists. The fact that someone has crossed the border between Scotland and England is something that they have to be aware of; people are, in any case, aware that they cross borders. With regard to our having the power to deal with drink driving in Scotland, people should not be drinking and driving in any case, whether the limit is 80mg, 50mg, zero or some other figure in between. We might reasonably make that decision here. I do not think that there would be any question of confusion in the minds of motorists regarding drink-driving limits, speed limits or any other matter. We have a Parliament that makes different laws—that is the point of this Parliament—from those that are made by our counterparts south of the border. I do not believe that it is in any way negative that that might happen on such issues.

David McLetchie: Mr Adam seemed to dismiss the difficulties regarding the devolution of powers on air-guns. One of those difficulties is the definition of what an air-gun is. Does he not think that it is pretty fundamental that we have to resolve that matter before we change the law?

Brian Adam: In relation to firearms in general, and air-guns in particular, the Calman commission did not have any problem with the idea that that matter is suitable to be dealt with in Scotland. With good will, which does not appear to be in abundance when it comes to making progress—particularly within certain timescales—I do not see why that should be a particular problem.

I am disappointed by the Conservatives' lukewarm response to a very modest progressive proposal. I commend to them a discussion on how we will make progress should there be a change in the UK Government. Mr Brownlee spelled out the substantive economic issues, but the Calman commission proposed only borrowing powers and the UK Labour Government's white paper diluted that proposal. Beyond that, the Conservatives supporting the Calman commission are allowing only variation on the income tax. I hope that Mr Brownlee agrees that having control over very few

of the options around it is not the way in which we would try to steer an economy. We need a more substantive, flexible and possibly even more complex arrangement that will allow the proper decisions for governance in Scotland to be properly accountable. I am thinking of an arrangement that would lead not to the sort of fiscal instability that my colleague Fiona Hyslop outlined so ably when she spoke of the problems with the 10p tax rate.

Robert Brown: I am interested in the member's support for a "complex arrangement". Whatever else independence may be, it is a simplistic arrangement. Is what he said a sign that he is signing up to a more sophisticated relationship between Scotland and the UK?

Brian Adam: The concept of independence is one that people well understand. A normal Government in a normal Parliament in a normal country has a wide range of fiscal powers available to it, and those powers are complex. The suggestion that the way to control an economy is primarily by varying a tax rate—at 3 per cent or at 10 per cent—is an irrelevance.

The Deputy Presiding Officer (Alasdair Morgan): Wind up please.

Brian Adam: There may be a need to organise a safari over the next summer—or the summer after that or the one after that—to find the elusive greater powers for the Scottish Parliament that our Labour colleagues want us to find. Those powers are so well hidden in the long grass that we may have to wait for ever.

15:21

Ms Wendy Alexander (Paisley North) (Lab): I, too, welcome Fiona Hyslop to her new position, whatever it might be with respect to the constitutional question. Perhaps she will enlighten us at some stage.

As other members have said, the motion before the chamber is a wasted opportunity. Instead of a motion on the merits of the Calman plans—a definitive motion on where the Parliament stands on the totality of the Calman plans—we have an exercise in political positioning. Indeed, only the polite commentators will say "positioning"; the less polite will call it mere point scoring. In essence, the charge that the SNP has brought to the chamber is that there is foot dragging—Robert Brown called it dithering; I will deal with that charge later in my speech. As Patrick Harvie said, much bigger issues are at stake. What is interesting about today's debate is not what we are debating, but what we are not debating.

Alasdair Allan: The member criticises the motion and refers to what we are not debating.

However, her party's amendment recognises many things and makes a number of platitudes, but does not call for anyone to do anything.

Ms Alexander: We have a white paper that makes it clear that we are committed to implementing Calman.

I turn to this place and our responsibilities. The SNP Government, in its debating time, has brought forward not a single parliamentary statement or debate on the merits—or demerits—of the full Calman package; on its published response to Calman; on the UK Government's white paper on Calman; or, perhaps most surprising, on its white paper on constitutional change. Instead of this place getting a debate on any of those four far-reaching and serious contributions to the constitutional debate, we get a motion about foot dragging on firearms, drink driving and air-guns. Those are important matters, but the Government has contrived to ignore the principal Calman recommendations around this place's financial accountability. The minister raced at top speed through a prepared speech—

Fiona Hyslop: In one part of my speech, I debated the tax, finance and borrowing powers. I did so because they are the areas on which there is no consensus. If the Parliament is to be a place of consensus, what is wrong in debating the areas on which there is consensus and on which the Parliament has voted?

Ms Alexander: What is wrong is to refuse to debate the financial proposals that Calman made.

Consider this: just two hours ago, the Chancellor of the Exchequer announced the tightest squeeze on public spending for many years. Calman proposed that in future this place should control billions of pounds of revenue. Bizarrely, the SNP opposes those developments. The Scottish Government is opposed to Calman's proposals for a Scottish rate of income tax. Its formal response to proposals to pass powers over stamp duty, land tax, aggregates levy and landfill tax to this place is that they would leave Scotland largely powerless. The Scottish Government does not support powers for the Scottish Parliament to create new taxes—one thinks of today's developments elsewhere on bonuses—because prior consultation with Westminster would be required. It has no comment to make on the proposal for a new joint ministerial committee on finance, while the SNP response to the proposal to pass borrowing powers to this place is that the matter needs further consideration. We must ask who has been foot dragging or dithering on Calman's financial plans.

I will deal with the charge of foot dragging. I say to the Liberals in all sincerity that I respect their position. However, we can agree that the financial

proposals are the main meat of Calman and that, unarguably, they require primary legislation.

What is the scope for primary legislation on the Calman package? Let us consider the only proper comparator—the Scotland Act 1998. Following the publication of the white paper, it took five months to get to a bill and 48 weeks for that bill to complete its parliamentary passage. That sort of time is simply not available in this UK parliamentary session. We might wish it to be otherwise, but we cannot change it.

Iain Smith (North East Fife) (LD): The Calman commission's report was published in June. Why did the Government not get on with drafting a bill at that time, instead of wasting its time on drafting a white paper that was not necessary?

Ms Alexander: We can debate whether there should be white papers for major constitutional change, but I think that that is a given.

In its motion, the SNP tries to grab some moral high ground on timing. It is a bit rich of the Government to accuse Labour of foot dragging when it has been foot dragging assiduously for more than three years on its referendum plans. In 2008, it declined the opportunity to include a bill in its legislative programme when it was invited to do so. By leaving its referendum plans until the fag end of this session, it is both out of time and out of luck. It is doubly ironic that the SNP spent 20 years blaming Labour for leaving the original Scottish Assembly plans until the fag end of a Westminster Parliament when it has made exactly the same error. SNP members castigate us for delay, but they delay themselves.

We have learned today that the Government is opposed to the Parliament having financial powers. Whatever the outcome of the next general election, it will fall to this place—as it did two years ago—to stand in defence of the Scottish interest and to ensure that the financial powers that Calman has proposed are implemented.

15:28

Linda Fabiani (Central Scotland) (SNP): It will come as no surprise to anyone in the chamber that nationalists are in favour of having the Parliament take on the full responsibilities of a sovereign state; nor will it come as much of a surprise that we favour more responsibility coming our way. The minister's motion reflects that position in urging that

"where there is consensus ... recommendations are implemented before the dissolution of the current UK Parliament."

Today we have heard a great deal about what can be done.

Of course, there is the thorny question of the financial proposals. The tax proposals in the Calman report have been the subject of some discussion since it was published. Much has been made of the fact that the proposed 10p Holyrood tax would not be optional but would be hedged about with restrictions and hard wired to policies made in Whitehall over which this chamber has no control. There would be responsibility without control.

I am in no way suggesting that Whitehall actively plots to deprive Scotland of the resource that she needs. However, I contend that, necessarily, its eyes are fixed on the south-east of England and its ears tuned to London, and that we in Scotland need to work together to get the best deal for Scotland.

Derek Brownlee: Will the member take an intervention?

Linda Fabiani: Not just now, thank you.

Since the previous debate on the Calman commission in June, a white paper has been issued by the Secretary of State for Scotland. It varies from the Calman report slightly, but not overly much. The proposed Scottish tax will apply to all rates of tax—basic, higher and the new 50p surtax—and those rates will all move in tandem. Scotland would not be able to increase one and decrease another; nor could we just cut the basic rate to give the lowest paid a break. We could not increase the threshold, and we could not offer additional relief to people bringing up children, for example. Westminster would still control the tax system.

Rhona Brankin (Midlothian) (Lab): Speaking of tax, can Linda Fabiani clarify the SNP's current position? By how much would it reduce corporation tax? Does the SNP think that that was successful for the Irish economy?

Linda Fabiani: The SNP's current position is, as ever, that we should have a referendum of the Scottish people to decide whether we want to have full levers of control over our nation.

The proposal in the white paper is that an amount—which the Treasury predicts would be equivalent to a 10p tax cut in Scotland in the coming year—would be removed from the block grant each year. In effect, that means that no responsibility would be transferred to the Scottish Government and Parliament, as the adjustments to the block grant would remove the effects of Scottish Government actions on the economy. Measures introduced by the Scottish Government that improved the economy and increased tax yield would, under normal Government operations in a normal country, result in an increased flow of money to Scottish coffers. Under the Murphy system, that increased tax yield would be removed

by the Treasury each year. Similarly, if one of the other parties took power at some point and its actions damaged the Scottish economy, thus reducing the tax yield, the Treasury would increase the block grant to compensate. That means that the Scottish Government and the Scottish Parliament would have the responsibility of setting the economy, but they would not have either the responsibility of dealing with the consequences or the ability to disburse the fruits of good decisions. That surely is not good for the Government, the Parliament, or the nation.

Derek Brownlee: If I recall correctly from the Government's white paper, the position that the member has outlined is transitional. The fundamental question is how the amount that is taken off the block grant is calculated. Would it not be more sensible for the Scottish Government to make constructive proposals about what it would like, rather than just standing back and saying, "We didn't want anything"?

Linda Fabiani: Derek Brownlee will be pleased to know that I will make suggestions in that regard later in my speech.

The proposal on taxation policy is no more flexible than the 3p tax-varying power, although its scope is wider. With Whitehall still controlling the block grant, the power to vary tax is surrounded by considerations of whether exercising it would be offset by a decrease in the block grant by a Government in London that needs to find savings.

Margo MacDonald: Will the member give way?

Linda Fabiani: No—I want to get on, thank you.

It would be better, of course, to transfer all power over all taxation and spending to Scotland, but that is perhaps a different debate.

Back in June I noted that, although Calman mooted further borrowing powers, such powers would be ineffective. As Professors Andrew Hughes Hallett and Drew Scott argued—as have others since—the Calman proposals in that regard would result in financial instability. Because of an overreliance on one taxation stream and an inability to borrow to smooth variations in income, the Scottish Government could be forced to cut costs or raise taxes during a downturn, thus inflicting even more damage on the Scottish economy.

Jim Murphy's white paper proposes maintaining Scotland's current borrowing ability, but his successors would still be the only bankers in town. He talks about a new borrowing power, but it would have to be financed from raising taxes, not from revenue, and the limits would still be set by the Treasury, lumping Scotland in as just another Government department. Scotland's local authorities and quangos would also be in the

borrowing envelope that would be set by the Treasury, so there would be no scope for movement—the proposal is a financial straitjacket.

As per the minister's motion, I urge that, "where there is consensus", Calman's recommendations should be implemented without delay. My response to Conservative colleagues on our right with regard to the proposals on taxation, borrowing and financial powers is that members of this institution should—jointly, across the Parliament—consider financial powers that would benefit Scotland in the transition to independence.

15:35

George Foulkes (Lothians) (Lab): Two years ago, almost to the day, my friend and colleague Wendy Alexander made one of the most significant devolution speeches of recent times, at the University of Edinburgh. Her speech anticipated the Parliament's 10th anniversary and set out a clear course for our future. As our leader Iain Gray said in his landmark lecture last week, also at the University of Edinburgh:

"The ensuing Calman commission was a remarkable achievement. Pulling together three parties, two parliaments and one government was an astonishing political stroke for which Wendy deserves far more credit than she ever gets."

I agree with Iain Gray. The Calman commission was a difficult and important exercise, and I welcome all its recommendations on powers. Fiona Hyslop's arguments about air-guns and drink-driving are irrelevant to the debate. Air-guns are just as dangerous in Berwick as they are in Berwickshire. Drink-driving is just as dangerous in Carlisle as it is in Galloway, and the UK Government is considering lowering the limit for drink-driving. There is no point in arguing those cases; we should be arguing the case for devolution.

There is a case for devolution, but in the Parliament and in the media we hear about only one side of the equation: the transfer of powers from Westminster to Holyrood. We hear little about the reverse process. Devolution is a process, not an event, as has been said, and it has a reverse gear as well as five forward gears. If the purpose of the Calman commission is to strengthen the machinery of government, surely even the SNP should accept that minor but necessary powers might be transferred back to Westminster. For example, Calman identified the regulation of health care professionals and food content labelling, but we hear nothing from the SNP about that.

Fiscal autonomy in the context of devolution has always been a difficult issue. Donald Dewar knew that, and the issue was wrestled with when the Scotland Bill was debated. As Derek Brownlee

reminded us, we ended up with powers to vary income tax by plus or minus three pence in the pound—we voted for those powers in response to the second question in the referendum—but no party has contemplated using those fiscal powers, least of all the SNP. In this Parliament and at Westminster, committees and commissions have long battled not just with whether taxes should be devolved but with which taxes should be devolved.

The issue is not fiscal autonomy but fiscal accountability. This Parliament must be more accountable for what it raises as well as for what it spends, not least to prevent the current SNP Administration from entrenching its blame mentality even further. Blame the councils! Blame London! Blame early! Blame often! SNP members blame anyone but themselves.

Margo MacDonald: Will the member give way?

George Foulkes: I am tempted, but I will resist the temptation.

The financial problems that we face in Scotland as a nation are only in part due to lower increases in spending than we have experienced during the past 10 years; they are exacerbated by the SNP's mistaken and misguided priorities. The most notable of those is the national conversation. I think that Margo MacDonald once described that as "the big blether". I prefer the shorthand, *nat con*, because that is what I believe it to be. It has been a total and unjustified waste of taxpayers' money, peddled into a series of party-political pamphlets and meetings throughout the country, at taxpayers' expense.

I think that the proposals for a referendum are unequivocally unlawful. Schedule 5 to the Scotland Act 1998 states without qualification or equivocation that matters to do with the United Kingdom constitution are reserved to the UK Parliament. As a consequence, every penny that is spent to pursue and prepare for a referendum is, in my view, unlawfully spent. With that strong belief I wrote to the Auditor General for Scotland, to ask him to review and judge expenditure on the proposed referendum bill so far. I think that he has the responsibility to do that, but he has not accepted that. However, in his letter to me he rightly pointed to the role of the Presiding Officer in determining the competence of any legislation within the confines of the 1998 act.

Section 31 of the 1998 act says that the Presiding Officer must,

"on or before"—

I emphasise "before"—

"the introduction of a Bill ... decide whether or not in his view the provisions of the Bill would be within the legislative competence of the Parliament and state his decision."

So, when the time comes, Deputy Presiding Officer, your colleague Alex Fergusson must decide. That time is now, because section 31 says “before the introduction of a Bill”,

which is where we are now. I urge you to encourage your colleague to exercise tenacity and courage in making a clear judgment about the unlawfulness of the Government’s plan. Stop the unlawful waste of money and get the Government to concentrate on its rightful responsibilities: clearing up the mess in education; making our streets safer; and helping people who are adversely affected by the recession. That is what it was elected to do and what it should be doing, not wasting taxpayers’ money on the national conversation and the referendum.

15:41

David McLetchie (Edinburgh Pentlands)

(Con): Understatement is a characteristic not normally associated with the Scottish National Party and its leader. On the contrary, there was nothing understated about the sweeping promise to wipe out all student debt, the pledge to reduce class sizes to 18 in the lifetime of this Parliament or the pledge to abolish the council tax. In every case, the promise was made without qualification, hesitation or reservation but turned to dust.

Given that track record of bravado and bluster, and given the fanfare with which the First Minister himself trumpeted “Your Scotland, Your Voice: A National Conversation”—the document that was published last week when he took personal charge of the policy—we would expect an SNP Government motion on further powers for the Parliament to be a ringing declaration of the virtues and merits of independence. However, there is no I-word in the motion: independence is missing. The R-word—referendum—is also missing; and, yes, the First Minister himself, the man in charge, is missing too.

In this debate, independence is the word that dare not speak its name, and Alex Salmond is missing in action when it comes to the central plank of his party’s policy—indeed, the *raison d’être* of its 75-year existence. Instead, it has all been dumped on poor Fiona Hyslop and we are left with a timid mouse of a motion. When Wallace cried “Freedom!” his weapon of choice was not an order in council made under section 30 of the Scotland Act 1998, but that wee peashooter of a strategy is the best that the modern SNP can manage.

Robert Brown: David McLetchie mentioned the “lifetime of this Parliament”. Will the Conservative party commit clearly to legislation on the Calman recommendations in any particular parliamentary session?

David McLetchie: We have made it clear that we will introduce our proposals for the Westminster Parliament when we are the Government following the next election, should we be fortunate enough to enjoy the confidence of the people.

To be fair, we should welcome the sudden and uncharacteristic outburst of humility on the Government’s part. After all, it is a tacit acknowledgement that independence is not the option of choice for the overwhelming majority of our fellow Scots and that support for separatism is no higher today than it was in 2007. The party that once claimed that we would be “Free in ’93” does not even aspire to win a majority of seats in Scotland at the forthcoming general election, which one would have thought was the minimum requirement for any independence movement.

However, modest though the motion is, it still fails to hit the mark because of the unrealistic timescale that it sets for implementing the Calman commission’s proposals and those contained in the present Government’s white paper.

The changes that the commission recommended fall into four categories. The first group covers relations between Scotland’s two Parliaments—the Parliament here at Holyrood and the Parliament at Westminster. The second refers to the relationship between Scotland’s two Governments. The third relates to our two Parliaments’ powers, and Calman recognises that reserving and devolving powers is a two-way street. The last relates to our respective Parliaments’ responsibilities in relation to the funding of our devolved public services.

The first set of recommendations requires action to be taken by our two Parliaments. Our Standards, Procedures and Public Appointments Committee has just been invited to review our own standing orders and procedures in the context of the recommendations and to report back to us. There is no timescale for that work. Although I am sure that it will be conducted with expedition, it will also be conducted in parallel with a similar exercise at Westminster. It clearly makes sense that what are essentially reciprocal arrangements should come into being at the same time. Accordingly, although there is a substantial body of consensus in respect of the proposals, it is quite unrealistic to expect that they will be adopted by this Parliament or at Westminster before the general election that will be on us in a few months. The same is true of the recommendations directed at our two Governments. Indeed, David Cameron’s proposals for co-operation go beyond those recommended in Calman and are more far-reaching. Why the SNP should content itself with a Labour Government’s more limited proposal defeats me.

That leaves the functional and financial changes. Clearly, the present Government has taken a view on those recommendations, and the present Secretary of State for Scotland is to be commended for the work that he has put into what was, no doubt, a lengthy series of bilateral discussions over the past five months that led up to the white paper. However, with a general election imminent, and important issues relating to our constitution at stake, it is surely right to defer implementation until the outcome of the election is known.

We have made it clear that, if we are elected, we want the opportunity to review the papers and discussions with senior Government officials before we reach our conclusions, which we will set out in our white paper and timetable in accordance with the legislative priorities of our programme for government. We are in no greater rush to devolve more powers to the Scottish Parliament than we are to re-reserve certain powers to Westminster—such a step was also recommended by Calman but is conveniently ignored by the SNP, as George Foulkes pointed out.

The Deputy Presiding Officer: Wind up, please.

David McLetchie: Fiona Hyslop got into trouble in her previous job because she was given a totally unrealistic timetable for one Government policy. Today, she is proposing a totally unrealistic timetable for another Government policy. I thought that she would have learned her lesson by now.

15:47

Iain Smith (North East Fife) (LD): David McLetchie has just given the game away as to exactly where the Conservative party stands on the Calman proposals: “We might think about them after the election, but we certainly aren’t going to implement them.” That is the reality of the Conservatives’ position. However, there is another reality: it is possible to implement some aspects of Calman now, and there is no need to delay until after the general election implementation of those aspects to which the Government’s motion refers.

While we celebrate the past 10 years, we must not forget that devolution is not an event but a constantly evolving process. People’s hunger for change is clear to see.

Margo MacDonald: Will the member give way?

Iain Smith: I ask Margo MacDonald to give me just a moment; I will come back to her.

There has never been a greater appetite for more powers for the Scottish Parliament. The recession has hit Scotland hard and unemployment is rising twice as fast here as it is in the rest of the United Kingdom. All the talk of

green shoots makes no difference to the hundreds who are added to the dole queue every day. We therefore need a different approach. The Scottish Parliament must be able to use its powers for a purpose—that of bringing in the new jobs and investments that Scotland needs. Securing additional responsibilities for the Parliament will help us to do that. Only then will we be able to fulfil our responsibility to the Scottish people.

Margo MacDonald: Where are the member’s references to back up his statement that there is a “hunger for change” and that our fellow countrymen and women are desperate to do something about it?

Iain Smith: There is clear evidence from opinion poll after opinion poll that the Scottish people want more powers for the Scottish Parliament. They do not want independence or the status quo; they want more powers for the Scottish Parliament. Our party has consistently supported that position, which I think was what Calman recommended.

I want to say a few words about Calman, because I think that we are forgetting about the key part of today’s debate. The Calman commission reported in June 2009, and there has been plenty of time for all parties to present their responses to it. I do not understand why we need to wait until after the next general election for those. The Calman commission report runs to some 300 pages and makes substantive recommendations on the powers of the Scottish Parliament, including financial powers and accountability; on strengthening relationships between Westminster and Holyrood; and on making radical changes to the working procedures and rules of both Westminster and Holyrood.

The proposal to devolve 10p in the pound of income tax across all rates—plus various smaller taxes such as stamp duty and landfill tax—would mean that the Scottish Parliament would be responsible for raising about 30 per cent of devolved spending, which itself represents about 60 per cent of total identifiable public spending in Scotland. The Calman commission recommends that measure of financial autonomy as a way of making the existing division of powers work better. As Lord Foulkes said, the issue is accountability rather than autonomy.

The Calman commission’s report was unanimous, which in itself is a remarkable achievement. The Calman recommendations take us towards a real home rule settlement, under which politicians could not make easy spending decisions without accepting responsibility for accounting for the money that they spend. Blaming Westminster would no longer be available as a get-out clause.

When the commission was established, many commentators—not just those in the SNP—said that nothing would come of it. They said that no agreement was possible among such a broad range of participants. They were proved wrong.

The Liberal Democrats were right to press for the formation of the commission. I acknowledge Wendy Alexander's role in ensuring that that happened, but Nicol Stephen first proposed the establishment of the commission, which was later chaired by Ken Calman. The work of the Steel commission set the basis for the Calman commission. The Liberal Democrat members of the commission—Jim Wallace and Audrey Findlay—also ensured that the Calman commission came up with a radical vision for change.

The challenge for Labour and the Conservatives is to embrace Calman's proposals for radical change. We need a commitment from them to create legislative time at Westminster to make the necessary changes to the Scotland Act 1998. There needs to be a commitment to change Westminster's rules and procedures as well.

Pauline McNeill said that Labour members would not support Fiona Hyslop's motion because they do not want to take a piecemeal approach but would rather adopt Calman's 64 recommendations as a package. The problem with her claim is that the UK Government's white paper does not propose to do that. The white paper rejects too many of Calman's key recommendations for it to be seen as acceptable.

For example, the Calman report recommends:

"This system will require a strengthening of the intergovernmental arrangements to deal with finance."

However, the Government's white paper states:

"The Government has no plans to change the current arrangements".

On the issue of borrowing powers, Calman recommends:

"Scottish Ministers should be given an additional power to borrow to increase capital investment ... There should be an overall limit to such borrowing, similar to the Prudential regime for local authorities."

The UK Government does not agree. Rather, the UK Government wants a borrowing power that would be

"subject to limits set by the Treasury".

That would mean that this Parliament could borrow only by increasing taxation and not by spending our existing taxation moneys differently. The UK Government's proposal is not what Calman recommended. The UK Government wants the Scottish Parliament's borrowing powers to be controlled by Westminster, not by the

Scottish Parliament. That is not what Calman recommended and it is not acceptable.

The Calman report recommends:

"A new legislative procedure should be established to allow the Scottish Parliament to seek the consent of the UK Parliament to legislate in reserved areas".

However, the Government's white paper states:

"The Government is content with current arrangements".

The Calman report also recommends:

"The powers of the Secretary of State for Scotland relating to the administration of elections to the Scottish Parliament should be devolved."

However, the Government's white paper states:

"The Government will consider carefully how certain aspects of executive responsibility for putting in place the framework for the administration of the Scottish Parliament elections might be devolved, whilst ensuring the efficient and effective conduct of elections."

The Scotland Office was responsible for the most recent Scottish Parliament elections, which were conducted neither efficiently nor effectively. Again, the UK Government's response on that issue is a sign that the Labour Government does not accept Calman in full.

Calman also makes a number of recommendations on housing benefit and council tax benefit. For example, a change to the way in which we operate council tax should mean a change to the council tax benefit system in Scotland. However, again, that recommendation was rejected by the Government—

The Deputy Presiding Officer: You must wind up, please.

Iain Smith: The Labour Government is failing to accept the Calman recommendations. Therefore, I think that we should go ahead with the proposals in the motion today.

The Deputy Presiding Officer: Members should be aware that we have now used up all the available spare time, so I will stop members, rather than just ask them to wind up, after six minutes.

15:54

Dave Thompson (Highlands and Islands) (SNP): Today's debate is a welcome opportunity to consider a proposal on which there is no technical reason to delay and over which there is no dispute, given that a motion to reduce the drink-drive limit from 80mg of alcohol per 100ml of blood to 50mg was unanimously backed by this Parliament in September. The issue is also a matter of life and death.

Clear evidence shows that reducing the blood alcohol limit would have a major impact on death

and injury on our roads, as blood alcohol levels of between 50mg and 80mg per 100ml of blood increase crash risk significantly. Reducing the limit to 50mg would mean that a large measure of spirit, a pint of ordinary beer or a large glass of wine would probably put people over the limit. That would give people the strong message "Don't drink and drive." The UK Government has a poor record on this issue and I fear that its latest position on Calman is just the latest in a long line of blocking manoeuvres.

I will elaborate. Before the 1997 election and again in 1998—more than 10 years ago—the Labour Party announced that it intended to reduce the legal limit to 50mg. However, in March 2000, the UK Government announced that it had decided not to lower the limit, because it was awaiting possible moves to harmonise drink-drive limits in the European Union.

In January 2001, the EU adopted a recommendation to harmonise the blood alcohol limit at 50mg or less. However, that was not binding on member states and, in 2002, the UK announced that it had no plans to change the limit. Subsequently, the second review of the Government's road safety strategy, which was published in early 2007, stated that the case for a reduction in the blood alcohol limit would again be kept under review.

However, the Government's prevarication continued. In June 2007, the then Minister of State for Transport, Stephen Ladyman, who had responsibility for road safety, offered some hope to those of us who want a reduction in the limit when he said that the UK Government was once more in favour of moving to a 50mg limit. Later in 2007, he said that the Government would publish a consultation paper to gauge public opinion on reducing the limit.

As no consultation paper appeared in 2007, I wrote to the Department for Transport in January 2008 and again in April 2008 to ask for an update. However, we heard nothing more until November 2008, when the road safety compliance consultation informed us that, once again, the drink-driving limit was to be kept under review and that the Government needed more time to collect evidence.

A further consultation came out in April 2009, which led to a statement just last week that there might, indeed, be a case for reforming the current legal framework covering drink-driving but that—wait for it—further advice was needed from an independent expert, who will report by the end of March 2010. More prevarication. The proposal will not now see the light of day until after the UK general election.

In recent years several EU countries have reduced their limits to 50mg, including France, Germany, Spain and Denmark. Now, the Republic of Ireland and, most interestingly, Northern Ireland plan to do the same. That will leave only Malta, Luxembourg, Scotland, England and Wales with an 80mg limit.

The decision by the Northern Ireland Assembly to cut the drink-driving limit from next year is particularly significant. First, it is interesting to note that it already has the powers to do so and, secondly, it blows a hole in the UK's argument that we need more information and evidence and that we cannot have different limits in different parts of the UK. As part of my on-going campaign, I have written to Edwin Poots, the Northern Ireland Minister of the Environment, to congratulate him on the move and to ask him for his support in our efforts to do the same here.

The decision in Northern Ireland also exposes the UK Government's delays in reducing the limit or granting the Scottish Government the power to do so, and highlights the roadblock to reform that is presented by Labour.

In addition, London's man in Scotland, Jim Murphy, has said that the transfer of powers proposed by Calman, which would allow us to reduce the limit in Scotland, will not be in place until the next session of the Scottish Parliament—late in 2011, at the very earliest. The issue is far too important to be left so long.

With Northern Ireland deciding to reduce the limit from next year, the UK Government just looks like it is delaying the process and wasting time for the sake of it. I have no idea what its motives are. Worse than that, Labour is playing politics with the issue and is blocking key powers that could save lives—65 lives a year, which means that 150 lives have been lost since I started campaigning on the issue two and a half years ago.

There is absolutely no need for such delay. Even Sir Kenneth Calman said of his report,

"I think there are lots of bits ... which can be implemented quickly and easily without too much fuss."

All Scotland's unionist parties supported the Calman commission and say that they support the recommendation to transfer powers on drink-driving limits. Can we not, therefore, just get on with it? The order has been drafted—I have a copy here. It needs only to be laid at Westminster and, in a matter of weeks, it will be law.

Nobody should play politics with this issue. It is so important that I hope that members will unite around the call to transfer to this Parliament the power to reduce the drink-driving limit.

16:00

Cathie Craigie (Cumbernauld and Kilsyth) (Lab): I am pleased to have the opportunity to take part in this afternoon's debate. As other members have mentioned today, May 1997 saw the election of a Labour Government with a manifesto commitment to deliver home rule for Scotland. Four months later, in tune with what the people of Scotland wanted, we took the question to them. The SNP always comes late, as we in this Parliament know to our cost. At that time, Alex Salmond was isolated from his party, without his foot soldiers behind him. He always turned up for the cameras—he was there whenever he could publicise himself—but he did not have the support of the Scottish National Party.

In 1997, the SNP was out of touch with the Scottish people. In 2009, the Calman commission was discussed in a democratically elected Parliament, and a large majority of members voted for it to be set up. The SNP Government took the huff, and had nothing to say to the commission's members. It was dismissed by the First Minister, and it was arrogantly dismissed as "flimsy" by the new Cabinet Secretary for Education and Lifelong Learning. Once more, the SNP is late in coming to a debate: it wants to engage with the Calman recommendations now, but it was out of touch with the people of Scotland when the commission was set up.

It was 10 years ago that I was sworn in as a member of this Parliament. Since that day, this institution has experienced its ups and downs. It has been quite a journey to get from the first day, when no one really knew how the Parliament would work, to where we are today. The Parliament has succeeded in bringing Government closer to the people. The people of Scotland believe that the Parliament is working in their interests and they now think, 10 years on, that it is the right time to consider further the powers that we have.

Calman outlined the smart options for taking Scotland forward—if the SNP stops being so narrow-minded, it might notice that. The smart options have been picked up by the Secretary of State for Scotland, Jim Murphy: the man from outside Glasgow—Glasgow Eastwood. In his white paper, he acknowledges much of what Calman recommended. It is right that we have the time to fully consider the proposals and that we have the chance to add or take away anything, as some may want to do, before the proposals are put into the form of a bill.

Fiona Hyslop: Does Cathie Craigie agree with what "the man from outside Glasgow" says on borrowing proposals in the UK Government white paper, or does she agree with the Calman commission? If she recognises that there are

differences of opinion on borrowing, does she also recognise that we should move forward on areas on which there is consensus?

Cathie Craigie: I totally agree with the idea of a Government publishing what it intends to do in a paper and allowing the people of Scotland the opportunity to engage with that. That is what happens when a white paper is published—it allows all of us who have an interest, as I am sure we all do, to take part in the debate over a period of time.

Air-gun licensing, drink-driving limits and speed limits are all important issues. The Lib Dems and the SNP may want to rush for power but, as members have pointed out, those issues are complex and require the full attention of the Parliaments in Scotland and Westminster. It was disgraceful of the minister to use the emotions of people who have been affected by air-gun abuse, by drink-driving and by excessive speed as an argument. We already know how people are affected by those things.

Dave Thompson: Does Cathie Craigie really believe that it is acceptable that we continue to condemn 65 people each year to death and many hundreds more to serious injury because we will not reduce the drink-driving limit?

Cathie Craigie: It is unacceptable that people get behind the wheel of a car when they are over the limit, wherever it happens in the UK. Personally, I think that it is unacceptable that people get behind the wheel of a car when they have had one drink; I suspect that Mr Thompson and I might disagree on that point. It is important to get the provisions right. To rush into implementing them just for the sake of picking an argument based on what Labour says in the Scottish Parliament and what it says in Westminster is totally wrong. I sympathise with Dave Thompson's cause—he wants to reduce the limit. However, I would set the limit at zero.

The union has lasted us well since 1707. It was good for Scotland then and it still is today. The Calman commission's recommendations and Jim Murphy's white paper outline sensible options for taking Scotland into the new decade and beyond. We can take on responsibility for some matters and others should take back responsibility for other matters.

The opportunity exists to have a full discussion rather than a rushed debate to suit petty party-political points. I urge Parliament to support the amendment in Pauline McNeill's name.

16:06

Alasdair Allan (Western Isles) (SNP): I like to think that, in the factory where elves toil through

the year to manufacture aspiring Scottish Labour MSPs—it is obviously not situated in any of the small independent countries that encompass Lapland or, even, in devolved Greenland—a mission statement is somewhere on a wall. I am sure that it reads, “Do you want to fight for the right to keep things in Scotland pretty much the same as they are now, with potentially the right to alter speed limits—but not the associated penalties—at an undetermined date after the next UK election? If so, come and join us.”

Ms Alexander: Will the member give way?

Alasdair Allan: I am sure that such a clarion call is, as we speak, stirring to the unionist cause the most selfless, idealistic and likeable young people. I give way to one such.

Ms Alexander: Why does Alasdair Allan not want to fight for the right to a Scottish rate of income tax?

Alasdair Allan: Wendy Alexander knows that all of us in the SNP would like to fight for the right to determine all taxation in Scotland and not just for the Calman proposals, which would offer the Scottish Government little flexibility on taxation.

In the spirit of the season, I will concentrate on areas in which there is consensus. We will not all agree at any time of the year about the great articles of political faith that divide us, but we should at least admit to what we agree on. Regardless of whether we see Scotland's ultimate destination as being as an independent country or as part of the UK, none of us—not even Lord Foulkes—genuinely envisages Scotland sticking with its current constitutional set-up. If nationalists and unionists are to have a meaningful conversation about that, we must at least read each other's positions before we reach for the stock epithets of condemnation.

Like many members, I have read the Opposition's Calman report and the Scottish Government's white paper. It will come as little surprise to hear that a referendum on independence stirs me more deeply than anything in the Calman report. However, I acknowledge that Calman contains things that are of worth, as far as they go—even if it is not very far—so we should agree to act on the Calman proposals that attract broad agreement. As others have said, we could all agree to devolve immediately responsibility for air-guns, speed limits and drink-driving.

If I—an incorrigible nationalist—am prepared to see the good bits in the Calman recommendations, the Opposition parties have a duty to react rationally rather than irrationally to the Scottish Government's white paper. We cannot hang about for ever. If we voted for the Labour amendment, what would we vote for? We would vote for nothing whatever, because the

amendment does not call on anyone to do anything at all about anything.

Jeremy Purvis: Alasdair Allan's theme is reaching common ground. In its white paper, the Scottish Government agrees with monetary union in the UK post independence and says that it wants to keep sterling. If we are to have common ground in debates in this place, can we have no other mentions from the SNP Government of anything to do with interest rates, the Bank of England, the currency and monetary policy? If that is common ground, the SNP agrees with all the unionist parties in the Parliament.

Alasdair Allan: If we were to draw up a list of the things on which Jeremy Purvis and I disagree, it would be quite long. However, I do not think that the fact that the SNP has a reasonable position on transitional arrangements after independence is a reason not to talk about what we can act upon in the here and now.

What are we supposed to make of Labour's amendment? Are its proponents preparing to fight to the end to prevent Holyrood, rather than Westminster, from regulating Scottish cinemas? Are they going to die in a ditch to prevent Scots from ever legislating on vitamins A and D, B and C, which are, of course, already devolved? If that is not their stance, what is?

Labour says that it wants to enact the Calman recommendations, but not until after the election. I do not know whether it is possible for tumbleweed to blow through long grass, but that is the sound that comes to mind. Perhaps it has discovered what we might call the St Augustine stance on the Scottish question: “Lord, give us self-respect, but not yet”. It certainly all goes to explain why the Labour amendment is an almost delphic work of calculated meaninglessness.

Those who instinctively oppose the ideas in the Government's white paper—but who have at least read them—might have been surprised to find that the paper is actually very open to ideas other than independence, however much independence is our favoured option. Indeed, the white paper lays down a challenge to all thinking unionists, who—one hopes—are made of marginally sterner stuff than Calman. If they do not support independence or fiscal autonomy, and if they do not want to implement the parts of their own Calman report that enjoy broad cross-party support, what option do they support? What do they want to make a reality now? Whether we be nationalists or unionists, we must agree that the argument for the Parliament's taking on more responsibility is simply unanswerable. Whether we say it privately or in the open air, and in whatever shape or form we say it, we all recognise that the status quo does not deserve to last.

Finally, I will point out one more thing. We should remember that we are talking not just about more powers for this Parliament, but about more powers for Scotland. After all, the best people to run Scotland are the people who live here, and the evidence of history is that any argument against that position cannot be indefinitely propped up in Scotland.

16:12

Rhona Brankin (Midlothian) (Lab): Given the intriguing nature of the SNP's motion, I am particularly pleased to be taking part in this debate. Fiona Hyslop's new role might be another poisoned chalice, but I welcome her to it, whatever it is.

I am curious as to why Fiona Hyslop's motion

"welcomes the recommendations of the Calman Commission",

given that the SNP boycotted the commission just as it boycotted the constitutional convention, which—of course—delivered the Parliament that we have today. I was also interested to hear Alasdair Allan's speech; after all, in 2008, he described the commission as "redundant".

Linda Fabiani: Does Rhona Brankin accept that it was a referendum of the Scottish people that brought the Parliament into being?

Rhona Brankin: I accept that absolutely—but the SNP came very late to the whole thing. The plans for the Scottish Parliament had already been drawn up by the constitutional convention. Moreover, we should remember that it was the election of a Labour Government that created the Parliament.

In June, the then Minister for Culture, External Affairs and the Constitution, Mike Russell, said that the Calman recommendations

"fall far short of the requirements of our nation, and the challenges of our times."

As recently as 10 November, the Scottish Government was attacking the commission, calling it a "messy fudge" with

"a number of significant flaws".

Well, Harold Wilson famously said:

"A week is a long time in politics";

if so, what a difference a month makes to the SNP. It seems that, one reshuffle, two terrible opinion polls, a botched referendum launch and a by-election trouncing later, SNP members are now clinging to Calman, seeing it as the last life-raft of their sinking independence plans.

I think, however, that SNP members are going to be disappointed. As we have heard today, the Calman commission report is a serious and

substantial work that stands in marked contrast to the SNP's glossy brochure to promote its national conversation, which fails even to mention the word "recession". While the SNP seeks to dismantle the Scotland Act 1998 that set up this Parliament, Calman builds on it. As Calman himself puts it,

"The evidence we have had is that the division of responsibilities in the Scotland Act was well thought through and works well in practice."

Fiona Hyslop: I am intrigued by Rhona Brankin's comment about the recession. Does she acknowledge that the Calman commission's provisions on taxation and borrowing would, in a recession, make it difficult for the Scottish Government to deal with such problems? That was well articulated by Iain Smith and the Liberal Democrats. Rhona Brankin should address the point: does she recognise that there is a fundamental flaw in the taxation and borrowing proposals of the Calman commission, particularly if the Scottish Parliament has to face a recession in the future?

Rhona Brankin: I absolutely do not. Later in my speech, I will look at what the SNP's proposals would mean for the economy and recession.

In this debate, the SNP is seeking to cherry-pick bits from Calman. It thinks that it can breathe new life into its referendum plans, and so we get the referendum white paper, the farce of the national conversation, 14 Government work streams on independence, hundreds of man-hours and £1 million spent, and what are we left with but a glossy white elephant in the tiny room of the SNP. It offers little in the way of substance and less in the way of reality, let alone a question.

As we have seen in poll after poll, the support for a referendum is low; only 12 per cent of people in Scotland think that it is a priority. Why is that? It is because diverse and open-minded people in Scotland know what is in their country's best interests. They know that the country's priority is not to spend £1 million on a document that has not the faintest hope of survival. The SNP white paper was always destined to fall flat on its face, and Michael Russell has been moved to a second poisoned chalice, where bluff and bluster will still not disguise the SNP's policy and power vacuum. The Scottish people's priorities are just not the SNP's priorities. The Scottish people care about jobs, crime, schools and hospitals, but there is only one priority for the SNP and that is independence. Where is it today? It is posted absent, just like the First Minister.

Underpinning the SNP's independence policy is the belief that only by controlling all the levers of the Scottish economy will Scotland thrive, and that an independent Scotland would be like other small independent countries in Europe, or "normal countries", as the SNP likes to call them, such as

Ireland. However, Ireland's economy is in free fall, its unemployment rate is set to reach 15 per cent next year, and its spending has been cut by an amount that is equivalent to 5 per cent of the gross domestic product. If that was happening in an independent Scotland, we would be facing a £7 billion cut in public spending.

What about other so-called normal countries? Estonia's economy is forecast to contract by 14 per cent, and the economies of Latvia and Lithuania are set to contract by 18 per cent and 18.5 per cent respectively. I wondered whether any SNP members would want to ask me a question there, but I will pre-empt that by mentioning Norway and its oil fund. Of course, what Mr Salmond will not admit is that Scotland and Norway are not directly comparable. In Norway, oil forms 25 to 30 per cent of all tax revenues, whereas in Scotland oil accounts for only 5 to 10 per cent of Scottish tax revenues. In short, the so-called economic case for independence is pure fantasy. The arc of prosperity is no rainbow, and from speaking to people on their doorsteps during recent by-election campaigns, it is clear that they understand that: they understand that an increasingly global economy should not lead to a narrow isolationist position, and they also desire to strengthen the Scottish Parliament.

Devolution has been a success. Labour's white paper is a testament to our belief in the Scottish people's desire for a stronger Parliament that would have increased financial accountability while maintaining the huge benefits that are associated with being part of the United Kingdom, including the security and stability that that brings. I urge members to support the amendment in Pauline McNeill's name.

16:18

Margo MacDonald (Lothians) (Ind): I am surprised that Rhona Brankin has the nerve to say what she has just said, having heard what Gavin McCrone said about past mismanagement of the oil revenues that should have come to the Scottish economy and which, even 30 years later, would have seen us through the effects of the current recession.

When I read the motion and the amendment, I thought that I could vote for both of them. They demonstrate recognition of the necessity and the duty that we all have to provide the best governance in the circumstances for our country and people. We do not have the ability to govern to the optimum because that will only come with independence, but until we have it, we have the duty to do as well as we can with what we have.

However, having heard the debate, particularly the exchanges between Mrs Craigie and Mr Thompson, I no longer think that it was such a good idea to attempt to achieve a consensus. There is no consensus here; there is a fault line running between two sides and between two sets of Scots. They should forget the Westminster election and tackle the difficulties and dramas that Scotland will face in the next few years. Therefore, it is not good enough for Cathie Craigie to say that Mr Thompson advocates drink-drive powers for the Parliament only because he wants to get one up on Westminster. It is also not good enough for the SNP to say that the decision not to send Stewart Stevenson to the Copenhagen conference is purely because Westminster is being mealy-mouthed. If we have any self-respect or pride in what we have done in the legislation on climate change, we should talk as a Parliament and say that we should be represented at the conference because we have something to contribute, and not just in our own kailyard.

Bruce Crawford: I confirm for Margo MacDonald that Stewart Stevenson will attend the meeting in Copenhagen. I want to ensure that we get that absolutely right.

Margo MacDonald: If he is going to represent the Scottish Parliament and Scottish people, I am highly delighted.

Debates such as this should lay the basis for the new co-operation that we must have, not just in the United Kingdom, but among the offshore islands of Europe. We should be where the action is. The Mediterranean Europeans have common interest in their contiguous countries and they are building up ways of working together inside the much-enlarged European Union. The Baltic states and the Scandinavians work together, and even France and Germany are beginning to do so. We have common interests with Ireland, the Isle of Man and the Channel Islands.

We should think about a new union, but before we do, we must break the bonds of the old one. The old union was based on a centre of empire that was perhaps the most powerful the world has ever seen. Psychologically, legally and politically we must establish equality. Once we do that, we can start meeting the need for co-operation in all sorts of ways. However, we will not get that equality if we continue with the small-mindedness that I have heard in the chamber this afternoon.

I freely accept that the United Kingdom has a legacy and that many great things were accomplished on behalf of the United Kingdom throughout the world. However, there is also a legacy of the United Kingdom in Scotland, which has always had lower growth, is staying in recession for longer and has one child in three born into poverty and unable to get out of it. That

is the legacy of the United Kingdom—it is not a proud one and I do not believe that we could not do better. That is why I am a nationalist and want independence. We need the delivery mechanism to put right the lack of progress by United Kingdom Governments in times past.

Derek Brownlee said that the union is flexible, so why not keep the good bit of the union, which is the social union? There is no animus north or south of the border when people are allowed to get on with it. At present, our institutions provide barriers and are threatening the social union. If we have a political solution that serves the needs of the two different economies and, I would argue, societies, we are likely to have a much better social union that will survive the upheaval of the 21st century.

Mike Rumbles (West Aberdeenshire and Kincardine) (LD): Is not Margo MacDonald being somewhat disingenuous? She talks about a social union in which we are all friends together, but the point that we are talking about is the strength of the political union between the family of nations that belong to the United Kingdom.

Margo MacDonald: I am not in the least interested in the strength of the political union of the United Kingdom, because it is poured into acquiring nuclear weapons that we cannot afford, do not need and should not have, and into posturing on the United Nations stage. We try to play on a world stage on which we should no longer claim the space. We are a different sort of country and society.

Jeremy Purvis: Will the member give way?

The Deputy Presiding Officer (Trish Godman): I am sorry, but Ms MacDonald does not have enough time. Keep your eye on the time, Ms MacDonald.

Margo MacDonald: In conclusion, as the SNP knows, I cannot be bothered with the referendum because we must make the case for independence before we ask people to choose. However, I remind George Foulkes that the SNP was elected on the promise of having a referendum, so what he said about the SNP's ability and right to carry out a referendum is absolutely irrelevant. People voted for the SNP.

I agreed with Iain Smith's case against the amendment, but I will wait for the minister to sum up the debate before I decide how to vote on the motion.

16:25

Bob Doris (Glasgow) (SNP): I became active in politics and joined the SNP in 1990. The context was a UK Government unpopular in Scotland and the legacy of Tory policies, such as the poll tax. I

believed then, as I believe now, that independence is the best constitutional arrangement for Scotland and for all our peoples. I believed then, as I believe now, that independence is not an end in itself, but a democratic springboard to a better life for all our peoples. Much has happened since 1990, and Scotland has come far on her democratic journey. As a school student, I used to demand, "Independence now." Time has moved on and there are grey hairs and a lot more pounds, but I still believe in Scotland gaining independence as soon as possible.

The independence argument has matured. The desire for Scottish independence is as strong as ever, but it is for the independence movement to win the argument. We should not wait for it just to fall into our laps when there is an unpopular UK Government and we should not just shout our arguments louder than our unionist rivals. We must win the argument. Our nation has come far on its democratic journey in a relatively short space of time. We have our own Parliament and can now debate the end point of that democratic journey, and the consensus in the chamber is that that journey should continue.

As we have heard this afternoon, there is consensus in the Parliament on our getting powers over air guns, drink-driving limits and speed limits. There may be moves to change the drink-driving limit south of the border, but I say to Lord Foulkes and others that the power to decide the limit for ourselves is a good power to have because—guess what—we in Scotland can make up our own minds on such matters. That is what democracy is all about. We can deliver such powers speedily and before the next UK election. There is consensus, despite attempts to pretend that there is not.

As we have also heard in the debate, however, there is no consensus on financial powers. It has been well outlined that the Murphy tax-cutting powers in the UK white paper may come from a desire to make the Scottish Parliament more responsible for some of the money that Scotland raises, but will bring none of the benefits of any increase in prosperity that there may be at some point in the future. They will give us no right to decide what model of taxation best suits the Scottish nation and no power to decide which income tax bands we would like or what the impact might be on the benefits system. So, there is no consensus on that issue. Ms Brankin had the audacity to ask what rate of corporation tax the SNP would set despite the fact that the Labour Party will not give us the power to determine corporation tax. That is the utmost hypocrisy from the Labour Party.

Rhona Brankin: My point related to the constant harping on about countries in the so-

called arc of prosperity. Ireland, which the SNP always cites as a perfect example and where corporation tax has been immensely valuable to the economy, is now virtually a basket case.

Bob Doris: Ms Brankin seems to pick and mix which countries to compare. The chancellor has just said that, in the next five years, North Sea oil revenues will be increased by £9.5 billion. Labour members can pick and choose the countries to suit themselves, but we are not Ireland or Norway—we are Scotland and we want just the normal powers of an independent nation. That is all that we want, but Labour would forbid it.

There is no consensus on financial powers and I am not trying to pretend that there is. The SNP wants independence, and we are willing to put that under democratic scrutiny, perhaps alongside proposals for alternative powers. In 2010, the SNP will legislate for a referendum, and Parliament will decide whether to vote it through or bring it down. That will be the Parliament's democratic decision.

There are three different positions among the unionist parties, although, to be fair, if we include all the positions that the Labour Party has adopted we would be in double figures. At least one of the parties that does not believe in what I say on independence agrees that there is consensus on some powers. The Liberal Democrats have said, "Let's get on with the job of delivering the powers that we agree with." That is a principled argument, even if it does not take us to what I believe should be the end point of our journey, which is independence.

The consensus between the Labour Party and the Conservatives is to govern Scotland and its constitutional future by remote control. The UK Government's white paper, and the Conservatives' claim that they will decide after the UK election, really mean that they want a mandate from the UK population to decide on constitutional arrangements for Scotland. I am sorry, but that is for the Scottish people to decide.

16:31

Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD): I, too, welcome the minister to her new brief. I wish her well within it—although not too well.

Margo MacDonald conflated policy decisions with constitutional structures. That has been a theme among those who support independence. She cited nuclear weapons as an example of why the Scottish Parliament is unable to speak for Scotland. Equally, though, we could cite the illegal war in Iraq, which was endorsed by a majority of Scotland's Labour MPs and was nearly endorsed by a majority of MSPs in this Parliament. Even though I understand Margo MacDonald's

argument, I believe that to conflate policy decisions by political parties with the constitutional structures that we are in does not advance it.

It is an argument that is not helped by the minister misrepresenting the Calman commission in the first few moments of her speech. The Calman commission did consider the benefits and potential disbenefits, as it saw them, of federalism in the UK. Liberal Democrats argued our case that Scotland's future lies within a federal United Kingdom and that the balance of accountability and power should reside in the component parts of the United Kingdom. However, we do not debate that as a form of constitutional theory. We believe that, where possible, power should be held at the closest level to the people in whose name that power is exercised.

With regard to this legislature, we agree with the view of the Liberal Democrats' Steel commission, chaired by the Parliament's first Presiding Officer, that the Parliament should have broadly comparable financial and legislative powers and that, although it should exercise those powers as part of the United Kingdom, it should do so as a legislature and a Parliament, rather than simply as a department of the UK Government.

Derek Brownlee said that there are options for Scotland's constitutional future. Indeed there are, but the problem is that over the past generation, his party has never supported any of the options on devolution and, while he was able to say very quickly, if I understood correctly, that his party would seek to legislate to implement the Calman proposals, Annabel Goldie, David Mundell and David Cameron have not said that.

Derek Brownlee: Will the member take an intervention on that point?

Jeremy Purvis: If Mr Brownlee is able to clarify that a Conservative Government would legislate in its first term, I would be very grateful to hear it.

Derek Brownlee: I quote David Cameron, which I hope will give Mr Purvis some reassurance. David Cameron said:

"If the Conservatives win the next General Election, we will produce our own White Paper and legislation to deal with the issues raised by Calman."

Jeremy Purvis: I was hoping to hear about a white paper, specifically in the first term of a Conservative Government, but he still has not said that. Simply saying "considering" and talking about another white paper is not sufficient.

The Government's proposals do not provide a clear view of separation or independence. The Government has argued in its white paper that we should keep the Queen, but that it wants powers over succession. It wants to have military alliances but it does not say with whom, when or for what

purpose. In a 176-page white paper, it dispenses with the monetary policy approach in two lines on page 31, which state that

“Scotland would continue to operate within the sterling system”.

The Scottish Government may wish to move power from the Bank of England to the European Central Bank, but it gives no indication of that. On an issue that is fundamental to Scotland's economy, the Scottish Government is not being straight with the people of Scotland. We are in a situation in which the UK Government has put £100 billion into two banks in Scotland—that is three times the spending power of this Parliament—and has committed to underwrite the whole of the exposure of RBS, which is more than £300 billion. There is no way that an independent Scotland, under the SNP's vision of it, would be able to—

Brian Adam: Will the member give way?

Jeremy Purvis: I am sorry. I would ordinarily give way, but I am afraid that I do not have time.

It is not credible that an independent Scotland would be able to do that.

I apologise for not being able to give way to Brian Adam, even though I am naming him. He said that the people of Scotland understand the concept of independence; they do understand it, and that is why it is not popular. The problem is that the SNP confuses a principled position on independence with a tactic on how to get there. That is why its white paper includes a multi-option approach.

It was very telling that Fiona Hyslop would not say whether she preferred today's pre-budget report from the UK Government or the budget that the Irish finance minister announced in the Dáil this afternoon. He announced that this year and next there would be €7 billion of cuts: a 4 per cent reduction in social welfare payments, a 9 per cent cut in child benefit and a 6 per cent cut to the public sector pay bill. The reason why the SNP Government would not say which it preferred is that it seems to believe that any option is preferable to the UK Government, as long as Scotland is independent. No budget from the UK Government will be a good deal for Scotland as far as the SNP is concerned, because it simply does not fit the narrative. If we are to have a narrative, it should be about the fact that we can benefit from being in the UK and strengthening the powers of this Parliament within it. We do not conflate policies with constitutional structures, nor do we confuse—as the Government often does—tactics with a principled position about this legislature and its powers.

16:37

Murdo Fraser (Mid Scotland and Fife) (Con):

When members consider how many lively and heated debates we have had on the constitutional issue in the chamber in recent years, it is remarkable how quiet and low key this debate has been. I think, to be honest, that that reflects the public mood on the issue. People are concerned about the economy, about losing their jobs, about public services and about cuts down the line. I do not think that the constitution rates at the top of their concerns at present. That is why I share the criticism that many others have made of the national conversation and the complete waste of money that it has been at a time when there are other priorities.

I welcome Fiona Hyslop to her new position in Government. I am disappointed to see her leading the debate, although that is not in any way a personal comment. Like others, I had understood that, after last week's reshuffle, the First Minister, Mr Salmond, would be taking personal responsibility for constitutional matters.

Fiona Hyslop: Will the member give way on that point?

Murdo Fraser: If Ms Hyslop wants to explain where Mr Salmond is, I am delighted to give way.

Fiona Hyslop: Mr Salmond is pursuing the interests of Scotland.

My responsibilities include the joint ministerial committee and relationships with the Westminster Government and Europe. Murdo Fraser might be pleased to know that Struan Stevenson, one of his colleagues, has written to the Presiding Officer about improving relations with the European Parliament. In a letter copied to me, he says:

“I would be very grateful if you could therefore examine the Calman proposals insofar as they impact on the Scottish Parliament/European Parliament liaison, to establish whether these recommendations can be implemented as soon as possible”.

The Deputy Presiding Officer: Minister, that is a rather long intervention. I think that you should sit down.

Fiona Hyslop: Does Murdo Fraser agree with his colleague?

Murdo Fraser: I am sorry that Ms Hyslop's intervention has taken up most of the time that I had left for my speech. I notice that we did not get an explanation as to where Mr Salmond is—perhaps he is busy signing his Christmas cards.

Like Wendy Alexander, I was surprised that the SNP Government's motion made no mention at all of the national conversation or, indeed, of independence. The SNP has had a bruising couple of weeks with revelations about Michael Russell's cyber-nat employee, Fiona Hyslop's

sacking from the education brief and the accusation that the First Minister misled Parliament on what he knew about the Government's class size policy. Little did we know that things had got so bad for the SNP that it would have to hide away its principal policy of independence. We need only imagine the dismay on the faces of SNP back benchers that its motion on the constitution makes no mention of the notion of independence.

I heard Alasdair Allan's clarion call for change. He should start by persuading his own party's front bench of the need to take up that call. Indeed, the best case that I heard for independence this afternoon came from not the SNP benches but Margo MacDonald, an ex-SNP member. Despite her charms, I am not persuaded in any way on the subject. I say that for the avoidance of doubt.

I am pleased that the SNP Government has welcomed the recommendations of the Calman commission—a commission that, of course, it rubbished from day one. That demonstrates the stark contrast between the work that the Conservative, Labour and Liberal Democrat parties have done on the constitution, in the Parliament and elsewhere, and that which the SNP has done. We are working together to see Scotland better governed while the SNP sits ginning on the sidelines, sniping and criticising, before trying to join the party at the last possible moment.

As we heard from Mr Doris and other SNP members, the SNP wants to pick and choose which bits of Calman it wants to implement. The SNP is not interested in the parts with which it disagrees.

Brian Adam: As we heard in the debate, the Labour Party picks and chooses on Calman. When will we hear from the Tories which parts of Calman it accepts and which it does not? Is the member saying that the Tories accept it all?

Murdo Fraser: I am not sure where Mr Adam has been for the debate. As my colleagues Mr Brownlee and Mr McLetchie made perfectly clear, when we are in government, we will publish a white paper and legislate using Calman as a starting point. What could be clearer than that?

Jeremy Purvis: You are just picking and choosing.

The Deputy Presiding Officer: Order.

Murdo Fraser: I am deeply disappointed by the approach of my friends—if I can call them that—on the Liberal Democrat benches. Once again, they are propping up the SNP—the party of independence.

I do not understand where the idea has come from that we should make a wholly unrealistic and

headlong rush to implement part of the Calman proposals. The Government motion, which the Liberal Democrats are signed up to, refers to the “dissolution of the current UK Parliament.”

We do not know when dissolution will be. How can the Liberal Democrats possibly argue that we should do something before a date that has not been fixed? Of course, it was Tavish Scott who said during the last debate on the subject:

“I am no unionist”.—[*Official Report*, 25 June 2009; c 18846.]

The attitude of the Liberal Democrats in today's debate has made that crystal clear.

I turn to Calman's financial powers. As a party, we have long argued that the Scottish Parliament needs to have greater financial accountability by way of greater powers over raising and spending taxes and borrowing. As George Foulkes and Derek Brownlee said, the advantage is that that would end the blame game. The SNP's default position on everything is to blame someone else for Scotland's ills. At least if we move forward on Calman, we will take away the prop that it uses at every opportunity.

I genuinely believe that there is a great deal of consensus on how to improve the powers of the Scottish Parliament so that it can operate better and, in so doing, to strengthen the United Kingdom. It is a pity that the SNP came so late to the table in support of that agenda; it is an even greater pity that it is determined to waste millions of pounds of taxpayers' money on its unwanted national conversation.

In a spirit of consensus, I make an appeal to the new minister: drop the wasteful national conversation and the plans for independence—an idea that is more unpopular now than it has been at almost any time in our history—and join us in making devolution work better.

16:44

Pauline McNeill: Whatever is said about our approach to Calman and change, Labour is committed to strengthening the devolution settlement, which we see as Scotland's constitutional future. We are committed—certainly as long as we are in government—to bring about substantial change, because we believe in it.

I listened to what Bob Doris said. I think that Alasdair Allan is right to say that we need to have a rational debate, and I respect the views of others in the chamber, but where I part ways with Bob Doris is that I do not want to see a Tory Government. A Tory Government has harmed Scotland in the past. The SNP gives the impression that it does not care who is in power. A further point that I want to make to Bob Doris is

that the reason why we quote the example of Ireland back at the SNP is that SNP members have constantly referred to Ireland as an example of how Scotland could do better.

Bob Doris: At no point in my speech did I say that I wanted an unpopular Tory Government or the current unpopular Labour Government. I want independence for Scotland. My point was that I did not want to wait until any unpopular UK Government is elected in May next year to deliver for the people of Scotland. It is Pauline McNeill who would kick these recommendations into the long grass.

Pauline McNeill: That is what I thought Bob Doris meant. If he does not care about the outcome of the general election, that is fair enough.

As part of its evidence to Calman, Scottish Labour argued that Scotland should be accountable for what it spends and should have more tax-raising powers. We genuinely believe that we are on course to make that happen. Patrick Harvie and Wendy Alexander said that the financial proposals are the meat of the Calman commission. They require some scrutiny and must be examined in detail. I support the introduction of a Scottish rate of income tax. It is important to note that the UK Government has published a white paper. Although I am not familiar with the Westminster process, I understand that a white paper is quite a normal outcome of a commission and can lead to further and final proposals.

Robert Brown: I want to raise the issue of borrowing powers, in which there is a difference between Calman and the UK Government's white paper. In the light of Iain Smith's comments earlier, what is the member's view on that issue?

Pauline McNeill: There is undoubtedly scope for improvement. The point that I am making is that a white paper is not a bill and it allows people to feed into the process. The resulting bill will determine finally the question of borrowing powers.

Margo MacDonald: Will the member take a brief intervention?

Pauline McNeill: A miniature one.

Margo MacDonald: Does the member foresee any Chancellor of the Exchequer at Westminster being able to allow much leeway on borrowing in legislation, given that he must keep such tight control of borrowing and economic management?

Pauline McNeill: There is some consensus on borrowing powers, but there may be a difference of opinion on the kind of borrowing powers that should be introduced. Any chancellor will put in place some restriction. However, I am sure that the member takes in good faith my point that the

UK white paper provides us with an opportunity to influence what the borrowing powers will be.

Linda Fabiani gave the game away when she said, "If there are powers coming our way, we will take them." To me, that is not in the spirit of the motion, which argues for the implementation of recommendations on which there is consensus. Linda Fabiani talked about what she wants—an independent Scotland—but I have never heard her or John Swinney say exactly what they would do with tax powers. Professor Keating, who is a well-known constitutional academic, says that the idea that tax cuts would pay for themselves through economic activity is

"reminiscent ... of the Reagan administration".

I have yet to hear a convincing argument for the use of tax powers.

I am not the only person who is not convinced by the Scottish Government's white paper. I may not be objective on whether independence is good for Scotland, as all my life I have campaigned for devolution. However, there are supporters of independence who say that the white paper is unconvincing, poor and superficial and does not answer any of the key questions. It does not say how tax powers would be used. We do not know whether there would be working families tax credit in an independent Scotland.

Jeremy Purvis made a critical point: policies in which people believe will not happen just because we change the constitution. The Scottish Government's white paper mixes up completely what the structures of an independent country would be with what the policies would be. Policy ideas on credit and tax are matters for the Government of the day, which is not what the Scottish Government says in its white paper. The white paper states that the welfare system in an independent Scotland "would avoid poverty traps". I say to Bruce Crawford that that is a policy—one that I have no difficulty supporting.

There is constant confusion in the white paper. Would Scotland be in the Commonwealth? How long would it be before Scotland was able to join the European Union? The partnership that we need with England on issues such as organ donation is not clear. There are no certainties about shipbuilding on the Clyde, where defence ships require security clearance. The white paper does not answer any of those questions.

There is an interesting quotation on page 66, which states that independence is "more apparent than real"—whatever that means.

The motion is a cherry-picking motion. The SNP Government has dumped its proposals on tax and on interparliamentary relations. Perhaps the minister will clarify that important matter in his

winding-up speech. If we do not have good relationships with the other Parliament, how will it be possible, in an independent Scotland, to share defence bases with the rest of the UK and to secure the co-operation that the Scottish Government says in its white paper it will get? That will not happen if the rest of the UK says that it is not possible.

On the timetable, I have said that the UK white paper is part of the normal process. Dave Thompson says that there is no technical reason for delay. I am not an expert on the matter, but there are arguments—whether or not I believe them—about the technical nature of the orders that would be required and there is no consensus between the Scottish Government and the UK Government on that. It is important to draw a distinction between the right to have a power in that regard and what we do with such a power. I found Dave Thompson quite persuasive on the issue, but it is not a matter that I have decided on and it is not a debate that I have taken part in. I reserve the right, should we get the power, as I hope we do, to make the decision after proper scrutiny—rather than making assumptions before we get the power.

Other members may criticise us for our approach, but I hope that it is at least accepted today that Labour is committed to the devolution project—and it is change that we argue for.

Margo MacDonald asked what people are saying on their doorsteps, and whether they are hungry for change. I guess that she is right to point out that people will answer the question when it is put to them. They want the Parliament to argue for a better life. I happen to believe that home rule within the UK gives people a better life—I genuinely and honestly believe that; others believe differently.

Margo MacDonald: Will the member give way?

The Deputy Presiding Officer: Sorry—the member is just finishing.

Pauline McNeill: I am sorry, but I am not allowed to give way.

Alasdair Allan says that we will not achieve anything by voting for the Labour amendment, but members will not achieve anything by voting for the Government motion either. I suggest that if Alasdair Allan really wants to achieve something, he should vote Labour at the general election, because a Labour Government will implement the Calman proposals. The return of a Labour Government is the best chance to get the new powers and the new taxes.

16:52

The Minister for Parliamentary Business

(Bruce Crawford): I had hoped that we could achieve a couple of objectives in today's important debate. The first was that, in the tone and content of our arguments, we would respect the views and positions of all parties in the Parliament. If we are to encourage a debate that allows all the people of Scotland to take part, it is vital that we respect the views of one another and the positions of parties across the chamber in this important area.

I was concerned that if we ended up slugging out our arguments in a negative manner, we would do ourselves no favours, with the result that we would succeed only in putting further distance between the citizens of Scotland and the political process. As we all know only too well, the political process is fractured enough without our creating an even greater disconnect. We need only look at turnout at elections to recognise that we have a problem that should concern us all. We need to do all that we can in our behaviour and in the way that we act to encourage the people of Scotland to take an active interest in politics in the widest sense. That is why today's debate and the issues that we raise about the future governance of our nation have to be relevant to the people of Scotland.

I had hoped that we could all focus on the best way of improving the lives of our people and allowing them to move forward to a more successful future. Unfortunately, I have been disappointed by some of the usual fears and smears that occasionally surface. Indeed we need to have strong debates, but surely we can do that from a position of mutual respect.

I might not agree with everything that Derek Brownlee said, but at least his contribution was positive. It was about trying to find solutions, rather than digging trenches. Robert Brown was right when he asked for us to take on a wider, more consensual view where progress can be made.

As far as George Foulkes and David McLetchie are concerned, one or the other could have made the same argument—I thought that they morphed into the same person this afternoon. I am not sure which of them that is more disrespectful to—Lord George or David McLetchie.

Secondly, I had hoped that in the debate members would acknowledge that Scotland is on a journey and that our direction of travel is firmly towards securing greater responsibilities for the Parliament and for our nation. Members will not be surprised to hear that I think that the path on which we are travelling will reach its destination only when the responsibilities of the Parliament are complete and Scotland is an equal and independent nation in a more modern partnership

on these islands. In that context, I say to Margo MacDonald that my support for a path towards greater responsibilities for our affairs is shared by almost every member in the Parliament. We differ only on the journey's end point.

Murdo Fraser: Will the minister give way?

Bruce Crawford: I will do so in a minute.

Some members will travel with us only for a small part of the journey; others will choose to join us until Scotland is responsible for the vast majority of her own affairs. Whatever our different visions of the future, surely it is right that, where we share common ground, we take at least part of the journey together, in the best interests of the Scottish people. I hope that that is what Murdo Fraser has at heart.

Murdo Fraser: I assure Mr Crawford that it is dearly at my heart. However, if the end point of the journey is quite clear to him and his Government, why is there no mention of it in the motion?

Bruce Crawford: That would not have made the slightest difference to where Murdo Fraser stands and where Labour stands. If we can at least find a position on which we can all agree at decision time, on a way forward on fundamental points in the Calman recommendations, we will have made significant progress for Scotland.

The reality is that we have already started out together on the path towards securing greater responsibilities for the Parliament. On a number of occasions since 1999, we have agreed to extend the powers of the Parliament. It was always envisaged that the devolution process might need to be adjusted. That is why section 30 procedures allow changes to be made with the agreement of both Parliaments. There have been 10 section 30 orders since devolution, most notably in 1999, to devolve freedom of information, and in 2002, to devolve responsibility for Scottish railways. The most recent was on Somerville. On each occasion, we took the opportunity to use an available mechanism to give effect to changes that attracted widespread support.

Patrick Harvie: Bruce Crawford was right to say that there has been a wee bit of party politics in the debate. Perhaps we should not be surprised. Is it not also the case that both major parties are refusing to recognise reality? The SNP refuses to recognise that measures will not be brought forward before the general election and the Labour Party refuses to acknowledge that it is going to lose the election. Does not the Parliament need to prepare for maximum momentum after the election? Is that not our best chance of getting movement on the substantive powers that we need?

Bruce Crawford: Patrick Harvie is more than aware that I want there to be substantial movement. I want our country to move forward and make progress. However, he is wrong to say that we cannot make progress before the general election. If there is a will in the Parliament—I hope that at decision time we will show that there is—and if there is a will in the UK Government, we can get the powers that we have talked about.

Margo MacDonald: Will the minister give way?

Bruce Crawford: No, I must make progress.

Fiona Hyslop mentioned areas in which there is agreement and in which action could be taken to give effect to that agreement. Other members picked up on the theme. We could legislate by order in both Parliaments and we could quickly implement some of the measures in Calman that we have discussed. Other measures could be implemented even more quickly, without the need for legislation. The First Minister wrote to the Prime Minister on 25 November to set out 15 recommendations that need only a change in attitude or procedure. We could achieve significant progress on those issues. Indeed, the Westminster white paper, which was published at the end of last month, confirms that the UK Government agrees with recommendations in those areas. Timing is the only issue.

On Pauline McNeill's point about a dispute between the Scottish Government and the UK Government about whether orders are necessary or appropriate, draft orders were sent to the Prime Minister in June, but we have had no substantive response from or discussion with Westminster or Whitehall since then. We would welcome detailed discussions.

Decision time will take place in a few minutes. I do not believe that it is beyond the ability of the Parliament to unite on areas in which we are on common ground. We all know in our heart of hearts that we are sharing the path of progress on areas such as responsibility for air-guns, drink driving and elections administration. We should unite not simply because we believe that the governance of Scotland can be improved through further devolution but because we all know that, if we have those additional responsibilities, we can begin to make changes that will genuinely improve the lives of the people of Scotland.

Business Motions

17:00

The Presiding Officer (Alex Fergusson): The next item of business is consideration of business motion S3M-5373, in the name of Bruce Crawford, on behalf of the Parliamentary Bureau, on the suspension of standing orders for the purpose of members' business on Thursday 17 December.

Motion moved,

That the Parliament agrees that Rule 5.6.1(c) of Standing Orders be suspended for the purpose of Members' Business on Thursday 17 December 2009.—[*Bruce Crawford.*]

Motion agreed to.

The Presiding Officer: The next item of business is consideration of business motion S3M-5374, in the name of Bruce Crawford, on behalf of the Parliamentary Bureau, setting out a business programme.

Motion moved,

That the Parliament agrees the following programme of business—

Wednesday 16 December 2009

2.30 pm	Time for Reflection
<i>followed by</i>	Parliamentary Bureau Motions
<i>followed by</i>	Scottish Government Debate: Scottish Government's Response to the Pre-Budget Report
<i>followed by</i>	Business Motion
<i>followed by</i>	Parliamentary Bureau Motions
5.00 pm	Decision Time
<i>followed by</i>	Members' Business

Thursday 17 December 2009

9.15 am	Parliamentary Bureau Motions
<i>followed by</i>	Finance Committee Debate: Scrutiny of the Draft Budget 2010-11
11.40 am	General Question Time
12 noon	First Minister's Question Time
<i>followed by</i>	Members' Business
2.15 pm	Themed Question Time Finance and Sustainable Growth
2.55 pm	Stage 1 Debate: Home Owner and Debtor Protection (Scotland) Bill
<i>followed by</i>	Financial Resolution: Home Owner and Debtor Protection (Scotland) Bill
<i>followed by</i>	Parliamentary Bureau Motions
5.00 pm	Decision Time

Wednesday 6 January 2010

2.30 pm	Time for Reflection
<i>followed by</i>	Parliamentary Bureau Motions
<i>followed by</i>	Scottish Government Business
<i>followed by</i>	Business Motion
<i>followed by</i>	Parliamentary Bureau Motions
5.00 pm	Decision Time
<i>followed by</i>	Members' Business

Thursday 7 January 2010

9.15 am	Parliamentary Bureau Motions
<i>followed by</i>	Scottish Government Business
11.40 am	General Question Time
12 noon	First Minister's Question Time
2.15 pm	Themed Question Time Education and Lifelong Learning; Europe, External Affairs and Culture
2.55 pm	Scottish Government Business
<i>followed by</i>	Parliamentary Bureau Motions
5.00 pm	Decision Time
<i>followed by</i>	Members' Business—[<i>Bruce Crawford.</i>]

Motion agreed to.

The Presiding Officer: The next item of business is consideration of business motion S3M-5375, in the name of Bruce Crawford, on behalf of the Parliamentary Bureau, setting out a timetable for stage 1 of the Public Services Reform (Scotland) Bill.

Motion moved,

That the Parliament agrees that consideration of the Public Services Reform (Scotland) Bill at Stage 1 be extended to 8 January 2010.—[*Bruce Crawford.*]

Motion agreed to.

Parliamentary Bureau Motion

17:01

The Presiding Officer (Alex Fergusson): The next item of business is consideration of a Parliamentary Bureau motion. I ask Bruce Crawford to move motion S3M-5376, amending the remit of the Education, Lifelong Learning and Culture Committee.

Motion moved,

That the Parliament agrees that the remit of the Education, Lifelong Learning and Culture Committee be amended to—

To consider and report on (a) further and higher education, lifelong learning, schools, pre-school care, skills and other matters falling within the responsibility of the Cabinet Secretary for Education and Lifelong Learning and (b) matters relating to culture and the arts falling within the responsibility of the Minister for Culture and External Affairs.—[Bruce Crawford.]

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

Decision Time

17:01

The Presiding Officer (Alex Fergusson): There are three questions to be put as a result of today's business. The first question is, that amendment S3M-5365.1, in the name of Pauline McNeill, which seeks to amend motion S3M-5365, in the name of Fiona Hyslop, on further powers for the Scottish Parliament, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Aitken, Bill (Glasgow) (Con)
 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)
 Brocklebank, Ted (Mid Scotland and Fife) (Con)
 Brown, Gavin (Lothians) (Con)
 Brownlee, Derek (South of Scotland) (Con)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Carlaw, Jackson (West of Scotland) (Con)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Curran, Margaret (Glasgow Baillieston) (Lab)
 Eadie, Helen (Dunfermline East) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Foulkes, George (Lothians) (Lab)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gillon, Karen (Clydesdale) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Goldie, Annabel (West of Scotland) (Con)
 Gordon, Charlie (Glasgow Cathcart) (Lab)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Henry, Hugh (Paisley South) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Johnstone, Alex (North East Scotland) (Con)
 Kelly, James (Glasgow Rutherglen) (Lab)
 Kerr, Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Lamont, John (Roxburgh and Berwickshire) (Con)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 Martin, Paul (Glasgow Springburn) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McConnell, Jack (Motherwell and Wishaw) (Lab)
 McGregor, Jamie (Highlands and Islands) (Con)
 McLetchie, David (Edinburgh Pentlands) (Con)
 McMahon, Michael (Hamilton North and Bellshill) (Lab)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Milne, Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Mulligan, Mary (Linlithgow) (Lab)
 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)

Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Elizabeth (Mid Scotland and Fife) (Con)
 Stewart, David (Highlands and Islands) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Whitton, David (Strathkelvin and Bearsden) (Lab)

AGAINST

Adam, Brian (Aberdeen North) (SNP)
 Allan, Alasdair (Western Isles) (SNP)
 Brown, Keith (Ochil) (SNP)
 Brown, Robert (Glasgow) (LD)
 Campbell, Aileen (South of Scotland) (SNP)
 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)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Highlands and Islands) (SNP)
 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)
 Hume, Jim (South of Scotland) (LD)
 Hyslop, Fiona (Lothians) (SNP)
 Ingram, Adam (South of Scotland) (SNP)
 Kidd, Bill (Glasgow) (SNP)
 Lochhead, Richard (Moray) (SNP)
 MacAskill, Kenny (Edinburgh East and Musselburgh) (SNP)
 MacDonald, Margo (Lothians) (Ind)
 Marwick, Tricia (Central Fife) (SNP)
 Mather, Jim (Argyll and Bute) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West of Scotland) (SNP)
 McArthur, Liam (Orkney) (LD)
 McInnes, Alison (North East Scotland) (LD)
 McKee, Ian (Lothians) (SNP)
 McKelvie, Christina (Central Scotland) (SNP)
 McLaughlin, Anne (Glasgow) (SNP)
 McMillan, Stuart (West of Scotland) (SNP)
 Morgan, Alasdair (South of Scotland) (SNP)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Neil, Alex (Central Scotland) (SNP)
 O'Donnell, Hugh (Central Scotland) (LD)
 Paterson, Gil (West of Scotland) (SNP)
 Pringle, Mike (Edinburgh South) (LD)
 Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)
 Robison, Shona (Dundee East) (SNP)
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)
 Russell, Michael (South of Scotland) (SNP)
 Salmond, Alex (Gordon) (SNP)
 Scott, Tavish (Shetland) (LD)
 Smith, 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)
 Stone, Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Sturgeon, Nicola (Glasgow Govan) (SNP)
 Swinney, John (North Tayside) (SNP)
 Thompson, Dave (Highlands and Islands) (SNP)

Tolson, Jim (Dunfermline West) (LD)
 Watt, Maureen (North East Scotland) (SNP)
 Welsh, Andrew (Angus) (SNP)
 White, Sandra (Glasgow) (SNP)
 Wilson, Bill (West of Scotland) (SNP)
 Wilson, John (Central Scotland) (SNP)

The Presiding Officer: The result of the division is: For 59, Against 66, Abstentions 0.

Amendment disagreed to.

The Presiding Officer: The next question is, that motion S3M-5365, in the name of Fiona Hyslop, on further powers for the Scottish Parliament, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

Adam, Brian (Aberdeen North) (SNP)
 Allan, Alasdair (Western Isles) (SNP)
 Brown, Keith (Ochil) (SNP)
 Brown, Robert (Glasgow) (LD)
 Campbell, Aileen (South of Scotland) (SNP)
 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)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Highlands and Islands) (SNP)
 Grahame, Christine (South of Scotland) (SNP)
 Harvie, Christopher (Mid Scotland and Fife) (SNP)
 Hepburn, Jamie (Central Scotland) (SNP)
 Hume, Jim (South of Scotland) (LD)
 Hyslop, Fiona (Lothians) (SNP)
 Ingram, Adam (South of Scotland) (SNP)
 Kidd, Bill (Glasgow) (SNP)
 Lochhead, Richard (Moray) (SNP)
 MacAskill, Kenny (Edinburgh East and Musselburgh) (SNP)
 Marwick, Tricia (Central Fife) (SNP)
 Mather, Jim (Argyll and Bute) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West of Scotland) (SNP)
 McArthur, Liam (Orkney) (LD)
 McInnes, Alison (North East Scotland) (LD)
 McKee, Ian (Lothians) (SNP)
 McKelvie, Christina (Central Scotland) (SNP)
 McLaughlin, Anne (Glasgow) (SNP)
 McMillan, Stuart (West of Scotland) (SNP)
 Morgan, Alasdair (South of Scotland) (SNP)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Neil, Alex (Central Scotland) (SNP)
 O'Donnell, Hugh (Central Scotland) (LD)
 Paterson, Gil (West of Scotland) (SNP)
 Pringle, Mike (Edinburgh South) (LD)
 Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)
 Robison, Shona (Dundee East) (SNP)
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)
 Russell, Michael (South of Scotland) (SNP)
 Salmond, Alex (Gordon) (SNP)
 Scott, Tavish (Shetland) (LD)
 Smith, 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)
 Stone, Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Sturgeon, Nicola (Glasgow Govan) (SNP)
 Swinney, John (North Tayside) (SNP)
 Thompson, Dave (Highlands and Islands) (SNP)
 Tolson, Jim (Dunfermline West) (LD)
 Watt, Maureen (North East Scotland) (SNP)
 Welsh, Andrew (Angus) (SNP)
 White, Sandra (Glasgow) (SNP)
 Wilson, Bill (West of Scotland) (SNP)
 Wilson, John (Central Scotland) (SNP)

AGAINST

Aitken, Bill (Glasgow) (Con)
 Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, 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)
 Brownlee, Derek (South of Scotland) (Con)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Carlaw, Jackson (West of Scotland) (Con)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Curran, Margaret (Glasgow Baillieston) (Lab)
 Eadie, Helen (Dunfermline East) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Foulkes, George (Lothians) (Lab)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gillon, Karen (Clydesdale) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Goldie, Annabel (West of Scotland) (Con)
 Gordon, Charlie (Glasgow Cathcart) (Lab)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Harper, Robin (Lothians) (Green)
 Harvie, Patrick (Glasgow) (Green)
 Henry, Hugh (Paisley South) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Johnstone, Alex (North East Scotland) (Con)
 Kelly, James (Glasgow Rutherglen) (Lab)
 Kerr, Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Lamont, John (Roxburgh and Berwickshire) (Con)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 Martin, Paul (Glasgow Springburn) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McConnell, Jack (Motherwell and Wishaw) (Lab)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McLetchie, David (Edinburgh Pentlands) (Con)
 McMahon, Michael (Hamilton North and Bellshill) (Lab)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Milne, Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Mulligan, Mary (Linlithgow) (Lab)
 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)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)

Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Elizabeth (Mid Scotland and Fife) (Con)
 Stewart, David (Highlands and Islands) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Whitton, David (Strathkelvin and Bearsden) (Lab)

ABSTENTIONS

MacDonald, Margo (Lothians) (Ind)

The Presiding Officer: The result of the division is: For 63, Against 61, Abstentions 1.

Motion agreed to,

That the Parliament welcomes the recommendations of the Calman Commission on Scottish Devolution that responsibility for the law across a range of areas be devolved to the Scottish Parliament and also welcomes the recommendations for closer working between the Scottish and UK Ministers to ensure that the needs of Scotland are properly represented, and urges the UK Government to work with the Scottish Parliament to ensure that, where there is consensus, all such recommendations are implemented before the dissolution of the current UK Parliament.

The Presiding Officer: The next question is, that motion S3M-5376, in the name of Bruce Crawford, amending a committee remit, be agreed to.

Motion agreed to,

That the Parliament agrees that the remit of the Education, Lifelong Learning and Culture Committee be amended to—

To consider and report on (a) further and higher education, lifelong learning, schools, pre-school care, skills and other matters falling within the responsibility of the Cabinet Secretary for Education and Lifelong Learning and (b) matters relating to culture and the arts falling within the responsibility of the Minister for Culture and External Affairs.

The Presiding Officer: That concludes decision time.

Broadband (Rural Areas)

The Deputy Presiding Officer (Alasdair Morgan): The final item of business today is a members' business debate on motion S3M-5149, in the name of Murdo Fraser, on broadband for rural Scotland. The debate will be concluded without any question being put.

Motion debated,

That the Parliament notes the vital importance of good quality broadband to households and businesses in remote and rural parts of Scotland; is concerned that there is now a two-tier communication system in Scotland that is holding back business growth in rural and remote areas; notes that many rural areas of Scotland are not receiving an improved broadband service, while its cities are continually able to access a faster and better service; further notes that there are a number of telephone exchanges that are full or near to full capacity in Tayside, such as Strathardle, Fern and Menmuir; understands that there are growing concerns about the quality, speed and cost of the Scottish Government-supported Avanti service to remote and rural areas, and believes that more should be done to ensure that all parts of the country have access to good quality broadband at affordable rates.

17:05

Murdo Fraser (Mid Scotland and Fife) (Con): I thank members who are staying behind for the debate and all those who signed my motion on broadband for rural Scotland. I welcome the establishment of the new cross-party group on digital participation and pay tribute to Willie Coffey for his work setting it up.

As I say in my motion, I believe that good-quality broadband is essential in today's Scotland. We use the internet to connect with family and friends and to do business. It is also an important educational tool and resource. A study conducted by the Communications Consumer Panel in June 2009 found that 73 per cent of respondents, which included 2,000 members of the public and 16 focus groups, believe that a high-speed web connection is as essential as basic utilities such as electricity and water. Quite simply, broadband is now seen as a necessity.

I will concentrate on two issues: first, the problems with exchanges in rural areas and the need to upgrade them; secondly, the problems with, and shortcomings of, the Scottish Government's Avanti Communications contract. I fear that rural Scotland is being short-changed. There is no better way to outline the frustrations and problems of my constituents than to quote their own words. A resident in highland Perthshire e-mailed me the following:

"We do our bit for tourism by letting a farmhouse for high quality self-catering holidays and are greatly hindered by the slowness of the broadband speeds. When they talk about 8mb/s being slow they should try our 0.5mb/s. The

quality of the lines to the exchange and the type of exchange itself needs to be upgraded."

Another constituent near Kirriemuir in the Angus glens wrote:

"There is an absolute ground swell of people – ordinary people, not business – who are demanding better quality broadband – and this won't be stopped. Several local people here drive regularly 50 miles or more to receive and send material from Dundee. How do you send fine architectural drawings on the facilities BT gives us here?"

The Kirkmichael session house in rural Perthshire serves as an important community centre and provides distance-learning courses from Perth College, so access to broadband is essential. The session house had access through ISDN, but that was withdrawn and, because the local exchange was full, it could not access broadband. The session house wrote to the chairman of BT, saying:

"We have been left high and dry. We have no internet connection and are unable to conduct our day-to-day activities."

We have a persistent problem with other rural exchanges, including those at Fern and Menmuir in Angus, operating at capacity.

I was pleased to see the Scottish Government announce a few weeks ago a £3 million programme of exchange upgrades. I was equally pleased to see earlier today that the Scottish Government announced a detailed programme. When I asked for this members' business debate, I did not expect so early or so easy a victory. If only the Government caved in so easily to all my demands—I would request members' business debates all the time.

It is welcome that our pressure has paid off and that the Government is taking action, but before the Minister for Enterprise, Energy and Tourism gets too complacent I point out that the information that the Government released today states that the timetable for two exchanges that I have just mentioned—Fern and Menmuir—has still to be announced. I would like the minister to tell us in his reply when we can expect details of the timetable, which is of great interest to my constituents.

Through Avanti, the Scottish Government provides those who are more than 5km away from an exchange with a wireless service. I believe—I am sure that this will be reflected in other members' speeches—that there are real problems with the speed, reliability and cost of the Avanti service. One resident in the Angus glens wrote to me with the following description:

"The Avanti contract will provide broadband to some currently without access; however the broadband access provided will be very slow and relatively expensive compared to that available in cities and urban areas. Furthermore it will not provide universal availability of

access to broadband since Avanti has informed us that they are under no obligation to provide a service to all those registered on the scheme."

Another individual who registered for the Avanti scheme was told by Avanti that the scheme could do nothing for her because a hill to the south of her house blocked out the signal. That problem is duplicated across rural and remote parts of Scotland. Residents and businesses tell me that Avanti is not the answer and that the contract is failing them.

I do not believe that it is right that, while most of Scotland enjoys high levels of broadband availability and our cities benefit from ever faster services, rural parts of Scotland are left completely behind and, in many cases, are unable to obtain any service at all. Individuals and businesses in Angus, Perthshire and across Scotland are extremely frustrated that they cannot receive broadband connectivity at all. That is holding back businesses and rural communities. Already, we have a two-tier communication system in Scotland. Every year, there seems to be a greater gulf between the technology that is offered to the cities and that which is available to rural areas. We all want vibrant rural communities in which people can work from home to help meet our climate change targets, but that will not happen without better broadband access.

In September 2009, it was announced with great fanfare that broadband-enabling technology, which allows broadband to be provided to homes that are currently too far away from their local exchange to receive a broadband service, had been successfully trialled in the Highlands. More trials are planned to take place in other parts of Scotland. Although I welcome the commitment to upgrade some exchanges and to undertake further trials of BET, I remain concerned that there is still no long-term broadband solution for our rural communities. From speaking to many people who signed up to Avanti, it is clear that Avanti has not solved the problem of enabling people in remote and rural areas to access adequate broadband. That is why I think we need to have a fresh look at this important issue.

I believe that inadequate broadband for rural Scotland is a social injustice that must end. As we enter the season of good will, I hope that the Scottish National Party Government will give rural and remote Scotland an early Christmas present by making a commitment to much-improved broadband connectivity for households and businesses.

The Deputy Presiding Officer: We now move to the open debate. Speeches should be of four minutes.

17:12

Rob Gibson (Highlands and Islands) (SNP): I congratulate Murdo Fraser on gaining this members' business debate on this auspicious day, on which it has been announced that many more people in our rural areas—those who are served by the 71 exchanges—will be able to receive a better service.

At the end of 2008 I carried out a survey of people in north-west Sutherland, north-east Caithness, the south mainland of Orkney and the Invergordon area. Four fifths said that they see the internet as a vital tool, of which broadband is seen to be a key part. Two thirds believe that their provision is inadequate. Four fifths believe that they are underserved. Nearly half use broadband facilities for both business and personal use. That snapshot of the north and west of Scotland shows how important it is that rural areas are able to take part in the economy of the whole country—but, as the figures show, they are disadvantaged. In the postcode area for north-west Sutherland, my questionnaire had a 30 per cent response rate. That shows how strongly people feel about the issue.

We must ask ourselves what the root problems are that need to be solved. Murdo Fraser has mentioned some of them; I shall highlight one other. One survey respondent said:

"I do not believe that I am any more entitled to superfast broadband than anybody else in the country. Just equally entitled."

That response raises an issue about the limited choice of providers in rural areas. Given that BT, on which many rely, is prepared to levy in the cities a charge that is commensurate with the speed of the broadband service, why should BT be allowed to charge people in rural areas for 8 megabits per second when many get only 0.5 megabits per second or 1 megabit per second? Should there not be a sliding charge for people in rural areas in recognition of that? Of course, that is hardly a solution, but the issue is a sore thumb that sticks out. People complain about the price that they pay for the service.

To some extent, the same point applies to the Avanti scheme, which was a well-meaning way of dealing with people who are further from exchanges. That issue might be partly dealt with by increasing the strength and quality of each exchange, but folk who are close to Perth, Dingwall, Inverness and other large centres face difficulties, as they are outwith the range of the system that is in place at present.

We have to think about what sort of services people need. We found in our survey people who deal with internet businesses around the world. Some work for Microsoft, for example. We

uneearthed many people who have a range of business needs. I appreciate the move forward that has been announced today, but I would like our Government to say to the regulators and BT that they have to sit up and listen and provide the next step. One woman said that she lives at the end of a very small copper wire—not very far from Invergordon.

If rural areas are to have the kind of service they deserve, there must be a rewiring of the whole area—not with copper, but with the modern kind of system that is required. The cost of such work has to be evaluated. I hope that today's debate will enable us to get a sense of what it will cost to lay the modern systems that will allow people in our rural areas finally to get the up-to-date broadband they deserve.

I apologise, Presiding Officer, if I have to leave the debate slightly early.

17:16

Peter Peacock (Highlands and Islands) (Lab):

I welcome the opportunity to debate this issue on the back of Murdo Fraser's motion. I too have lodged a motion about broadband, but it has a slightly different focus. I hope that we can deal with it in a members' business debate in the not-too-distant future and that the minister will not use all his notes tonight, so that he has something fresh to say in a couple of weeks' time—if my motion is selected for debate.

I will not comment on what has been said about Tayside because it is not in my region, but I will pick up on the principles that Murdo Fraser talked about. His motion talks of a two-tier system. I suggest that there is at least a three-tier system: there are those who have various acceptable levels of broadband, those who get the most basic level of about 512 kilobits per second and those who cannot get broadband. A significant number of people in the Highlands and Islands are in the last category.

As Murdo Fraser said, broadband has become an essential element of modern life: for personal use, for business use, for entertainment and for education. To do those things properly, people need high quality, high level and reliable connections. I have in my mailbag e-mails similar to those that Murdo Fraser and Rob Gibson told us about.

The situation in Tayside is challenging enough, but the Highlands and Islands is by far the most challenging area with regard to the provision of broadband—as it has been with regard to the provision of every previous generation of technology. We have the greatest geography—the highest mountains and deepest inlets into our sea lochs—which means that it will almost always be

impossible to lay fibre optic cables or similar technologies in large parts of the region. As a consequence, and combined with the fact that the region has the smallest marketplace in the country which means that it offers the smallest return for any investment, the private markets will not provide broadband to the Highlands and Islands. They will not provide broadband to large parts of the Angus glens, Tayside, the Borders and so on for the same reasons. That is why Government intervention is a necessary part of how we deliver.

I welcome today's announcement. Although the progress is modest, it means that some people are getting connected to broadband for the first time. The announcement follows what previous Governments have had to do. During the years of the previous Conservative Government, when ISDN was first appearing on the scene, the old Highlands and Islands Development Board invested in that technology to ensure that the Highlands and Islands did not lose out. Similarly, during my time in government, our pathfinder project connected all the schools and libraries in the south and the north of Scotland and established the connected communities system in the Western Isles. We carried out exchange upgrades, which the present Government is continuing to do, and implemented the Avanti fill-in process, which does not apply to the Western Isles for particular reasons. The small package of LEADER proposals that the Government is now working on will help as well.

Like Murdo Fraser, I have received a number of complaints and concerns about the Avanti system. The technology has limitations—it is something to do with contention rates, which I do not fully understand. The managing director of Avanti met me in the Parliament to try to address some of the concerns. It was a constructive meeting; the relationship that I have had with Avanti since then has been positive and the company has genuinely tried to resolve the issues that have been raised, but I still get complaints about the issues that Murdo Fraser indicated as being continuing difficulties with that particular system. That will no doubt have to be addressed, and I am interested to hear what the minister has to say on it.

I believe that the Government has more to do on the issue. A coherent strategy and programme is necessary to address the particular pressure points in the system, and we need to examine the technologies that are becoming available so that we can address the issues. There are major challenges. Part of the answer will involve community self-help in areas where the most difficult challenges involve reaching that last mile—or last 100m—to receive the signal that is required for broadband. I am interested in what the minister has to say in his response tonight, although I hope that he will keep his powder dry to

answer questions on the “Digital Britain” report in due course.

17:21

Jamie McGrigor (Highlands and Islands) (Con): I congratulate my good friend Murdo Fraser on bringing to the chamber today’s extremely important debate and on prompting the Government to send an e-mail this afternoon to tell us of 71 upgrades, the first of which will be finished by March 2010. I thought that that e-mail might pre-empt my speech but, having looked at the list, I see that it does not include any of the exchanges that I am going to complain about.

The minister will be aware, as the constituency MSP for Argyll and Bute and from the repeated correspondence that he has had with members such as me, that there are far too many rural communities in the Highlands and Islands that still receive an inferior service and poorer value for money in comparison with their urban equivalents.

One constituent in rural Argyll told me this week that she is paying a whopping £40.54 per month for broadband through Avanti, which she finds does not work half the time. When she rings Avanti to complain, the company tells her that, because it is raining either in London or in Argyll—which is quite often—the satellite is not working. Furthermore, she receives no refund for any lack of service, she is bound into a minimum one-year contract, and even when the system is working it is often so slow that sometimes the service times out before things download.

Watching BBC iPlayer, which people in the cities take for granted, can be a frustrating experience that leaves people tearing their hair out. That is surely unacceptable, and sadly—judging from my mailbag—such an occurrence is not an isolated case. I am led to believe that the cheapest Avanti option is £23.50 per month, which is much more expensive than many of the competitive city broadband packages and an amount that means that the package is out of reach for many people on low incomes. Indeed, the fact that the uptake of Avanti broadband by those who previously indicated an interest is only around 50 per cent suggests that cost is putting people off.

Another constituent in Argyll tells me that, despite the fact that he lives only 100m from the BT exchange, his broadband provider can only give him 2 megabits per second. His neighbour, who is with a different provider and thus uses a different line from the exchange, can get 8 megabits per second. Such inconsistency understandably annoys and dismays people; they just feel conned.

I will briefly mention the continuing and passionate campaign of my constituents in

Northbay on the island of Barra to secure a better broadband service for their community than the one that is currently provided by the connected communities broadband network, which is owned and managed by Highlands and Islands Enterprise. My constituents on Barra continue to make the case to me that the con com wireless solution has just not worked for them; they want the local BT exchange to be upgraded. One of my constituents said to me, “What kind of con is con com?”

My constituents in the rural and island parts of my region want efforts redoubled to secure affordable, fast and reliable broadband for all. That must mean working with BT and urging it at every opportunity to renew and upgrade the BT telephone exchanges. I am glad that 71 exchanges are being upgraded, but there are still many more. Upgrading the exchanges will enable BT to cope with the demand that exists in communities throughout rural Scotland.

BT seems to be saving money by getting rid of rural telephone boxes, which it says there is no longer any need for. The upgrading of rural exchanges is a new, modern need that BT can fulfil, and I hope that the Government will encourage it to do so.

17:24

Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): I congratulate Murdo Fraser on securing the debate, which is on a subject that is important to many members.

I will give two examples of the letters that members have received, to which Rob Gibson and Peter Peacock referred. The letters are symptomatic of the problem. The Shed at Nedd, which supplies original artworks on canvas by Sara Garnett, writes:

“Despite ... assurances of broadband provision ... of 21st October, our most recent order for broadband has been declined.

This situation is ridiculous, our business & trading has all but ceased, our financial situation is bleak”.

We are talking about small businesses in very rural parts—Nedd is near Drumbeg and Lochinver and is in Assynt. If the business there went down, that would be sad.

My constituents Noreen and Anthony Watson of the Shielling in Tongue by Lairg write:

“My wife and I wish to inform you that the service has continued to deteriorate since our exchange of correspondence during July, in fact the internet came to a complete halt at 1615 this evening thus necessitating us to cease work! ... Our frustration is such that we are giving serious thought to marketing our house next spring with the aim of moving to an area with speedy broadband.”

It would be a disaster if people moved out of the Highlands. Every one of us—regardless of political party—recognises that we must encourage people not just to stay but to move into the area.

In fairness, I must give credit where it is due. The e-mail that arrived this afternoon was most welcome. I thank Ian Shanks—BT Scotland's head of Scottish affairs—who is known to all of us. Over the years, he has proved to be a most courteous servant of Governments of whatever colour, and he and his department have always done their level best to tackle difficult problems. I am sure that I speak for members of other parties when I say that. He is a truly excellent official—that needs to be on the record.

I thank the minister for his announcement—not thanking him would be churlish. It is a little unfortunate that ministers must sometimes listen to a litany of complaints when they are delivering. I hope that I say that in the most fair-minded way.

I also thank John Swinney, whom I met some months ago to discuss the comments and complaints that I was receiving. He listened courteously, and the proof of the pudding is in the eating.

I draw members' attention to the exchange in Scourie, which is on the list of exchanges in my area that will be upgraded. Scourie is close to Nedd, where my constituents have a problem. We have asked Ian Shanks today whether the Scourie improvement will mean that we can tackle the Drumbeg problem and we await the answer with interest. That might be the case—I dare say that the minister does not have an instant answer—but we shall see.

A fly in the ointment is the dates on the list. Scourie will be upgraded in April 2010, which is not very far away, but the exchange at Tongue—which is relevant to my constituents the Watsons—will be upgraded in August. However, one must not look a gift horse in the mouth. I hope that we can say to such businesses, "Look—broadband's coming and the Government are delivering. Stay with it, we're getting there."

My final comment arises from what Peter Peacock said. The investment by Highlands and Islands Enterprise was crucial. When he and I were members of Highland Council, we recognised that investment. However, on not such an optimistic note, I am concerned that the financial regime that Highlands and Islands Enterprise must impose these days might make it much harder for HIE to take in the future the leap of faith that it took in the past. That is a warning to us all.

17:29

Cathy Jamieson (Carrick, Cumnock and Doon Valley) (Lab): I congratulate Murdo Fraser on securing the debate. It is interesting that we are hearing of the problems and difficulties that rural communities face the length and breadth of Scotland. I am about to talk about the south-west and my constituency in particular.

The motion talks about problems in relation to capacity and to Avanti. I could pull out from my mailbags many constituency problems that are exactly like those that members have described. I urge the minister to give particular attention to issues surrounding Avanti, as they have also arisen in my constituency.

These problems are affecting not only remote or even slightly remote rural areas but areas such as my own in which rural communities sit fairly close to larger towns where people can communicate using a decent broadband system, and it is understandable that people want to know why they cannot access the same service. The number of small businesses in my area that have been in touch with me to explain the difficulties that they face is rising, and I suspect that, as a result of this debate, I will get another mailbag on the matter. It has been announced that capacity on one of the exchanges will be increased next year, but other people in the surrounding area will want to know why they have not been included in the upgrade and when they will receive the same service.

Ironically, some of the businesses that have been in touch with me and will no doubt continue to press the case are involved with information technology and software development. We are also talking about media and communications people and a whole range of people who want to sell their craftwork and other goods that they have manufactured locally. Those people have chosen to live and work in rural areas and want to contribute to the local community.

With regard to the motion's reference to "a two-tier communication system",

I have over the years drawn to the minister's attention the fact that many parts of my constituency cannot get mobile phone coverage, never mind a broadband connection. Members will be aware of my recent journey to Nepal on the other side of the world; I find it extremely ironic that I was able to get a text message in Bhulebhule at the beginning of the Annapurna circuit but I cannot get one at my surgeries in Barr in Ayrshire. One can begin to see why people feel that not enough attention is being paid to their needs.

I hope that we will be able to come up with a strategy for the areas that are losing out most, that

we can see the costings and that we have a plan that can roll out over a number of years. I am not unrealistic about progress—I know that it will take time—but it is important that the affected communities feel that their agenda has been picked up and is being considered.

One of the other things that I learned in Nepal was the phrase “Bistari, bistari”, which means “Slowly, slowly”. I appreciate that some things have to be done “slowly, slowly”, but I think that if we can assure those communities that they will get a broadband service at some point they will be prepared to work with us instead of simply criticising us.

17:33

Liam McArthur (Orkney) (LD): On such occasions, it is customary to congratulate the MSP who has lodged the motion for securing the debate. In this instance, I am happy to congratulate Murdo Fraser for securing the debate, and I heartily applaud the laxative effect that it has had on the Government. It appears that Mr Fraser’s motion has finally prompted movement from the minister with regard to details of the upgrade programme that was first announced in September.

Although I certainly welcome the news that the exchanges in Birsay, Hoy and Papay are to be upgraded, I am a little disappointed that work in Birsay and Hoy is unlikely to be completed for a number of months. That is excessive, particularly with regard to Birsay, so I hope that the minister will think about what more can be done, even at this stage, to bring forward the timeframe.

As other members have, I welcome the minister’s announcement and acknowledge the fact that he has listened and responded to the representations that I, in conjunction with representatives from the communities in Orkney that are directly affected, have been making for a number of months now. Sadly, for the residents of Papay—as for too many others in Orkney—the quality of the service that will continue to be available is poor compared with the service in more urban areas.

In his motion, Murdo Fraser refers to “a two-tier communication system in Scotland”.

Like Peter Peacock, I feel that that is further evidence of Mr Fraser’s now trademark penchant for understatement. In truth, I believe that we are witnessing an already gaping digital divide that is showing every sign of developing into a yawning chasm. Given the pace of technological change, the challenge for Government and regulators grows ever more difficult. In an ever more competitive and interconnected world, we cannot

afford to adopt a lowest-common-denominator approach, but concerns are increasing at the scale of the disparity and the way in which rural communities are being left further and further behind.

With each new development in the technology, communities such as those in Orkney are expected to take their place at the back of the queue and wait patiently. Failure to restore a better sense of balance between the digital haves and the digital have-nots risks storing up serious socioeconomic problems for the future. In that regard, I entirely agree with Cathy Jamieson’s remarks that many areas that have limited broadband services also suffer from patchy or completely absent mobile phone reception. More action is needed on mast-sharing or other initiatives to patch up the network.

Although the improvements that will result from the upgrades that were announced earlier today are welcome, we must recognise that they are likely to impact at the margins; superfast broadband it most definitely is not. More action is needed to tip the scales, so—as other members were—I was encouraged to hear Lord Carter recommend universal service provision of up to 2 megabits per second in his “Digital Britain” report, but I do not want to steal the thunder from Peter Peacock’s upcoming debate. Assuming that Scottish ministers share that aspiration, it would be helpful to know what discussions have taken place, or are due to take place, between United Kingdom counterparts about how such a commitment might be delivered. Aspiration without a clear plan for delivery is simply delusion and will serve only to frustrate those who are left out in the cold.

A word of warning: suggestions that a levy can be charged on all existing broadband customers to pay for further investment will be met with resistance by many people in rural areas who are already stoically paying above the odds for a service that would be considered wholly unacceptable by their urban counterparts, as other members have already pointed out. Ministers must also accept that their decisions can exacerbate the problem. For example, insisting that rural priorities applications can be made solely online is unhelpful for those who have access to no or poor-quality broadband. In addition, many tourism businesses, such as those which were referred to by Murdo Fraser, are being hindered by the standard of broadband service that they are able to access, and by the centralisation of VisitScotland, which serves to compound their problems.

The debate has been useful. The issue is so important that it is perhaps unfortunate that the Government has not seen fit to make its own proposals and to lodge motion. Given the threat of

the growing digital divide, there will be ample opportunity to return to the topic again and again in the months ahead. For the time being, however, I congratulate Murdo Fraser again, and look forward to seeing what quick wins he targets with his next member's business debate.

17:37

The Minister for Enterprise, Energy and Tourism (Jim Mather): It has been an interesting debate and I congratulate Murdo Fraser for securing it and for giving me a chance to report on the progress that the Government and its partners have made. I also welcome the fact that he linked the issue to the digital participation focus of the Parliament and to e-commerce, which is going to be fundamental for Scotland, and especially for rural Scotland.

The intervention of the previous Administration and the current Government in basic broadband availability in Scotland now means that 99.6 per cent of premises are covered. That is comparable to UK broadband availability and is also among the best in the world. We are committed to the 512 kilobits per second target, and we have already made a significant impact with the broadband reach project; I will talk more about that in a moment.

The Exchange Activate upgrade programme will bring increased access to broadband to many rural areas in Scotland, and we also have the prospect of European economic recovery package funding for broadband projects, which is expected to bring even greater benefit to Scottish rural communities. On specific planned upgrades for Avanti, I also had a conversation with David Williamson, the chief executive, as did Peter Peacock. I am delighted to announce that the first 71 exchanges will be upgraded in the Exchange Activate programme, and that includes 44 in Highland and 10 in Tayside. Those upgrades will begin in March 2010.

We are also pleased to announce that BT is investigating further upgrades, and details will be announced in due course. We are working hard with BT to resolve issues and to be confident that the exchanges will be upgraded in due course. I have to mention that one of those exchanges will be Drumbeg, which I hope will handle the Scourie issue.

The upgrade programme follows significant discussion with BT, which is investing about £3 million in the programme. There is no Scottish Government funding. The upgrades will either be additional capacity or an upgrade to full ADSL, which offers higher speeds. The priorities in the project are to upgrade exchanges that are

operating at full capacity or approaching it. Those are listed on the website.

Murdo Fraser: I have a question before the minister moves on from the exchange upgrades, which I very much welcome. I mentioned that no date has been given for the work on the exchanges at Fern and Menmuir. If the minister cannot tell us when that will happen, can he tell us when he can tell us?

Jim Mather: As we have managed the process successfully in order to get those exchanges on the list, Murdo Fraser can anticipate our telling him as soon as possible. The pressure will be maintained.

The Avanti project was completed successfully in May 2009 and almost 2,300 households and businesses throughout Scotland—mainly in rural areas, as members will know—are for the first time benefiting from a broadband service. Furthermore, we have agreed with Avanti to keep the project open for late registrations up to March 2010, while funding remains.

Jamie McGrigor: Although people might be pleased to get the Avanti service, will the minister reflect on my comment that, apparently, it does not work if it is raining in London or Argyll?

Jim Mather: I once worked in IBM and I was much more adept at objection handling than the Avanti people seem to be. I do not accept such explanations as reasonable; they fit badly with the quality and commitment that I found when I met David Williams, the chief executive of Avanti, in my office last week. The good news is that he confirmed to me that the new satellite, which is called HYLAS—the highly adaptable satellite—will be launched in the second quarter of 2010 and will offer a significant upgrade in service for all Scottish customers.

I also derive confidence from the fact that Avanti has attracted a good proportion of the necessary capital for the upgrades from Scottish institutional investors. Those investors will be hearing the same messages as we are and will be seeing the potential for progress. One striking feature of my conversation with David Williams was the point that the system, which was the best that was available at the time, will improve over the piece. I am confident that the market will solve the problem.

Jamie Stone: I will not talk about rain problems. The minister talked about flexibility and made the welcome point that the Drumbeg problem might be taken care of by the work at Scourie. Can we take it that consideration will at least be given to communities between those two places and which might have problems, in order that they too can be swept up in the solution?

Jim Mather: I would have to know the exact distances that are involved to give a confident view on that, but I believe that, with the Scourie and Drumbeg improvements coming on stream and Avanti in place and improving and evolving, Jamie Stone will have more happy constituents than unhappy ones.

We have had good meetings that have brought together all the players in the sector to consider how we can make progress together on broadband and to get buy-in from them. I was taken by Cathy Jamieson's comment about working with us, rather than complaining. In responding to her, I am keen to say that we want to face the complaints, because they are how we get improvement. Sometimes that is not comfortable, but the discomfort of facing the reality will drive us forward. We put on record our appreciation of the combined power of Parliament in raising the issues, which allows us to take them to the Office of Communications, the industry, the markets, the UK Government and the European Commission so that we can identify everything that can be done to drive forward. I am confident that we will have a considerable improvement.

On the "Digital Britain" publication, which was produced in June, I do not wish to erode all that work but, given that things are happening down in Westminster as we speak, perhaps that will not come entirely to fruition as is currently intended. However, as a declaration of intent, the idea of a universal service commitment has enormous appeal.

We will press the UK Government for a formal channel of communication with the steering group to ensure that Scottish interests are fully represented. We will seek to ensure that we have full engagement there. I have formally requested a meeting with Stephen Timms, the UK minister with responsibility for digital Britain, to discuss Scottish interests and the Scottish Government's role. I await his response. Mr Peacock will know exactly when that was, as he met me a few days ago on North Bridge, when I told him that I had just fired that letter in.

There is also the issue of the European economic recovery package. The intention is for Scotland's rural communities to benefit from that funding. So far, €1 million has been allocated and further resources may be available, depending on the level of take-up. The aim is that funding will be available to applicants for new or enhanced broadband infrastructure provision. Individuals and communities, which have been mentioned several times in the debate, will be invited to establish their service requirements and identify a provider prior to submitting funding applications. Decisions are on-going with LEADER and local action groups about how to make the funds accessible.

We intend to keep pressing on that and every other front.

Murdo Fraser mentioned inability to get the signal to one premises. There are a few places like that, but they are infinitesimally few in number. Avanti was the best solution that we could get at the time. I hope that, with the new satellite provision, such problems may be overcome.

In the meantime, we will continue to listen welcome input from members. It is a matter of our pulling together to get the improvements that we all want.

Meeting closed at 17:46.

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