

The Scottish Parliament Pàrlamaid na h-Alba

Official Report

MEETING OF THE PARLIAMENT

Wednesday 14 April 2010

Session 3



Wednesday 14 April 2010

CONTENTS

	Col.
TIME FOR REFLECTION	
LOCAL GOVERNMENT FINANCE (SCOTLAND) AMENDMENT ORDER 2010	25211
Motion moved—[John Swinney].	
The Cabinet Secretary for Finance and Sustainable Growth (John Swinney)	25211
Michael McMahon (Hamilton North and Bellshill) (Lab)	25213
Derek Brownlee (South of Scotland) (Con)	25214
Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD)	25216
John Wilson (Central Scotland) (SNP)	25217
John Swinney	25219
ECONOMIC RECOVERY PLAN	25220
Motion moved—[John Swinney].	
Amendment moved—[Andy Kerr].	
Amendment moved—[Derek Brownlee].	
Amendment moved—[Jeremy Purvis].	
The Cabinet Secretary for Finance and Sustainable Growth (John Swinney)	25220
Andy Kerr (East Kilbride) (Lab)	25224
Derek Brownlee (South of Scotland) (Con)	
Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD)	
Joe FitzPatrick (Dundee West) (SNP)	
George Foulkes (Lothians) (Lab)	
Ross Finnie (West of Scotland) (LD)	
Bob Doris (Glasgow) (SNP)	
Patrick Harvie (Glasgow) (Green)	
Ms Wendy Alexander (Paisley North) (Lab)	25248
Rob Gibson (Highlands and Islands) (SNP)	
Iain Smith (North East Fife) (LD)	
Gavin Brown (Lothians) (Con)	
David Whitton (Strathkelvin and Bearsden) (Lab)	
John Swinney	
Business Motions	25263
Motions moved—[Paul Martin]—and agreed to.	
DECISION TIME	25265
FREEDOM FROM FEAR CAMPAIGN	25275
Motion debated—[Hugh Henry].	
Hugh Henry (Paisley South) (Lab)	25275
John Scott (Ayr) (Con)	
Karen Whitefield (Airdrie and Shotts) (Lab)	
Bill Wilson (West of Scotland) (SNP)	
Cathie Craigie (Cumbernauld and Kilsyth) (Lab)	
Richard Baker (North East Scotland) (Lab)	
Mary Mulligan (Linlithgow) (Lab)	
Cathy Peattie (Falkirk East) (Lab)	
The Minister for Community Safety (Fergus Ewing)	

Scottish Parliament

Wednesday 14 April 2010

[The Presiding Officer opened the meeting at 14:30]

Time for Reflection

The Presiding Officer (Alex Fergusson): Good afternoon. The first item of business this afternoon is time for reflection. Our time for reflection leader today is the Rev Andrew Jolly, chaplain to the United Kingdom oil and gas industry.

The Rev Andrew Jolly (UK Oil and Gas Chaplaincy): As all of you know, today is 14 April. There is nothing very exciting in that, except that it is a little known fact that 14 April is my birthday. Please do not sing. However, dates figure hugely in our lives. For most of us, it is about remembering the birthday of a child or grandchild or even an anniversary. It may even be about remembering the death of a loved one or some other important milestone in our life or that has arisen—for example, on 6 May.

I am the chaplain to the oil and gas industry. Dates figure hugely in my life and that of the chaplaincy. For many people, 1 April this year will have been just a date on the calendar, but for many of those who are employed offshore and onshore in the oil and gas industry it was a date to recall with sadness, like so many others. Dates such as 6 July, when we recall Piper Alpha, 6 November, the date of the Chinook crash off Sumburgh, and 27 December, the date of the helicopter crash in Morecambe Bay, are all dates when tragedies occurred. The first anniversary of the 17 deaths that occurred on 1 April 2009 took place recently, when many families and friends recalled the deaths of the 16 offshore workers on flight 85N who perished as it returned to Aberdeen from the BP Miller platform, and the death on the same day of another offshore worker on the diving support vessel the Wellservicer.

Many other events that claimed many lives in the oil and gas industry could be mentioned. However, the loss that some families and friends recall will be of an individual who died in an individual event, due to natural causes or an accident while working offshore. Their death was not part of some catastrophe but happened in isolation. The loss, pain and sorrow of their family and friends are every bit as real as those of families who have lost loved ones in tragic accidents that have claimed the lives of many people. Although it is easy to remember the big events, we must be aware of the danger of forgetting the single losses. In all those tragedies,

the chaplaincy is able to respond by providing pastoral and spiritual care to friends, families and colleagues offshore and onshore.

When filling up our car at the petrol pumps, when switching on our cooker to roast our Sunday joint or when flicking a switch and expecting our house to light up, it is easy to forget that there has been a human cost to the convenience that we enjoy. It is a cost that the industry is working hard to eradicate but which has been paid in the past. Tomorrow or, perhaps, some day next week will be someone's Piper Alpha or 85N, when they will recall the life of a loved one. Do not forget them, as we in the chaplaincy do not forget them.

Local Government Finance (Scotland) Amendment Order 2010

The Presiding Officer (Alex Fergusson): The next item of business is a debate on motion S3M-6127, in the name of John Swinney, on the Local Government Finance (Scotland) Amendment Order 2010.

14:34

The Cabinet Secretary for Finance and Sustainable Growth (John Swinney): On 10 February Parliament approved the Local Government Finance (Scotland) Order 2010, which enabled Scotland's local authorities to set their revenue budgets for the current financial year, including the amount that they needed to raise locally from the council tax.

On 18 February I was delighted to welcome the news that all 32 local authorities had, for the third year in succession, agreed to freeze their council tax levels. Councils were able to take the view that, if they froze council tax for a third year, the Scottish Government would provide them with a share of an extra £70 million of revenue funding to compensate them for the income forgone from not increasing the council tax. All 32 councils set their budgets for 2010-11 on the assumption that the extra funding would be forthcoming, as it has been in each of the past two financial years. The sum of £70 million is the equivalent of an annual increase of just over 3 per cent in council tax rates in all local authorities. If the order is approved by Parliament, the funding will be allocated to all 32 local authorities on a fair and equitable basis, as agreed with the Convention of Scottish Local Authorities. That outcome is another tangible example of the partnership that the Scottish Government has established with government, which is delivering benefits for people throughout Scotland.

If the motion to approve the order is not successful today, that will have a direct impact on local authorities and the communities that they serve, resulting in a further significant reduction in funding, over and above the £174 million that has already been taken out of local authority plans for 2010-11 as a result of the United Kingdom Government's £500 million cut in the Scottish Government's budget.

The council tax freeze has been welcomed by households the length and breadth of Scotland. It shows that the Scottish Government is continuing to do all that it can to support families in these difficult financial times, and it will ease the financial pressures that households face as we move towards economic recovery.

Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD): In the cabinet secretary's press release yesterday, he highlighted the measure as a £420 million tax cut. Any Government initiative of that scale should come with an equality impact assessment. Has one been carried out with regard to how many of the lowest-income families have gained from the council tax freeze over the past three years?

John Swinney: As Mr Purvis will be aware, the Government undertakes equality impact assessments across its budget proposals. Such assessments come under the statement that I have given and form part of the budget process. On the cumulative number in the press statement highlighted by Mr Purvis, each decision that was taken was assessed as part of the annual budget process that the Scottish Government undertakes.

Members of the public will recall the significant burden that the council tax represents for them—we all hear about that from constituents. We recall the great difference in the perspectives of members of the public today: the council tax has remained at absolutely the same level since this Government came to power, in comparison with the significant increases in council tax that members of the public experienced before this Government was elected.

A consequence of these challenging economic times is that councils, like the Government, must live within their means. Councils are already balancing the need to deliver significant efficiencies with the provision of better value for money and improved service quality. They have done so in the expectation that the costs of freezing the council tax will be reimbursed by the Government, following approval of the order by Parliament—and I invite Parliament to approve the measure today.

As Mr Purvis has highlighted, the extension of the council tax freeze means that households in Scotland will have saved a total of £420 million in council tax payments. Putting such a substantial sum back into people's pockets will have boosted spending in local economies and will have helped to support local businesses.

Let us draw a direct comparison with what has happened in England. The United Kingdom Government has made great play of the fact that the 1.8 per cent increase in council tax levels in England this year was the lowest since the introduction of the council tax in 1993-94. Since 2007-08, the tax for an average band D property in England has increased by 8.9 per cent, whereas in Scotland it has remained the same. As a result, an average council tax bill for a band D property in England is now more than 25 per cent higher than an average bill in Scotland—£1,439 in England, compared with £1,149 here.

The additional £70 million included in the order that we are considering today takes the Scottish Government's overall funding to local authorities for 2010-11 to £12 billion. That represents an increase of £279 million, or 2.4 per cent, on a likewith-like comparison with the previous financial year, despite the enormous pressures that are placed on the Scottish Government by the decisions of the UK chancellor. It delivers on our commitment to increase year on year local government's share of the Scottish budget, which had been in steady decline under the previous Administration. Within the £12 billion total, £11.1 billion is allocated to local authorities as revenue funding that supports vital public services. The revenue package represents an increase of £325 million, or 3 per cent, on a like-for-like comparison with last year.

In summary, approval of the amendment order will authorise the distribution of a further £70 million to local government, to fund the on-going council tax freeze.

I move.

That the Parliament agrees that the Local Government Finance (Scotland) Amendment Order 2010 be approved.

14:40

Michael McMahon (Hamilton North and Bellshill) (Lab): When people are having to go without, it would be perverse for anyone to consider the assistance that is being provided and say that because it is insufficient to address the problem entirely it should not be provided at all. Let me make it clear from the outset that Labour will support the order in this afternoon's vote on that basis. Although we consider that what is on offer is insufficient to meet the needs of local government, the moneys that have been made the Scottish National available by Government to fund the council tax freeze are all that is available, and it is better to have the money in the coffers of our local councils than not to have it.

Unison's research makes the plight of our local authorities abundantly clear. The union has uncovered cuts of more than £300 million across local government, with planned job losses of more than 3,000. Audit Scotland has also confirmed that the SNP Government is responsible for a realterms cut in council budgets, and the recent budget round provides all the evidence that we need that that is the case. That is why, when councils were considering their budgets this year, East Ayrshire Council looked at cutting the number of community wardens and introducing charges for music tuition in schools; the City of Edinburgh Council looked at cutting funding for community groups; Dumfries and Galloway Council looked at charging disabled drivers for blue badges; East

Lothian Council looked at increasing burial charges and raising the price of school meals; and Fife Council looked at increasing charges for community alarms. The litany of decimation goes on.

Dundee City Council tells us that, although it will receive £1.76 million as its share of the £70 million grant for the council tax freeze, it has to find additional cuts of £5.8 million if it is to achieve the freeze. That is the reality of the order. The cuts that will result from it will affect every community in Scotland and will often hit the poorest and most vulnerable people the hardest. It is simply unfair and unjust that schoolchildren and the elderly are being asked to pay for the SNP's underfunded council tax freeze.

It must also be recognised that, whatever difficult budgets must be delivered in future, this assault on local government budgets is happening despite the fact that the Scottish Government has nearly £1 billion more to spend than it had last year. It is regrettable, therefore, that the SNP prefers to ensure that Alex Salmond and his ministers receive hundreds of pounds of savings on their council tax, while forcing our councils to lose jobs and make service reductions.

The Scottish Government is not responding to the recession. To sustain the discredited concordat, it has not made the necessary changes to local government finance that would enable local government to handle the recession. The SNP got its way with the budget, and the die is cast on the issue. The truth is that the SNP intends to continue to help the wealthy, while cutting services that are used by the poor. That is to the SNP's eternal shame, but it has not gone unnoticed. We will ensure that the responsibility for the consequences of the Local Government Finance (Scotland) Amendment Order 2010 are made clear, so that the price that must be paid is not just for the poor, the disadvantaged and council workforces but for the SNP, politically, for the damage that it has done.

14:44

Derek Brownlee (South of Scotland) (Con): We are happy to support the council tax freeze this year, as we have done in previous years. It is welcome for council tax payers up and down the country and stands in pleasant contrast to the significant increases that were made under the previous Administration.

From what we have just heard from Michael McMahon, one might think that thousands are marching on the streets to demand council tax increases. It is clear that the council tax freeze has been a success not just in forcing councils to be more prudent in managing their own resources

but—I congratulate the SNP on this—in taking the heat out of the issue of local government finance. The council tax freeze, taken together with the abandonment of the proposals for the discredited local income tax, has brought us to a much more satisfactory position for the funding of local government than we were likely to be in without it.

We know that councils are planning on the basis of a 12 per cent reduction in their expenditure over the next three years, based on what every independent forecaster expects to be the position in Scottish spending regardless of who wins the general election. The pressures that were identified in Michael McMahon's speech will only get worse. I was interested to see that Unison, which he prayed in aid, has already started spending a lot of its members' money to campaign against a Conservative Government that has not yet been elected. He might just want to consider the impact of the spending reductions that have happened as a result of the Labour Government in Westminster and how long they will apply, not just to the Scottish Government but to every local authority in Scotland.

As I have said in the chamber previously, the reductions also have an impact on the voluntary sector. In too many local authorities, the voluntary sector seems to be the soft touch: the groups that lose out are not council groups but groups in the voluntary sector. Councils should look long and hard before they put the voluntary sector on the receiving end of the reductions in spending. Some local authorities—Glasgow City Council is a good case in point—have behaved as if voluntary groups are simply dispensable and as if local authorities cannot bear any spending reductions. That cannot be right.

Michael McMahon also said that the council tax freeze has been underfunded. I do not agree: the council tax freeze has been fully funded in every year of its implementation. However—this may be where the issue arises—this Government, like previous Governments, has passed additional responsibilities to local authorities without fully funding them. That has given local authorities the impression that the council tax freeze is underfunded. From memory, I think that the council tax freeze has actually been overfunded—I think that the figure in year one was £56 million rather than £70 million, but the problem is that the Government has loaded local authorities with other responsibilities and failed to fund them.

Usually in these debates, we discuss the allocation methodology by which the Government grant is distributed. There is a serious issue here. With COSLA part of the review process, it is difficult to see how there will ever be a change of any substance in the distribution formula for Government grant, which will lead to many parts of

the country wondering when they will ever get any positive change. COSLA must simply be taken out of the process for underwriting the allocation formula if we are to get any change on that issue.

People will not be unhappy that the council tax has been frozen, and nor will they believe that every problem that local authorities face is a result of the freeze. Every part of government is facing difficult times, not just this year but in the years ahead, and it is far better that all of us, including local authorities, face up to that and start planning for it, rather than simply try to blame everyone else.

14:48

Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD): The Parliament will not block the order today. It is no surprise that there is no flexibility for local authorities—the order is an amendment to the local government funding process, and the money is held back in reserve to make sure that the councils do what the Government wants them to do. It is also no surprise that the Conservatives support the measure—they support the council tax. The surprise is that the SNP is following the freeze without continuing the focus on reforming the system. The system is unfair.

Eighteen months ago, SNP member after SNP member, including Mr FitzPatrick and backed by the cabinet secretary, said that it was impossible to cut tax in a fixed budget in the Scottish Parliament. They said that it could not be done without borrowing because there would be cuts. Yesterday, however, the cabinet secretary issued a press release, which he read out again today, in which he announced £420 million of a tax cut without an indication of where the money has come from. Next year, that will be £700 million of a tax cut. There has been no indication of the cost in a fixed budget. What services have been reduced to pay for the cut? If the SNP is to be consistent with its position of 18 months ago, it should be straightforward and tell us today.

The critical aspect or difficulty is that, because the council tax is a regressive system that is not based on the ability to pay, any freeze disproportionately helps those who are better off. Low-income families in Scotland, especially those on the lowest incomes, currently receive a 100 per cent council tax rebate, so they have gained not one penny from the council tax freeze. Of the £420 million reduction, not one penny has gone to the lowest-income families in Scotland. However, those families who live in a band G property will save £138 over the four years. The better-off—those who live in properties at band G and above are the best off—will receive £138, whereas there is not one penny for those who currently receive

council tax rebate because they are on low incomes. The number of such people across Scotland is not small. Of the 130,000 lowest-income households who live in band A properties, the vast share will have received no support from this so-called tax cut, which will amount to £700 million next year. That highlights starkly why the council tax system is unfair.

It is deeply regrettable, therefore, that on 11 February last year the SNP dumped any proposal to reform the council tax system. The system is unfair and regressive. It needs to be scrapped and replaced with a system that is based on ability to pay. When the SNP dumped its local income tax proposals last year, the First Minister's special adviser described the process as a deck-clearing exercise. Today, we are left with only a regressive tax cut. The Government has shown none of the honesty that it has demanded from other parties by showing what services are being put at risk by the policy, nor has it helped the lowest-income families in Scotland. If we are to have tax cuts, why should they not be fair cuts that help those who are struggling the most during the recession, rather than putting most of the money back into the pockets of those who can most afford to pay?

14:51

John Wilson (Central Scotland) (SNP): In examining the Local Government Finance (Scotland) Amendment Order 2010, it is important to recognise the contribution of the cabinet secretary, who has accelerated the Scottish people's key priorities in terms of financial outcomes. It is also worth reinforcing the point that the Scottish Government deserves credit for creating a degree of sustainability for local government budgets. The relationship between COSLA and the present Administration has been enhanced by the concordat and remains strong.

Council tax rates have been frozen by all councils since 2008-09, and additional funding of £70 million has been included in the budget settlement for each year, including 2010-11. Over four years, the council tax freeze will have saved the average council tax payer £240. Each local authority will receive money in addition to its 2010-11 revenue allocations. Most noteworthy is the fact that councils are entitled to a share of the £70 million for maintaining the council tax freeze. The fact that moneys are being made available for the council tax to be maintained at current levels should be welcomed by all members, especially in the current financial downturn.

It must be recognised that local authorities have had on-going problems in levering in capital receipts. The shortfall in capital receipts is a problem for local government, but it is clearly not unusual given the recessionary pressures in the current marketplace. Arguably, a council tax freeze ensures that councils throughout Scotland are required to maintain prudent financial management so that they better manage the additional resources that are being made available by the Government. For example, the total revenue support of £667 million for North Lanarkshire Council is not a sum to be dismissed lightly.

The base budget for my local authority—North Lanarkshire Council—shows that, in the period up to 2010, efficiency savings of £15 million were achieved. Thanks to the present Scottish Government, such efficiency savings are retained by the local authority, unlike previously, when budget settlements clawed back any efficiency savings. The retention of those savings enables further investment in strategic priorities and increased service provision, as deemed necessary by each local authority.

In local government in Scotland, there is an ongoing debate, especially when we approach a new financial year or an election, about whether enough money is being made available. There has been much discussion of resource allocation, but it is worth stating that local government expenditure will rise in cash terms by 2.93 per cent in 2010-11, despite a real-terms 1.3 per cent cut to the Scottish budget.

I assert that local authorities need to provide much more clarification on the extent to which risk management procedures are in place. Indeed, I would argue that existing budgets that are already in place should be prioritised, with recourse to take account of best practice.

The argument of many local authorities on the settlement is, to my mind, more about garnering more monetary resources than it is about utilising existing resources better. A number of issues are worth further examination. Performance-related pay in local government is an issue of real concern to me. Scrutiny of the parameters that have been set on PRP suggests an increasingly self-serving approach. In 2008-09, PRP payments in North Lanarkshire totalled £192,000. That issue needs to be addressed, especially if the right tone is to be set against the current financial backdrop. Given that people quite rightly criticised the level of executive pay in the banking sector, as was witnessed in various Treasury Select Committee hearings at Westminster, local government performance management and executive pay merits future analysis and detailed scrutiny. Unfortunately, sometimes perception is reality.

I support the amendment order and look forward to its being approved this evening.

14:56

John Swinney: In the course of the debate, Mr. Brownlee raised the issue of the effect on the voluntary sector of local authority funding decisions. For the record, I state once again that the Government has encouraged and facilitated a process of dialogue with COSLA, the Scottish Council for Voluntary Organisations and the Society of Local Authority Chief Executives and Senior Managers to provide a framework for reassurance to voluntary sector organisations, because I recognise some of the sentiments that Mr Brownlee mentioned. I remain fully committed to addressing any concerns of the voluntary sector about that approach, and I encourage members who have concerns about the issue to draw them to the attention of ministers. We will do all that we can to address them.

Mr Brownlee said that the local government finance settlement involved additional burdens, the meeting of which was not funded, but in each of the past three years we have agreed with local authorities a funding settlement that has included funding for the additional duties that this Administration has placed on them.

Mr McMahon made great play of the fact that Audit Scotland had made comments about a real-terms reduction in funding, so I am sure that he will be interested to learn that Audit Scotland stated that it had used out-of-date figures and that it had not performed a like-with-like comparison. In other words, there is no substance to his point.

The final point that I want to cover is about who is benefiting from the council tax freeze. Mr McMahon said that ministers had benefited from it, but I gently point out to him that all ministers have accepted a freeze in their pay for a couple of years. I am not complaining about that—it is entirely appropriate and the right thing to do to set such an example. We should look at matters in the round when we comment.

It is not just ministers who have benefited from the council tax freeze. The other day, I spoke to a retired couple who have a modest occupational pension. They are not entitled to any support with their council tax, which is the largest single item that they have to pay. Like many other people, they appreciate the fact that the council tax has been frozen. Mr Brownlee chided the Labour Party for the increases in the council tax that took place while it was in office, but his party was responsible—if my memory serves me right—for a 40 per cent increase in the council tax. The increase under the Labour Party was 60 per cent. This Government has taken the decision to freeze the council tax and to provide benefits to members of the public. I hope that Parliament will support that process in the vote later this afternoon.

Economic Recovery Plan

The Presiding Officer (Alex Fergusson): The next item of business is a debate on motion S3M-6129, in the name of John Swinney, on the economy recovery plan.

14:59

The Cabinet Secretary for Finance and Sustainable Growth (John Swinney): I welcome the opportunity to lead a debate on the Scottish Government's economy recovery plan. The context for the debate has developed since last October, the most recent occasion on which the Parliament debated the steps that the Government is taking to support economic recovery. The global economy has emerged from the deepest downturn in recent memory. Across the world, the size and the timing of the recovery have varied, but growth is now being led by the emerging economies.

In the developed economies, the picture is more fragile. There are worrying signs that recovery in the euro area might have stalled already, and the latest International Monetary Fund forecast predicts only a modest recovery for advanced economies in 2010.

The Scottish economy entered recession in the middle of 2008; so far, our economy has performed broadly in line with the rest of the United Kingdom. The latest Scottish gross domestic product data will be published on 21 April, but the current data show a further easing in the rate of decline. In quarter 3 of 2009, the Scottish economy contracted by 0.2 per cent in comparison with a 0.3 per cent contraction in the UK economy during the same period.

The Scottish Government has faced up to the challenge of the emerging crisis. We set out a series of measures in summer 2008, and formalised them in the Scottish Government's economic recovery plan, which was first published in January 2009, and in which we used all the levers that are at our disposal to support the Scottish economy through unprecedented pressures. We have ensured that our recovery plan has evolved throughout the period of recession to meet the emerging priorities for the Scottish economy.

The latest update to our recovery plan was published on 3 March, and it is closely aligned with the principles that are laid out in the Government's economic strategy. The plan sets out the actions that will accelerate the Scottish recovery, and ensure that we can secure increases to sustainable economic growth in the longer term.

Our focus is on three key areas: investing in innovation and the industries of the future;

strengthening education and skills; and supporting jobs and communities. We have already made a significant impact through measures in the economic recovery plan to directly support 15,000 jobs. We have brought forward additional capital spending to the fullest possible extent: capital acceleration of £350 million has supported more than 5,000 jobs, including 3,000 in the hard-pressed construction sector. Unlike other areas of the UK, Scotland has used its allocation fully, but we could do more if Westminster made the resources available.

Skills investment and training opportunities continue to be a priority, so we have invested £145 million to help the unemployed to enter the labour market, to help employers to develop their workforce skills, and to support those who are facing redundancy and to help them move into new work. Almost 20,000 people in Scotland have started modern apprenticeships in the past year.

In addition to that package of activities, I am able to share with Parliament the Government's decisions on further steps to support economic recovery in Scotland. Today I have allocated the consequentials that have arisen from the Chancellor of the Exchequer's recent UK budget. The Scottish Government will deploy £76 million of additional investment in the current financial year. That is the resource that we have under our control; £6 million of resources is in annually managed expenditure and is therefore outwith our control.

Funding will be allocated to projects that are ready to be delivered, producing an immediate boost to demand and supporting the Government's purpose of increasing sustainable economic growth. During the coming months, the new capital investment will deliver vital infrastructure projects across Scotland, with £6.2 million of funding being allocated to upgrading the A77, the essential link to the new Cairnryan terminal in the south-west of Scotland.

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

John Swinney: I will.

George Foulkes: I confess an interest in this, although it is not a constituency interest. Will the minister confirm that the upgrading of the A77 will include a new bypass for Maybole?

John Swinney: I cannot give Lord Foulkes a definitive answer to that question. The upgrade is related to the Cairnryan terminal, and the project has been highlighted in many transport infrastructure assessments for the south-west of Scotland that are material to the process. I will be happy to share further details with Lord Foulkes.

George Foulkes: The Presiding Officer knows as well as I do that Maybole is a severe pinch point on the road to Cairnryan; it will not be sensible to upgrade the A77 without providing a bypass at Maybole. I hope that the minister will talk to his officials to make sure that it is included.

John Swinney: I am sure that George Foulkes understands that it is not possible for us to do every piece of improvement work that we believe to be important. The upgrading of the A77 will support traffic movements to the Cairnryan terminal.

There will be a £5 million contribution to upgrading the A9 at Crubenmore, £3 million for development of part renewables of the infrastructure plan at Arnish in the Western Isles. and an acceleration of £3.8 million development of the Dundee waterfront project, which is attracting significant support. In addition, £10 million will be allocated to support a range of sustainable transport initiatives that will help Scotland to make progress on our world-leading climate change ambitions. That funding will go to a green bus fund to encourage the construction of low-emission vehicles, to development of electric vehicle infrastructure, and to support for the development of further cycling infrastructure to encourage greater active travel.

Patrick Harvie (Glasgow) (Green): I welcome any announcement of an additional £10 million for green travel measures. However, can the cabinet secretary tell us how that figure of £10 million compares with—let me pick a random example—the road-building budget?

John Swinney: We have been round these houses before, and Mr Harvie knows that we are making a range of interventions in our transport infrastructure—including electrification of the rail infrastructure between Edinburgh and Glasgow through the improvement programme, and the Airdrie to Bathgate line—to create transport initiatives that he might find more acceptable than the essential upgrading of some of our motorway infrastructure.

There are two further points to make on the detail of the capital consequentials that I am announcing today. First, £17 million will be earmarked for investment in further education college capital investments, in supporting work that is planned at Dundee and in enabling an early start to construction at Forth Valley College. Secondly, the Scottish Government will invest an additional £31 million in affordable housing, which will take our total planned investment this year to more than £500 million. That means that, over three years, we will deliver a record £1.71 billion of capital investment in the housing sector in Scotland.

The Business Bulletin contains alternative proposals by the Labour Party for use of resources to activate the Glasgow airport rail link. I say to the Labour Party simply that the consequentials that we have at our disposal today are for one year only and do not give us the kind of lasting support that would allow us to embark on a project with a four-year life. I hope that the Labour Party accepts that the decisions that we have taken today have been designed to support the development of new infrastructure in Scotland and that it will support us in that process.

The current economic recovery is finely balanced, so it is absolutely necessary to ensure that we do nothing to jeopardise it. The chancellor's March budget was, therefore, disappointing as he confirmed that along with only one other country—Argentina—in the G20, the United Kingdom would withdraw its fiscal stimulus measures in the current financial year. That was a missed opportunity: we can all see that the economic recovery is fragile and needs to be supported to a much greater extent.

The Government's economic recovery plan focuses on a range of themes. It focuses on the development of a low-carbon economy, which is reflected in the announcements that I have made today, and on the need to ensure that we expand the exports and international activities of Scottish business, which is at the heart of the work of Scottish Development International. The economic recovery plan also focuses on the importance of having a swift and effective planning process that allows us to make decisions that enable development to take its course. We are pursuing further discussions with business, local authorities and our wider agencies to ensure that we are aligned in supporting the development of an efficient planning approach.

Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD): On the impact on businesses of recent decisions that have been made by Governments, should there be any limit on the tax increase on businesses at this time?

John Swinney: Obviously we have to base our decisions on a range of circumstances. The decision that the Government has made on, for example, the poundage for business will create a competitive advantage for it of more than £220 million, which is quite a helpful additional contribution to the economy.

Other measures that we have taken include the support that we have given to the economic sector through the access to finance survey, which has challenged some of the practices that the Economy, Energy and Tourism Committee reflected on in relation to access to finance from the banking sector; and the Scottish investment bank, which will develop as a significant

contributor to the support for the development of new business concepts in Scotland.

One of the great challenges that we face is in employment. The Government is working hard, through the various measures that are being taken forward by my colleagues in the education and lifelong learning portfolio, to ensure that we have in place the necessary investment in skills and training, particularly in relation to the ScotAction programme and similar measures.

On the Government's record on employment, I remind members that the recession has resulted in a rise in unemployment across the global economy. We have felt those effects in Scotland, where unemployment has increased to the current rate of 7.6 per cent. Despite that, however, Scotland's unemployment rate still remains below that of a number of other economies, such as the United States and those in the euro area, where unemployment is around 10 per cent. The overall employment rate in Scotland remains the highest of all UK countries.

Margo MacDonald (Lothians) (Ind): Will the member give way?

John Swinney: I am sorry, but I am almost out of time.

I have set out the steps that the Government has taken to support economic recovery and to reinforce the additional steps that we are taking to invest in the economy by deploying the capital consequentials that we have in the budget. We will continue to maintain that focus at the heart of our agenda.

I move,

That the Parliament notes the Scottish Government's response to the global recession through the Economic Recovery Plan and notes the three core themes of investing in innovation and industries of the future, strengthening education and skills, and supporting jobs and communities.

15:12

Andy Kerr (East Kilbride) (Lab): I give a cautious welcome to the announcements that the cabinet secretary has made today. I have to say that they sound a bit more encouraging than the previous use of carried-forward capital, where much of the money was sunk into land acquisition and properties that were already built, which did not do much to stimulate the economy. I will have a look at the projects that have been mentioned, but I certainly welcome many of them, as they appear to be making good use of the money that has been made available to the SNP Government by the UK Labour Government at Westminster.

However, I will continue to express my disappointment at the fact that not enough space

can be found in the programme for the Glasgow airport rail link. Some £42 million has been sunk into that project and we could have been two years into the work by this time. I believe that there is scope for completion of that project, which would have a significant economic impact in that part of Scotland.

I now move to more substantive comments around the subject of today's debate. We need to move from the fiction and fantasy of the world in which the SNP seems to live with regard to the economy, and to try to look closely at how it has handled the major economic questions that face us. Somewhat belatedly, the SNP has given us this economic recovery plan. What else has it given the nation? It has given us the Salmond slump. No one denies that. The business academic community, economic observers, professors and others agree that the SNP has presided over a slump of its own making with regard to the rise in unemployment in Scotland. Some 16,000 redundancies have been reported in the past few months, at a time when unemployment is decreasing across the rest of the UK. The economic levers that are available in the UK and Scotland are undoubtedly being put to better use in the rest of the UK than they are by the cabinet secretary in Scotland. It is startling to note that two thirds of the jobs that have been lost in the whole of the UK during the recession were lost in Scotland.

We are falling behind the rest of the UK. What the cabinet secretary had to say about how we fare in relation to the UK was not true. Scotland has fared worse than the UK in the global recession. This is the first time since world war two that Scotland has suffered a steeper fall in output than the rest of the UK as a whole.

Members should revisit the SNP manifesto—it is a contender to appear in the "The Guinness Book of Records" for the most promises broken in the shortest time. On the economy, it states:

"we propose three specific targets",

which include

"being the most competitive among the ... UK nations".

The Ernst & Young Scottish ITEM—independent Treasury economic model—club's 2010 economic forecast states:

"Comparisons ... between the Scottish and UK performances over the recession pinpoint ... areas of disturbing weakness across the Scottish economy."

While the UK Government has received praise for its fiscal stimulus measures, the SNP has alienated the Scottish business community, some of whom have called into question the

"sincerity of their support for the economy and business".

The SNP put the economy promise in its manifesto alongside other promises for smaller class sizes, £2,000 for first-time home buyers and the rest. We should therefore not be surprised at the result.

When I looked back at the SNP manifesto I saw the term "Arc of Prosperity", which we have not heard for a while.

Tricia Marwick (Central Fife) (SNP) rose—

Andy Kerr: Perhaps Tricia Marwick wishes to echo the cabinet secretary's comment that he would cut off a limb to have the economy of Ireland.

Tricia Marwick: Does Andy Kerr agree that the actions of Her Majesty's Revenue and Customs, which has pushed into administration one Scottish company every day for the past two years, and which on Monday forced a company in my constituency into administration with the loss of 64 jobs, is having an effect on unemployment in Scotland?

Andy Kerr: I appreciate the member's point about her local company, but my reading of the business community's commentary is that it has widely welcomed the measures that the Treasury has taken, particularly the deferred payments scheme, which has been used by hundreds of thousands of companies in Administration is a measure of last resort, and it is a great disappointment when that has to be the case. Underlying features must be considered, but the deferred payments scheme that was launched by Chancellor Alistair Darling has been widely welcomed and used heavily throughout Scotland.

If we contrast the performance and competence of the UK Government against that of this Government, we see that a lot of the levers that are available to the Scottish Government have not been used.

The cancellation of GARL, which I have mentioned already, involved the ditching of 13,000 jobs and of a £300 million investment in the west of Scotland, which was crucial to the economic future of that area and of Scotland.

There is also the tragedy of the Scottish Futures Trust, which was the SNP's great hope for a not-for-profit futures trust. It was going to build the Forth crossing, schools and hospitals, but it has built nothing and cost thousands of jobs. The responsibility for the loss of those jobs, and for the thousands of families that are left without incomes as a result lies directly at the doorstep of the SNP Government, because of its inability to deliver on the Scottish Futures Trust.

Businesses have been slapped with a massive rates hike with only six weeks' notice, which has caused great concern in communities throughout Scotland and put jobs at risk. Incredibly in a time of recession, the SNP has chosen to cut budgets for housing, regeneration, enterprise and tourism.

I acknowledge what the cabinet secretary has said today about the money for housing. It is welcome, as it puts to good use money that is provided by the UK Government—[Interruption.] I thought that that was an intervention from Rob Gibson, but unfortunately it was a sedentary one.

I am concerned that the SNP has put itself before Scotland. In a time of recession, when we should be working together, the SNP has simply sought to push its pet project of independence and the national conversation, which we do not hear much about these days. It did not focus and use its budget in the proper manner.

The cabinet secretary let the cat out of the bag in his opening speech when he said that he announced his intentions in summer 2008 but did not publish the economic recovery plan until January 2009.

John Swinney: Will Andy Kerr concede that we have gone through a process of dialogue in the Parliament in which the Government has, in setting its priorities, been perfectly willing to change its plans to take on board suggestions from the Labour Party and other parties? Does not he have the good grace to accept that the Government has acknowledged the contribution that others have made?

Andy Kerr: I recognise that, and I recognise that we brought to the discussion the 15-point economic plan from which the cabinet secretary quite rightly says he has taken some ideas to put to good use.

However, there are fundamentals around the shape of the Scottish budget, such as the Scottish Futures Trust and the cancellation of projects such as GARL, which are making the situation worse. That is why, if we compare and contrast ourselves with the rest of the UK, we find that Scotland is faring worse under the economic stewardship of the SNP Government. That is where the problem lies. We should perhaps not be too surprised about that, because I do not think that the Government's focus is on its alleged number 1 priority of growing the economy. In my view, it is about independence, and the Government cannot see past that.

The cabinet secretary mentioned unemployment. We should look to the actual statistics that compare the UK with other Organisation for Economic Co-operation and Development countries, with the European Union average, with the United States, and with other nations. We are faring better in terms of unemployment. The projections that were made at the heart of the recession about unemployment

levels did not come true and Labour values in operation ensured that we were able to keep people in work. Fewer people lost their jobs than was projected, fewer businesses have gone bust, the tax take is higher, and more people are in employment than was projected. We should recognise that the values and policies that were put to work at UK level have made a significant difference to our approach.

Margo MacDonald: I do not mean to take issue with the member, but can he assure me that he is confident that whoever wins the election at Westminster will be able to stick to the plans that he outlined a few minutes ago? Every commentator whom I have read says that there will have to be another budget and another spending round because the money is not there to be spent.

Andy Kerr: The chancellor has made it perfectly clear that the Scottish budget will not be interrupted or changed in any way, shape or form. The assertion that Margo MacDonald makes relates to the Tory party, which has said that it will have an emergency budget within 50 days of the election. I can give the assurance that she seeks to a degree, but I cannot speak for the Conservative party, which seeks to create cuts that will stave off the economic recovery and put us back into a double-dip recession. The impact of that, of course, will be felt not just in Scotland but throughout the UK. The strategy is condemned by most reasonable economic commentators.

Our argument, which is evidenced by the statistics, is that the economy in Scotland is going backwards under Mr Swinney and Mr Salmond, not forwards. Unemployment in the UK went down by 33,000, but in Scotland it went up by 16,000. Scotland is going backwards under the SNP. Across all four key employment measures, Scotland is underperforming compared with the UK as a whole. Scotland is going backwards under the SNP. Economic output is falling faster in Scotland than in the UK as a whole for the first time since the second world war. Scotland is going backwards under the SNP. It is startling to note that two thirds of all jobs that were lost in the UK in the past few months were lost here in Scotland. My argument, which I believe is sustained by the evidence, is that Scotland is going backwards under the SNP. The SNP has cancelled the rail links in Edinburgh and Glasgow, the Scottish Futures Trust has built nothing and has destroyed jobs, thousands of teaching assistants have lost their work, and more teaching posts have gone. Scotland is going backwards under the SNP. I ask members to support the amendment in my name.

I move amendment S3M-6129.3, to leave out from "through" to end and insert:

"; notes with concern that Scotland's economic recovery is lagging behind that of the United Kingdom as a whole, with unemployment rising in the last quarter by 16,000 while falling across the UK by 33,000; further notes that two thirds of all jobs lost in the UK were in Scotland, and believes that the Scottish Government's cuts to key budgets in areas of economic growth, including enterprise, housing, regeneration and tourism, the failure of the Scottish Futures Trust and the cancellation of projects such as the Glasgow Airport Rail Link, with the loss of 1,300 potential jobs, risk entrenching Scotland's relative economic decline compared with the rest of the UK under the SNP."

15:22

Derek Brownlee (South of Scotland) (Con): I do not know who is more relieved that Andy Kerr does not speak for the Conservatives—me or him. I do not believe that anyone would accept as accurate his description of the plans that the Conservatives would have if we were to win the UK general election.

If we are frank, we face a serious problem in the economy not just in Scotland but throughout the UK. We all know about the severity of the recession, which is the longest and deepest for some time. We know the impact that it has had on families and the fears that it has created for people who are still in employment but who worry that they will lose their jobs in the years to come. If we are candid, we do not yet know whether the unemployment figures, which are unfavourable than expected, are the result of a lag in the recession's taking effect or a result of the more flexible labour market that we have managed to create since 1979. We certainly all hope that job losses will be minimised and that the labour market will be able to sustain employment to the greatest possible extent. However, we would be taking a risk if we assumed that the position will automatically be rosy.

Today, the Parliament is not being asked to endorse the Scottish Government's economic recovery plan. There are certainly parts of the plan that we would support, but we believe that the Government has not got other parts right. I will expand on those in some detail later.

Issues of economic policy are often stated in black-and-white terms—in particular, by the First Minister, I have to say—as if the Scottish Government could somehow wave a magic wand and deal with all the problems that we face. The UK Government is no better in that regard. If we are honest about it, the influence that government at any level has over the economy is significant, but it is not absolute. Government cannot be ignorant of the impact of global economic forces or global markets. It is misleading for any Government to pretend that it can simply avoid problems in the economy by taking certain actions.

We have said that we oppose the UK Government's plan to increase national insurance next year. That will not be the first national insurance increase under Labour. The plan is a straightforward tax on jobs, which will make it more difficult for employers to recruit and will, we believe, lead to job losses.

George Foulkes: How can Derek Brownlee, for whom I have great respect, say that the increase in national insurance will lead to job losses? Unemployment went down the last time national insurance was increased.

Derek Brownlee: Mr Foulkes may recall that the current Prime Minister used to boast about constant economic growth, which—of course—began when a Conservative Government was relected in the second quarter of 1992. In a growing economy, the increase in the number of jobs will be blunted by an increase in national insurance. Obviously, that does not mean that the number of jobs will decrease; it means simply that fewer jobs will be created than would have been created if the tax had not been introduced.

George Foulkes: Aw!

Derek Brownlee: Mr Foulkes may not be convinced about that, but we are certain that he is one person who will lose his job next year, and that it will not be the result of national insurance increases. Many other people in Scotland would lose their jobs if a national insurance increase took effect.

John Swinney: House of Lords abolition!

Derek Brownlee: Let us not frighten Mr Foulkes too much.

Of course, a national insurance increase has a cost to the public sector as well. That is why we think that it is important to avoid such an increase.

I turn specifically to what the Scottish Government can do and to what it has talked about in its economic recovery plan. Some coherent analysis of the current state of the Scottish economy runs through the economic recovery plan, but there is also a flaw in that the Scottish Government overstates its ability to influence the scale and severity of the recession and the recovery. The plan is founded on the premise that there must be a further fiscal stimulus. That is a perfectly arguable casealthough it is, of course, an easy case to make for a party that does not have to justify a position on finances at the UK level. An assertion seems to run through the core of the Government's argument, which even the Labour Party, to be fair to it, does not accept. That assertion is that there is not a problem with the level of UK debt and the size of the deficit. That simply ignores the situation in which we find ourselves. Everybody knows that the markets are watching closely for the result of the UK general election, and no one can be sure that they will take a benign view of a Government that does not want to take action to reduce the deficit.

John Swinney: Mr Brownlee will be aware that the chancellor expected to borrow £168 billion in this financial year and that he is borrowing less than that. The chancellor had the opportunity in the gap that existed to deploy resources to support fiscal stimulus. Mr Brownlee has derided the point about a fiscal stimulus and additional spending. Why is it that 18 of the G20 countries, many of which are in a more advanced state of economic recovery than the United Kingdom, are continuing with a fiscal stimulus in this financial year?

Derek Brownlee: Nineteen of the G20 countries did not have Gordon Brown wrecking the public finances as chancellor and preventing the UK Government's ability to invest in a stimulus. The argument that Mr Swinney advances is similar to that which would be made by someone with a credit card who says that they must spend up to the card's limit. It is simply not credible.

The Scottish Government can and should focus on clear weaknesses in the Scottish economy. We have a problem with new business start-ups, of which there are simply not enough. The rate of new business start-ups here is lower than that in the rest of the UK. Admittedly, there is a target for that on the Government's Scotland performs website, but sufficient progress has not been made.

There is much to be done to encourage a culture of entrepreneurship in Scotland. That is important, as nobody can be in any doubt about what is coming down the line. Margo MacDonald made a point about that earlier. Everybody realises that there will be significant reductions in devolved spending whoever wins the election. The inevitable consequence will be job losses in the public sector, so the jobs of tomorrow will have to be created in the private sector to ensure that employment levels can be maintained.

Margo MacDonald: The member is addressing the issue of unemployment to come. There must be a higher unemployment percentage in Scotland because of its relatively larger public sector. I am particularly concerned about Edinburgh and its travel-to-work area. Edinburgh is the administrative and governmental centre of Scotland. I would like to know that the Government is undertaking modelling to find out what is likely to face us.

Derek Brownlee: Margo MacDonald makes a fair point about Scotland's overdependence on the public sector. Of course, we could see that as an opportunity, because there is greater opportunity

for the private sector to grow. I certainly hope that the private sector would be able to take up some of the slack in relation to employment.

Other aspects of the Government's programme are sensible. Supporting exports is fine, but every country is looking to exports to get out of so we must be recession. competitive internationally. The recovery plan focuses on the importance of a competitive exchange rate, but the Government has absolutely no influence on the exchange rate and is dependent on the UK Government's stewardship of the economy to deliver a competitive rate. We cannot ignore the fact that basic skills levels in Scotland are not competitive with those in other nations. Unless we tackle those issues and raise productivity levels in the public and private sectors, we will not perform to our potential in future years. The Government will simply be neglecting its duty if it pretends that all that is not happening. If it pretends that we can simply spend more, and that the public sector can sustain us indefinitely, it is living in cloud-cuckooland. We should be considering how to grow the private sector to produce the jobs of tomorrow. The Scottish Government should be prepared to work with the UK Government, whoever wins the election, to deliver that through a joint programme.

Andy Kerr: We do not disagree that the private sector creates the wealth of the nation and that Governments should spend money carefully, but the point is about the fragility of the recovery. Most economic observers, including the ITEM club, *The New York Times* and 60 writers in the *Financial Times*, say that to come out of the stimulus package too early and cut back too quickly will give us the double-dip recession that we all dread. However, that is the Conservative party's strategy.

Derek Brownlee: It simply is not. I recall that, only a year or two ago, Labour members used to stand up in the chamber and berate the Scottish Government for having a 2 per cent efficiency target rather a 3 per cent target. We are saying that by redirecting 1 per cent of Government spending in the way that the Labour Party says it can do from next year, we can fund the national insurance increase avoidance. Labour members used to stand up and advocate that, but they have dropped it. It would be much more sensible if the Labour Party were to admit that removing the national insurance increase would be a positive move for employment and the recovery. The thing that risks recovery is imposing a tax on jobs from next year.

I move amendment S3M-6129.1, to insert at end:

"; regrets the decision of the UK Government to raise further the cost of employment with the proposed increase in national insurance; believes that job creation in Scotland depends on a growing private sector; calls on the Scottish Government to work with the UK Government to rebalance the Scottish economy to make it less dependent on the public sector and to provide opportunities for new business creation, business growth and new jobs, and further calls on the Scottish Government to bring back to the Parliament more details on how it intends to rebalance the Scottish economy and assist growth in the private sector."

15:32

Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD): We have heard three speeches from the cabinet secretary today. In the first two. he argued for a £420 million tax cut. In the speech that we have just heard, he argued for additional spending in Scotland. People will wonder how the two can be balanced. The cabinet secretary argued strongly that more money should be spent on the economy in Scotland, that more investment is needed in public services and that additional resource must be put into the areas to which the Barnett consequentials that he has received will go. The cabinet secretary made a strong case on that. However, about 15 minutes ago, he argued that a £420 million tax cut, which he knows would benefit those who live in the biggest houses in Scotland, is some form of consistent approach. I am sure that he will address that clearly in his winding-up speech.

On the day of the stage 1 debate on the budget, in a budget process that was rightly dominated by economic considerations and the state of the economy in Scotland, 136 workers were made redundant in my constituency. That was not because of HMRC, as Tricia Marwick suggested, but as a result of a mixture of issues, including difficulty with cash flow for businesses, difficulty accessing affordable finance and the state of the market. Cash flow was the biggest element. That is why I take what Tricia Marwick said with a pinch of salt, particularly given that the Scottish Government moved at a snail's pace in its consideration of a support fund for debt financing, something that the Welsh Assembly Government established considerably earlier.

Of those people who lost their jobs, about half have thankfully found other employment and most of them are still within the textile industry. We should all wish them luck, as the industry is in a fragile state and needs continual Government support and activity. That is why in that budget process the decision to reduce the enterprise budget was perverse. The Scottish Government should not have decided to reduce the enterprise, tourism and regeneration budgets. There is glib reference in the Government's economic recovery plan to budgetary choices that have been made.

We were pleased, however, that the Government listened to a certain extent to what other parties said during that budget process. We were pleased that it took on board evidence that

we put forward from Scottish colleges that unprecedented numbers of young people were being turned away from colleges—in some cases up 800 per cent. We made a case, the Government listened to it and there are now an additional 7,500 places as a result. We were engaged constructively as part of the budget process. We were also pleased that the Government responded to our case for supporting our rural post offices, which are key local businesses.

After looking at some of the key areas of the Scottish economy, we were not in a position to cast a vote for the budget because we knew that the position was considerably worse in Scotland than in other parts of the United Kingdom. Let us look at what is probably a key indicator of economic activity in Scotland—new construction orders. The official statistics are compiled monthly and are stark. On many occasions, the SNP Government asks us to compare our situation with that of Wales; in fact, the Government has an electoral pact in the forthcoming general election with one of the governing parties there. Private commercial investment in Scotland in 2003 was £1.775 billion. In 2009, that collapsed to £548 million—a colossal reduction in private investment in commercial activity in Scotland. Such a reduction is not just the result of the recession. The fall between 2007 and 2008, before the recession, was from £1.5 billion to £900 million—a reduction of £600 million, which can be clearly attributed to the hiatus in activity as a result of the delay in making any sensible plans for a Scottish Futures Trust.

When the cabinet secretary was asked on "Good Morning Scotland" last year, "Hand on heart, is the Scottish Futures Trust everything you hoped it would be?", the cabinet secretary replied, "Of course it is." I do not think that anyone believes that. I am sure that, hand on heart, the cabinet secretary does not believe it either, but I am sure that he will say that he does today.

John Swinney: I am happy to reiterate those remarks today, but the point that I want to make to Mr Purvis is about his comparison of Scotland and Wales. I have in front of me the construction employment figures for Scotland and Wales. I concede that there has been a 12 per cent decline in construction employment in Scotland, but it has been 26.8 per cent in Wales. I look at those statistics and recognise that we have a serious situation in Scotland, but it is not as acute as it is in Wales, according to the data in front of me.

Jeremy Purvis: I am sure that the cabinet secretary will want to write to us, because I am not sure how what he said squares with the construction figures for all the new work in Wales, including public and private infrastructure, private

industrial and private commercial. Between 2008 and 2009—these are official Government figures—the figure fell by 10 per cent from £1.5 billion to £1.37 billion. In Scotland, the figure fell by 30 per cent. I am sure that the Government will be able to explain, but I simply do not know how a fall of 30 per cent in all new construction work in Scotland—a 20 percentage point greater fall than in Wales—can be in any way an indication that our sector is faring better than that in Wales.

The concerns about the reduction in capital investment are even more stark, given that we have to take difficult decisions as we move forward. Because of the choice of funding method for the Forth bridge and the Southern general hospital, we know that the capital budget will be under huge pressure. Officials in the Scottish Government have said that the rest of the capital budget will have to be reprofiled to account for that. That reprofiling will be critical as we move forward. Immediately before the cancellation of GARL, SNP members said that it was an essential scheme and exactly what Glasgow needed, yet immediately after its cancellation they said that it was a waste of money and was not needed, and the transport minister said that Glasgow "luxuriates" in Scottish Government funding. That simply does not square. People want an honest approach. They want to know that, as far as medium and long-term planning is concerned, the Scottish Government will take decisions on areas that are within its responsibility. Unfortunately, we are hearing too much about blame and what other Governments and other countries are doing.

Margo MacDonald: Will the member give way?

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

The grass-is-always-greener approach from the SNP is wearing thin for most people in Scotland. Even today, on its website, it asks us to look at eight success stories of independent countries and gives us case studies to follow. One of those countries is Iceland. The website states:

"Independence has given Iceland the freedom to become a world leader."

It suggests that exactly what happened in Iceland should happen in Scotland. Another one of the success stories on the website is Ireland.

There is too much of the Government simply blaming Governments elsewhere and looking at other countries. The SNP's new example of a country that we should follow—which should give that country great concern—is New Zealand. There is no doubt that the more the SNP talks up New Zealand as an example, the more New Zealand should be fearful for its economy.

I move amendment S3M-6129, to insert at end:

"and regrets that unemployment continues to rise in Scotland while falling in the United Kingdom as a whole."

15:41

Joe FitzPatrick (Dundee West) (SNP): This debate highlights the fact that this is a Parliament with limited powers. The Government's economic strategy is sound, but its well-considered plans for recovery are severely hampered by the looming cuts from Westminster, which are hanging over Scotland's public services like the sword of Damocles.

As we have heard from the cabinet secretary, the Scottish Government is doing what it can and the economic recovery plan is beginning to show results. The rate of GDP decline is slowing and growth is starting to return to parts of the Scottish economy.

The jobs supported by the plan, particularly the 5,000 protected by the capital acceleration programme, have ensured that economic inactivity rates in Scotland remain lower than those in the UK as a whole. I am particularly pleased about the investment that we have had in the waterfront in Dundee, which has been particularly important for Dundee's construction economy.

Despite this Parliament's limitations, the Scottish Government is continuing to do what it can to foster and protect jobs. In my constituency, support for the life sciences industry, which is highlighted as a key sector in the Scottish Government's economic strategy, has ensured that the sector has continued to grow, despite the downturn. The introduction of the new two-for-one life sciences modern apprenticeship framework by the Scottish Government is helping to attract the future talent that the industry needs to grow and is ensuring crucial, on-job training. The industry requested that of the Government and the Government responded to it.

The economic recovery plan also focuses on another area where Scotland and Dundee have huge potential-the digital media sector. Some of the world's bestselling games and applications are developed in Scotland. The percentage contribution to Scotland's GDP is double that of the UK. The £5 million that has been awarded to the University of Abertay Dundee from the European regional development fund is helping to support new and emerging games companies. Scotland's £5 million innovation fund is helping artists and creative practitioners in digital media and is ensuring that Scotland continues to be a world leader.

Andy Kerr: I add my welcome for some of the Scottish Government's interventions and support for the games industry. I am sure that the member wishes to welcome the UK measures, too. He

mentioned the limitations of powers on two or three occasions. What powers—if they were all available to him—would he have used to rescue our banking system in Scotland?

Joe FitzPatrick: I think that, at the end of the day, we would have done the same as the UK Government did to rescue the banks—there is not a huge difference there. We have to put things in context and remember that there are two sides to the balance sheet. Over the past decade, the UK Exchequer has received the equivalent of what was used to bail out the banks. The member cannot have it one way but not the other. The banks have contributed hugely to Gordon Brown's back pocket, so it was correct that we did something to rescue them. It is a pity that that money was not invested in a way that would help businesses, rather than just the bankers and their pensions.

I return to digital media. I welcome the fact that the UK Labour Party has finally accepted the need for tax cuts. I wonder whether, in summing up, Conservative members might offer some reassurance that, certainly here in Scotland, they will ensure that if there is a Conservative chancellor, he, too, will ensure that there are proper tax incentives for the industry, which are particularly important to allow the industry to compete world wide.

Derek Brownlee: We understand clearly the importance of the games industry to Dundee and other parts of Scotland, and a Conservative Government would, of course, look very carefully at the matter. I understand that the UK Government has said that those tax breaks will come in only if European state aid rules can be circumvented successfully. That is key: the tax breaks might not come in even under a Labour Government because of technical issues.

Joe FitzPatrick: We want assurances from whichever party comes into power at Westminster after the election. Those tax breaks are crucial. I guess it comes down to this: if there is a will, there is a way. The French are doing it and the Germans are looking at a system. Indeed, the Irish are looking keenly at whether they can move Dundee's games industry to Dublin en bloc by means of incentives that are aimed at games development. It is really important that the Conservatives and other parties come clean and give a clear direction on the matter.

The problem that Scotland faces is that the UK Government's one-size-fits-all approach hampers growth in Scotland. The Scottish economy is very different tfrom that of the UK. I have mentioned advanced technologies such as digital media and life sciences. They are proportionately more important to the Scottish economy than they are to the UK as a whole. Another important sector is

renewable energy, where Scotland has huge potential compared with the UK as a whole, yet the UK parties have failed thus far to address the issue of unfair transmission charges that put a brake on the industry. If we are to do what is best for Scotland, we need to make decisions in Scotland. The UK Government is not deliberately making decisions that go against the Scotlish economy. What is best for London and the southeast of England is not necessarily best for Scotland. That may be why GDP in Scotland has historically been lower than that in the UK as a whole. We suffered the bust without benefiting from the boom.

If we want to secure recovery, we cannot do that with one hand tied behind our back. We need the same powers that every other nation is using to get back on its feet. It is clear that a Scottish not a London solution is needed if we are to address Scotland's economic problems. London does not even know what is made on the Clyde, let alone what our economic priorities are.

lain Smith (North East Fife) (LD): I hear the point about not having a London solution, but why would the Bank of England continue to set rates under an SNP Government in an independent Scotland?

Joe FitzPatrick: Post independence, the new Government of Scotland would have the opportunity to look at all the options in doing what is best for Scotland. I guess that the initial position would be to stick with UK sterling, but the SNP position is, of course, that Scotland will move to using the euro as soon as that is best for Scotland. That will be sooner rather than later.

It is clear that Scotland requires the full powers that every other nation has. It is important that the people of Scotland have the right to say whether they want to be part of the world's most indebted economy and remain under a Government that plans to spend £100 billion on nuclear weapons or whether they want to have the economic security that comes from decisions being taken in Scotland with Scotlish jobs and businesses as the top priority, not an afterthought.

15:48

George Foulkes (Lothians) (Lab): I was disappointed not to be able to be in the chamber earlier this afternoon for time for reflection to hear the sermon from the Rev Andrew Jolly. I enjoy his sermons greatly. Taking a lead from him, the text for my sermon today is from First Minister's question time on 18 March. Under pressure from lain Gray, on the increase in Scottish unemployment, Mr Salmond—to the surprise and delight of the Labour benches—at last accepted that there is "an international recession". Having

tried previously to blame everything on the United Kingdom, Gordon Brown and Alistair Darling, he suddenly remembered the US sub-prime mortgage crisis and the knock-on effect that it had around the world, including the involvement of the banks. He remembered how the UK Government stepped in to save the banks, including—of course, and principally—the Royal Bank of Scotland, Salmond's former employer. I say with respect to Joe FitzPatrick that an independent Scotland would have been incapable of doing that, because that would have used up the whole of an independent Scotland's budget for a year. The Government could not have done that.

Let us deal with another Salmond canard: that Scotland is hard done by by the UK Government. That is just not true. In fact, the English are at last waking up to the fact that Scotland has done very well out of the UK taxpayer. The Barnett formula ensures that Scotland gets nearly 20 per cent more expenditure per capita than England. Spending is more than £9,500 per capita in Scotland and less than £8,000 in England. For the past 13 years, the money that has been available to the Scottish Executive has increased in real terms year on year. That is why Joe FitzPatrick is able to praise all of the work that has been done in Dundee.

Unfortunately, we flaunt to the English the fact that we have had more money to spend. We have free personal care, free prescriptions for all and free school meals for all. To some extent, we rub that in the faces and the noses of English people.

Joe FitzPatrick: Will the member acknowledge that the SNP Government is trying deliberately to make the lives of people in Scotland better?

George Foulkes: Indeed. The member will recall the First Minister's misquotation of what I said, to which I will come in a moment.

In the eyes of the English, all of the measures to which I have referred are subsidised by the English taxpayer; they are waking up to that. Now Alex Salmond wants even more than we are getting at the moment, no matter how our economic crisis was caused or by whom. It was caused by Scottish banks as much as by anyone, but Scotland must not suffer; everyone else can suffer, but Scotland must not. We have the strange election slogan of "More nats, less cuts". Ignoring the bad English grammar in that, let us think about the poor English people. Frankly, it is Alex in Wonderland stuff.

The Scottish Government has squandered some of our money. As has been said, there is a bill of £23 million for the so-called Scottish Futures Trust, but not a brick has been laid. Millions have been squandered on preparing for a referendum that almost no one wants and that we will never

have. The Scottish Government is providing free school meals for the sons, daughters, grandsons and granddaughters of MSPs, solicitors and bankers, and free prescriptions for MSPs, solicitors and bankers. That might be wonderful, if we had as much money as we need and want. However, given that those who really need free prescriptions and free school meals already get them, it is an unfortunate priority.

Jeremy Purvis: Will the member give way?

Gavin Brown (Lothians) (Con): Will the member give way?

George Foulkes: I will give way to the Liberal Democrat.

Jeremy Purvis: The member has given two examples. Will he remind the chamber of how he voted on them?

George Foulkes: I voted with my party.

The Scottish Government has already received warnings about other budget dangers. Let us take the issue of concessionary fares, funding for which is limited to £194 million. It is already clear that the Scottish Government will look to limit concessionary fares for the elderly and disabled. Let us take the issue of free personal care. The Auditor General for Scotland estimates that there is a shortfall of more than £50 million a year—and increasing—for provision of free personal care.

Where the Scottish Government could have additional revenue, with additional benefits to the economy, it has rejected that. Because of outdated dogma, it rejects the development of nuclear power, which would contribute to carbon reduction and is recommended by the First Minister's Council of Economic Advisers. Where it could cut costs, it does nothing. What will the cabinet secretary do about council chief executives and their huge salaries? What will he do about national health service bosses' pay and university bosses' pay, which are going up at unacceptable rates?

When the Scottish Government is asked where it will save money, it repeats again and again that it will save everything by cancelling Trident.

Joe FitzPatrick: Will the member take an intervention?

George Foulkes: No. In the current budget, Trident costs £400 million a year—about £40 million from Scotland—but it supports 20,000 jobs, many of which are in Scotland. Joe FitzPatrick and all other members should take account of that.

Margo MacDonald: Will the member give way?

George Foulkes: No-my time is going.

Finally, I come to the real Tories, as opposed to the tartan Tories. Normally sensible Derek Brownlee has had his arm twisted to put the comment about the proposed national insurance increase into his motion. There is no mention of what alternative might raise the money to fill the gap that would remain should the NI increase not go ahead. It has been forgotten that, last time there was such an increase, the number of jobs did not go down—and incidentally, I am not losing my job; I am giving it up for something that might be rather more satisfying.

As you know, Presiding Officer, it is Labour that has the answers to all this—a future fair for all. Hilary Benn said it in Glasgow yesterday, and Gordon Brown will say it again and again, and I am saying it today. We will be proved right on 7 May.

15:56

Ross Finnie (West of Scotland) (LD): Members will be relieved to know that I will be unable to bring the same theological insight to my commentary on this economic subject as did Lord Foulkes. I gently say to him that, if he is going to comment on the grammatical and syntactical content of slogans, he might think about the grammatical and syntactical content of "a future fair for all".

The debate is not throwing great light—as these debates occasionally do-on where we might go now. There is not exactly dishonesty here, but I hope that we can somehow smooth over certain things. Joe FitzPatrick was genuine in saying that he did not think that an independent Scottish Government would have done things any other way regarding the crisis that RBS, HBOS and others faced. Joe FitzPatrick is not the only nationalist spokesperson to use the phrase "looming cuts" in a pejorative sense, which invites the listener to conclude that, if we were independent, there would somehow be no debate about whether we needed to cut our cloth. I find that an unhelpful approach as a backdrop to the debate.

We can have an argument—lots of arguments—about what a Labour Government did or did not do with an economy that was hugely predicated on high levels of personal and corporate debt, but it cannot be denied that, given its huge dependence on the financial sector, Scotland has been caught very badly by a world economic crisis, and that it will have to meet the proportionate cost of dealing with the debt that it has incurred, given how RBS and HBOS have been dealt with. The continuing suggestion that we are somehow exempt from all that is not particularly helpful.

Like my colleague Jeremy Purvis, I welcome some elements of what the Government is seeking to do in making investments. There is a genuine debate here. I have no problem with the cabinet secretary, Joe FitzPatrick or any other members of the SNP arguing for independence. That is perfectly legitimate, and I do not regard that as something to scorn. We must reflect, however, on the use of the word "independence" in economic terms. I wonder whether, on proper examination and reflection about what has happened as a consequence of the economic fall-out from the world banking crisis, any country in the world can properly claim to be independent. That is a very interesting question, but one on which we do not have sufficient time to elaborate much further this afternoon. Let us not make silly and false assertions that economic independence is something that many countries have in reality. The interdependence of economies—of those within the United Kingdom, of those in Europe and of those across the globe-must be taken into account, and false assertions about the extent of economic independence are not helpful to a sensible economic debate.

The cabinet secretary has made some sensible decisions. Our construction industry, which faces difficulties, will undoubtedly be helped by the additional sums that will be put into the affordable housing budget. Such decisions are to be welcomed.

We must recognise two elements to the unemployment figures, which are stubborn and difficult. The first is to do with the extent to which unemployment has been fuelled by the collapse in the financial sector; the second is that unemployment is occurring—I regret to say—in the very areas throughout Scotland where it has occurred for years and years. That is a symptom of market failure, which is why I join in and very much support the Liberal Democrats' criticism of the reduction in the enterprise budget, a great element of which was designed to address market failure in areas that have perennially suffered from high levels of unemployment and deprivation. A reduction in the enterprise budget was not and is still not a sensible policy to pursue in the midst of an economic recession.

We need to give back confidence and stability to the financial sector, which is hugely important to the Scottish economy. The Liberal Democrats have been clear for some time about the need for a different kind of regulation and a different kind of financial organisation that splits off investment banks. Investment banks should no longer be regarded as too important to save. If they make wrong decisions and fail, they should be allowed to fail. The elements of the banking sector that are looking after our savings and fuelling and financing our economy must be saved, but should not be

allowed to grow to such a size that their collapse would put the whole economy at risk. We need, collectively, to be clear about where we are going, because we must restore confidence in the sector, whose economic and employment prospects for Scotland remain huge. The sector remains critical and should not be dismissed simply because of the massive failures of RBS and HBOS, among others.

The Scottish Government must address those matters. It has the ability to direct its affairs in the way in which my colleague Jeremy Purvis suggested, it has the ability to begin the process of restoring confidence in key elements of the economy, and it has the ability to consider the fragile enterprise network and the areas in Scotland where there is market failure and additional support is needed because of the current circumstances. Unemployment must be addressed, not just because it exists but because it indicates the state of the economy in key parts of The continuing high unemployment in those areas should be of grave concern to the Government, which is why the matter is mentioned in the Liberal Democrat amendment.

16:03

Bob Doris (Glasgow) (SNP): I hoped to strike a note of consensus in my speech, at least initially. Perhaps that was a vain aspiration, given that a UK general election is looming, and given some of the speeches that we have heard—I exempt Ross Finnie from that observation.

I want to consider two key aspects of economic recovery under the Scottish Government. First, I welcome the record level of social rented housing that the Government has delivered, which is an example of how the provision of essential economic stimulus and the securing of important social benefit can be combined in difficult times. In Glasgow, for example, which I represent, there has been a massive 80 per cent increase in newbuild social rented housing under the Government, compared with a similar period under the previous Scottish Executive. In terms of bricks and mortar, that represents an additional 1,500 houses for social rent in my city.

The approach has helped Glasgow's economy, because more brickies, plumbers, joiners, sparkies and so on have retained their jobs or had jobs created for them. More small businesses in Glasgow and beyond are being supported by the Scottish Government. I am proud of that achievement, which is a success for the Parliament as a whole.

There was no great mystery or secret to the achievement of the figures. The Scottish

Government took a policy decision to increase the Scottish affordable housing investment programme by 19 per cent over three years and to spend around £1.7 billion in total. As we heard, a further £31 million will be added to that, which I welcome. As a minority Government, we sought consensus to pass our budget in order to make that investment. Although the Parliament has not spoken with one voice in many recent budgets, as a minority Government the Scottish National Party managed to gain a majority to lever in that £1.7 billion record investment. We can have consensus in trying to tackle the serious economic problems that we face.

Another reason for such welcome figures on social rented housing in Glasgow, and indeed figures on affordable housing across Scotland, is that we sought to accelerate much of the capital investment from 2010-11 into earlier years. The Parliament achieved consensus on that, too, and there was general agreement that that would allow the affordable housing sector to support private companies during the recession. The sector was seeing a huge drop in available finance to build private properties and, indeed, a significant drop in demand for such housing due to the income shock that many were suffering.

The Parliament also agreed that, having accelerated capital expenditure from 2010-11 into earlier years, it would be dangerous and wrong to slam the brakes on such capital acceleration. All parties called for a further acceleration from the 2011-12 UK budget—we agreed that capital acceleration should happen for just one more year, until our construction sector became stronger—but when the UK Government's budget was presented, there was no provision for such capital acceleration. Scotland's housing sector felt badly let down by both Gordon Brown and Alistair Darling, and it is private businesses, particularly in the construction sector, that will bear the brunt.

I genuinely urge Labour MSPs to approach their UK colleagues, should they be in a position to influence policy after the forthcoming general election, and to stand up once more for capital acceleration; it is important. I urge my Conservative and Liberal Democrat colleagues to do likewise and to build a consensus from within the Parliament. I certainly know that my SNP colleagues in this Parliament and the House of Commons will be carrying that message, but I hope that from within this Parliament we can start to rebuild the consensus.

David Whitton (Strathkelvin and Bearsden) (Lab): In the spirit of consensus, will the member take up our challenge to his cabinet secretary to get the money to reinstate the Glasgow airport rail link? It was a project that he supported.

The Minister for Transport, Infrastructure and Climate Change (Stewart Stevenson): Oh, come on.

David Whitton: "Oh, come on", says the transport minister, and yet he was left in the dark when the decision was made.

Bob Doris: I thank Mr Whitton for his helpful and consensual intervention. We are looking at the stark reality of cuts coming to Scotland—a 1.3 per cent real-terms cut in the year ahead. Should more money become available to Scotland, I would prioritise social housing and construction. That is a difficult decision to make as a Glasgow MSP, but I want to add to the 1,500 extra houses that we have in Glasgow and to provide even more employment. I accept that it is a tough choice to make, but I have made it.

I want to touch briefly on the small business bonus scheme. Although it was not initially intended as part of the economic recovery strategy—it was designed to help small businesses to develop and flourish—in the current difficult economic times it has become by default a key section of our economic recovery platform. Throughout Scotland, 200,000 small businesses will benefit; indeed, in Glasgow, 9,000 businesses will save up to £4,000, with almost 25,000 businesses to benefit across the city.

Economic recovery is about tough choices in tough times. There are constraints on the Parliament, which we should all acknowledge. I do not think that the UK Parliament ever deliberately does Scotland down; it just follows the biggest market in terms of finance and population density—London and the south-east of England. Measures are not anti-Scottish by design, but they may turn out to be in practice. We saw that with stamp duty, as 80 to 95 per cent of first-time buyers in London and the south-east of England benefited from the change in the threshold while only 25 per cent did so in my city of Glasgow. That measure was not trying to do down Glasgow by design, but it did so by default.

Gavin Brown: Will the member give way?

The Deputy Presiding Officer (Alasdair Morgan): No, the member is just winding up.

Bob Doris: I finish by saying that, if this Parliament had more powers and responsibility over taxation, borrowing, Trident, ID cards and what to spend on defence and wars, we could prioritise economic recovery over such matters. That, of course, comes with independence.

16:09

Patrick Harvie (Glasgow) (Green): I have said before that, in its early days, the SNP Administration was effective and clear in defining what, in its view, the purpose of Government was, although I did not share that view. When asked what Government was for, the answer was that it was for something called "sustainable economic growth". However, the Government never asked, "What is the purpose of the economy and of economic activity?" In recent years, all political parties have begun to allude to that question by peppering manifestos and other documents with words such as "wellbeing" and "sustainable", but the question has never been fully resolved or answered. If it had been, we might have faced recession, and we might now be facing recovery. with a far clearer transformational agenda fit for the 21st century. Fundamentally, we would be challenging the idea that all economic activity is a public good and that all growth is good growth.

Let us look at last month's updated document, "The Scottish Economic Recovery Plan: Accelerating Recovery". I can well imagine the cabinet secretary sitting around with officials, considering how the document should look. Perhaps the first thing he said was, "Let's big up the green economy," for there are many pages at the beginning that talk about the importance of moving to a low-carbon economy. That is all well and good, but even before we get to those pages, some of the flaws can be seen, even creeping in to the cabinet secretary's foreword:

"Our commitments on ... carbon capture and storage will help lead to the development of major new industries in Scotland".

Well, that may be, but may be is not enough. The possibility of carbon capture and storage is not a promise or a guarantee. I am happy that the Scottish Government is keen to support the development of that industry, but there is no promise of success. It is far too soon to make commitments on the basis of the assumption that CCS will be a success.

Further on in the first few pages, we read a section on "Developing a low carbon economy". Notwithstanding my long-held criticism of the Scottish Government's oil-dependent transport policy, as I mentioned in my earlier intervention, many of those proposals are welcome, even if they remain as yet only on paper. However, on turning the page, the very next thing that we read is a section on "Supporting internationalisation", which includes a glowing endorsement of efforts to boost long-distance tourism. Domestic tourism is mentioned briefly with the ghastly "staycation", but it seems to be understood as only a short-term fad that is based on recent economic circumstances. There is little sign that either the Scottish Government or VisitScotland understands that, in the face of peak oil, Scotland's tourism sector will have a strong future only if the Scottish Government helps it to adapt to attract visitors by sustainable modes of transport.

And what have we seen just recently? In adverts in national newspapers in England, VisitScotland has teamed up with Ryanair to say, "Fly to Glasgow Prestwick", "Flying to Edinburgh" and "Flying to Aberdeen". We should be reading adverts about how rail fares will be subsidised or cut to encourage people to travel in a sustainable way to come and enjoy the tourist attractions, hotels and so on in Scotland. Instead, people are encouraged to fly to Glasgow Prestwick and Aberdeen for as little as £6. In a recent newspaper article, VisitScotland is quoted as saying:

"Let's not forget that sustainability is about much more than being 'green'."

It seems to me that VisitScotland thinks that sustainability is about much less than being green. The idea of teaming up with Ryanair demonstrates that fact. I used to think that only the far right—such as the United Kingdom Independence Party and the British National Party—was in denial of climate change, but Ryanair is a far greater and more serious threat to climate change policy.

Compare that with what the Minister for Transport, Infrastructure and Climate Change, Stewart Stevenson, has told the Parliament on many occasions. For example, he previously stated:

"We want to lead by example. Continuing from the previous Executive, we want to reduce emissions from our own travel."—[Official Report, 14 June 2007; c 734.]

He went on to say then that he had made a 50 per cent reduction in his use of domestic aviation. If it is right for the transport minister to do that, why is it right that the tourism minister should fund the placing of adverts in English newspapers that encourage people to use domestic aviation even more?

There are fundamental contradictions between what Government is saying on a sustainable, low-carbon economy and what it is doing, and the other political parties' amendments to the motion give no indication that they have a clearer grasp of the long-term challenge. Too many of these debates boil down to simplistic sloganising—the Salmond slump versus Gordon Brown's recession. I know that an election campaign is under way, but I genuinely think that very few members of the public take any of that language remotely seriously. They know that it is silly nonsense, so let us please stop using it.

National insurance, which has been the subject of great debate recently, is mentioned in the Conservative amendment, but no other political party seems to agree with us on the fundamental need for a return to progressive taxation, which has gone completely out of fashion in recent years. What is needed is recognition that the free market-dominated, growth-obsessed but

increasingly unequal, failed economic model cannot simply be refloated. We need recovery, not the reanimation of a corpse. Economic recovery will be dependent on political recovery and the recovery of values that tell us that millionaire business leaders do not have a monopoly on wisdom, that there is more to life and to our economy than material wealth alone, and that each quarter's GDP figures are only one narrow and imperfect measure, our obsession with which has obscured what is important in life, including the conditions for our very survival.

16:16

Ms Wendy Alexander (Paisley North) (Lab): This week, BASF announced 232 job losses in Paisley in my constituency. That amounts to almost two thirds of the remaining jobs at the former Ciba plant, which will go over the next three years. It is proof positive that the recession is not over.

Last September in his budget statement, the cabinet secretary told the Parliament that he had

"reluctantly decided to cancel the Glasgow airport rail link project",—[Official Report, 17 September 2009; c 19753.]

which is also in my constituency. Since the Scottish Government took the GARL decision, it benefited from two unexpected cash windfalls-£23 million in the pre-budget report and £82 million in the March budget, although, in fairness, only £76 million of that was available to spend through the departmental expenditure limit budget. I welcome the fact that the vast majority of that money will go to capital projects, but I must press the Government on why it did not look again at restoring the GARL project. Given that the Government has had a £100 million windfall since it made the cancellation decision in September, why has it chosen not to revive GARL? After all, GARL—unlike some of the projects that we have heard about today—is not a new project, but it is the only Parliament-approved capital project that has ever been cancelled mid-construction. If the decision to cancel the project was taken "reluctantly", why has it not been reinstated, given that the Government has received an extra £100 million since September?

I would like to raise an important procedural issue. I asked the Scottish Parliament information centre to speak to the Scottish Government at lunch time to ask when the decision about how the £76 million allocation in the budget would be spent would be made public. Scottish Government officials replied to SPICe that that would not happen until the budget revisions in October this year. I would be grateful if the cabinet secretary would look at the accuracy and the courtesy of that response to SPICe and to the Parliament.

I return to the substantive issue—why GARL deserves reinstatement. Uniquely, it is a project that it is estimated would create 1,300 jobs in the future.

Stewart Stevenson: Over what period?

Ms Alexander: Twenty years.

The Scottish Government has never questioned the accuracy of that job creation figure. SPICe told me that it comes from the "Assessment of Wider Economic Benefits" study by Roger Tym and Partners of June 2005, which is still available on the Transport Scotland website. That suggests that Transport Scotland and the Government consider it to be a robust piece of work. SPICe is not aware of the Government ever having questioned the accuracy of the 1,300 job creation estimate. Those jobs have now been lost.

The long-term job creation potential reflects the fact that GARL, unlike other projects, is closely linked with major private sector investment plans. As many members know, BAA Airports Limited had associated investment of £80 million to £100 million planned at the airports, and there were spin-off jobs in leisure, commerce and other projects that will not now go ahead. The axing of GARL has uniquely destroyed some major job creation benefits.

We have to ask why it has not been reinstated when, in his foreword to the current national planning framework, John Swinney identifies GARL as a project of national importance meriting early implementation. Does he still believe that? We do not know. It is also an inconvenient truth that Mr Stevenson, who has rejoined us, also confirmed that GARL had a better return on investment capital with a higher benefit-to-cost ratio than many other multi-billion pound projects now authorised. The Government has also made clear by its words and action that it is not interested in looking at the independent engineering consultancy work on the way to reduce costs, deliver the project, and produce an even higher benefit-to-cost ratio. We know that the Government did not want to know when Network Rail volunteered assistance to allow a project with a uniquely high job creation potential to go ahead.

Stewart Stevenson: Would the member care to comment on the column on the left of the Labour Party's manifesto for the imminent election, where the commitment to high-speed rail and all its benefits to the whole of Scotland has been downgraded to a mere report into the benefits that might accrue from that? Such a report has already been submitted by this Government.

Ms Alexander: That is indeed a matter of no relevance, and I am into my final half-minute. GARL, uniquely in the 10-year history of the Parliament, was cancelled mid-construction. It had

unique job creation potential vastly exceeding that of many other projects that have been prioritised. Why was GARL not reinstated and given the £100 million windfall that the Government has received since GARL's cancellation? Every single major business organisation in Scotland has called for the decision to be reversed. If the Government would engage in a dialogue for progress involving the stakeholders, the business community and the rail network, the desired rail link would be able to deliver those 1,300 jobs that my constituency so desperately needs, having lost a further 250 jobs this week. Getting involved in that dialogue and leading it rather than hiding from it is the responsibility of this Government.

16:23

Rob Gibson (Highlands and Islands) (SNP): I will look first at the background of the condition from which we are trying to recover, and then at two or three examples of how we are beginning to support recovery.

On Sunday, a commentator set the context clearly.

"It's obvious what went wrong. Britain boasts the most profoundly dysfunctional financial system of any G7 country. It's not just that it went nearer to collapse than any other in the autumn of 2008, it does not know how to finance enterprise."

That was written by Will Hutton, one of the architects of new Labour, who recognises precisely how that crisis has underpinned the nature of our attempts to recover. In a world in which there has been a crisis, Britain has been one of the worst countries at coping with it or making proposals that would allow Scotland, Wales, Northern Ireland and parts of England to stimulate the economy out of recession.

There has been a lot of discussion about the balance of power and the finance needed to achieve recovery. There was also some the debate discussion earlier in about independence and interdependence. What about countries such as Norway that have similar resources to ourselves? What about the oil fund that has been created in the past 15 years? What about Norway's ability to bail out the whole of the UK debt and still have more than £89 billion left in its oil account, far less its own money? Norway is a small country with about the same population as Scotland. We are talking about banks failing and saying that a country of this size could not deal with that, but Norway had to deal with that in the early 1990s.

Andy Kerr: Will the member give way?

Rob Gibson: Just a minute. I want to finish this point.

As our economic recovery is based on investment, we must ask questions about the financial system that is supported by each of the British parties, that has not been altered, and which is aimed at supporting property and share prices. That is what the current financial system was set up to do, rather than invest in real jobs in manufacturing and so on. That is the charge that faces the UK parties, but I believe that Mr Kerr is going to tell us that we are all wrong.

Andy Kerr: No, no. I note that Ireland and Iceland have not been mentioned. Can the member clarify whether he is advocating the same levels of personal and business taxation that exist in Norway?

Rob Gibson: When people get greater pay and better services, they are happy to pay their taxes for those things. There is less division between the rich and the poor in a country such as Norway, and we should aspire to that. I do not think that smirking is the answer. Perhaps Mr Kerr should contemplate whether other countries have models that are worth following.

If we are going to stimulate the economy, we must use the resources that are at our disposal. That being the case, I welcome the renewables policy that the cabinet secretary has laid out in the economic recovery plan, which can create many thousands of jobs. In a European context—the following quotation is from the European Wind Energy Association—Scottish and Southern Energy tells us that, every year,

"15.1 jobs are created in the EU for every MW installed."

Given the size of the planned Clyde wind farm, the size of Whitelee wind farm and the size of the others that are proposed for Shetland and so on, as well as the maintenance that creates another six jobs per megawatt installed, we are talking about huge potential. How can we achieve that in Scotland under the present conditions? We must have the capital to establish a green energy bank. We have been promised that, in the outgoing Labour Government's budget, there will be £2 billion for such matters. I have discussed with the cabinet secretary shares of that money for renewables, and not just for nuclear power, which might be the British choice, as Lord Foulkes said. We need money such as that to set up a green energy bank in Scotland and undertake activity that will secure the investment to speed the creation of all those jobs. Scottish and Southern Energy recently announced its investment in a 15 per cent stake in Burntisland Fabrications, in Fife. I wish that it were similarly involved with the Nigg yard, in the Highlands, which can build offshore platforms. Maybe it will be-who knows? I welcome the certainty of the development of offshore wind energy technology in Fife.

The answer must also lie in retrieving the moneys that the Treasury rules have tied up, preventing us from developing the kinds of energy that I am talking about. The moneys from the fossil fuel levy and the landfill levy are tied up by Treasury rules and our hands are tied behind our back because we cannot borrow or even access the taxes that we have paid as citizens in this country. I pointed out earlier—from a sedentary position; I am sorry that my intervention was not taken—that it is our taxes that are tied up in those things. I ask that we look at the conditions that Scotland is in. We have one hand tied behind our back as we attempt to recover, although we know the kind of enterprise and developments that could take place here to prevent our public sector jobs from being decimated to pay for the bankers' bonuses and a financial system that does not work.

How do we create a financial system of our own? That is perhaps right at the heart of the issue. We must create a financial system that is aimed at enterprise, and that cannot happen in the British system; it must happen in an independent Scotland.

16:29

lain Smith (North East Fife) (LD): This has been an interesting debate, not least because it has contained a few surprises. One of the big surprises was the lack of a focus on the general election, with the notable exception of the speech by Lord Foulkes. Indeed, the parties' slogans have barely featured in the debate. Less surprising is the fact that the Minister for Enterprise, Energy and Tourism has not been present during the debate, because, whenever we have a debate on the economy, he is missing. It seems a bit strange that the minister who has responsibility for our economy does not participate in debates on the subject, as we might expect him to. However, that perhaps says more about the minister than anything else.

Another surprise was that, even though the debate is about the Scottish recovery plan document, which was published on 3 March, little reference has been made to it. I will try to correct that

The "Business rate revaluation" section of the document states:

"A package of measures has been put in place through the business rates mechanism to improve the business environment."

However, I do not think that many of the businesses that are facing huge increases in their business rates this year—having been given just a few weeks' notice of those rises—consider that what has taken place has been part of a

mechanism to improve the business environment. Indeed, many of them are faced with the prospect of having to make significant job cuts in order to fund the business rate increases, which the Government has refused to act on, despite the fact that the matter has been brought to its attention for some time. At the weekend, I spoke to the owner of a domestic appliance business in my constituency and was told that, due to the rates increases on his relatively small business, which is situated on a high street—a sector that we are told is being protected by this Government—it will have to sell somewhere in the region of another 105 washing machines in order to cover the cost. The owner of another business, in the tourism industry, told me that it will have to increase its turnover by around £300,000 in order to cover just the increase in the business rates-if it does not do that, it will have to shed staff or reduce investment, both of which are essential to its business.

The Scottish Government has failed to support businesses that are faced with unacceptably large rates increases, and I note that the cabinet secretary refused to respond when Jeremy Purvis intervened on his speech to ask him what percentage increase in business taxation would be acceptable. He refused to answer that question because he knows that there are unacceptable increases in business taxation happening in Scotland right now because of the failures of the Scottish Government and its lackeys in the Conservative party. I expect that we will deal with that issue a bit more in the course of tomorrow's debates.

The economic recovery plan document talks a great deal about tourism, which is crucial, and makes a particular point about the movement in exchange rates being beneficial to Scotland's tourism industry. Unfortunately, however, the latest tourism figures do not necessarily bear that out. There has been a rise in domestic tourism due to the increase in staycations, but the average amount of money that is being spent per trip and the amount of money that is being taken by individual businesses have gone down in the past financial year. Although more people are coming to stay, businesses are having to cut the rates that they charge in order to get them to come and stay, and are therefore losing income.

Further, on international tourism, the latest figures—which, unfortunately, go up only to October—show that there was a 1.6 per cent decrease in the total number of trips that were made and that, although there was an overall increase in spending, it is not as good as we might have hoped that it would be. One particular issue is that the number of visitors from the EU fell by 15 per cent in the first three quarters of last year, which is worrying, as that should have been a

particularly good market for us, given the exchange rate.

Given those figures, and at a time when tourism is viewed as a key sector in our economic recovery plan, why is the Government cutting the budget for VisitScotland, the agency that promotes tourism? VisitScotland is not alone. Budgets in other areas, such as those for Scottish Enterprise and Highlands and Islands Enterprise, are also being cut.

The budget Scottish Development for International, which acts to improve international performance and the exports and inward investments that are crucial to our economic recovery plan, is being frozen-a realterms cut-in the current financial year. The Government is asking SDI to do considerably more as part of the economic recovery plan, but with no more resources. Those areas of concern are yet to be addressed.

Additional capital expenditure is welcome, and I hope that it will help to promote new jobs. However, we have yet to see the evidence that the advance capital last year was used to best effect; there is evidence to suggest that it was not, and that it did not create as many jobs as it could have done. The money could perhaps have been better invested in household insulation, for example, which would have provided instant jobs in the construction industry and long-term benefits for many of the poorest in our society.

The Government needs to do more to promote economic recovery. It has yet to get its plan right, and I hope that it continues to work on that.

16:36

Gavin Brown (Lothians) (Con): The debate on "The Scottish Economic Recovery Accelerating Recovery" has been interesting. A number of points have come to the fore, not least from the normally sensible Lord George Foulkes, who—if I heard him correctly—suggested that, by increasing national insurance, we can increase employment throughout the United Kingdom. Perhaps Alistair Darling included the NI increase in his plan in the hope that it would increase employment after taking economic advice from George Foulkes. We in the Conservative party have stated clearly in our motion why we think that such an increase would be disastrous. It is a tax on jobs at the very point at which we hope to move into economic recovery. That is why we think that it is so dangerous and why the Conservative party has worked strongly to ensure that it is the first tax rise that we would prevent.

George Foulkes: Will Gavin Brown explain how a Conservative Government—if elected—will raise

the money that will not be raised when it reduces national insurance?

Gavin Brown: George Foulkes needs to listen to the captains of industry, well over 100 of whom have publicly endorsed our policy. If companies are given the chance to grow and to create jobs, the ultimate tax take will be higher and the economy far more likely to prosper than will be the case if a tax on jobs is imposed at the very point when we are attempting to recover.

Patrick Harvie: Will the member give way?

Gavin Brown: No, not at this time.

The purpose of the debate, as several members have said, is to consider the Scottish economic recovery plan, and I will focus the rest of my remarks on some of the specifics that it contains.

There is little with which to disagree in the Government's motion, but it is important that the Government takes on board the points that members have made about the recovery plan and about the fact that it has shown genuine inaction in some areas.

I turn first to the Scottish Investment Bank, I believe that the proposal has broad cross-party support and support from industry, which the Economy, Energy and Tourism Committee touched on briefly in a couple of evidence sessions. I have not noticed that many people have disagreed with the concept. That policy was announced almost a year ago by the First Minister at the Scottish Trades Union Congress. It was not a policy that the Government was considering as a good idea to try to accelerate recovery but one that was unveiled as something that the Government was going to do. However, 12 months on, we have seen little progress on the Scottish Investment Bank. The original idea was that it would comprise three funds that are currently distributed by Scottish Enterprise. It would attempt to get European funding and perhaps some extra private funding in order to create the bank. It appears to have been extremely tricky to come by the European funding but, if that is the case, why on earth was the policy announced before the homework was done?

The policy created a lot of excitement at the time, but it has patently failed to deliver. It is so bad that the last time I asked a question about it, the Minister for Enterprise, Energy and Tourism stated that the Scottish Investment Bank does exist and that it is distributing funds week in, week out. However, all that has been done is to encapsulate the three funds that already existed and were already delivering funds and call them the Scottish Investment Bank. I would like to hear from the cabinet secretary when he concludes the debate what is going to happen with the Scottish

Investment Bank. Is it a flop or is the Government genuinely going to take it forward?

I turn to other issues in the recovery plan. There are lots of warm words and good suggestions, but there is also hyperbole, some of which we have heard today. On the key sector of tourism, it tells us:

"our tourism industry outperformed the rest of the world in 2009".

Mike Rumbles (West Aberdeenshire and Kincardine) (LD): Can the member explain to the Parliament why the Conservatives voted with the Scottish Government against an interim relief scheme for business rates, which are hitting hotels and the tourism industry hard?

Gavin Brown: Mr Rumbles needs to look at all the items of spending that he has pressed for. He has to realise that the demands that he has made, on top of those from Mr Purvis and Mr Smith today and all the other things that the Liberal Democrats have pressed for, comprise several billion pounds' worth of additional funding that simply does not exist in the Scottish budget. If the Liberal Democrats can tell us how they intend to fund any scheme that they put forward, it will be taken seriously but, until they are prepared to do so, it is extremely difficult to take them seriously.

To summarise, I want to hear more from the Government about the Scottish Investment Bank. Is it to go ahead? If not, will the Government say so now so that we can move on to something else?

16:42

David Whitton (Strathkelvin and Bearsden) (Lab): I welcome the opportunity to speak in support of the Labour amendment. We will also support the Liberal Democrat amendment but, not unnaturally, we will oppose the Tory amendment.

Where do I begin? I see the Scottish Government's response to the global recession through the economic recovery plan and note the three core themes of investing in innovation and industries of the future, strengthening education and skills, and supporting jobs and communities. That is all laudable, but government is about delivery and the question is what progress has been made under the SNP in Scotland? The answer, to paraphrase Paul Daniels, is not a lot. For all its talk about making economic growth its number 1 priority, as we have heard, the Government has slashed key areas that would drive economic growth—regeneration, enterprise and tourism. The wailing and bleating about UK budget cuts continues to consume most of its time, yet if it was honest about the figures, it would admit that it has had more money to spend to help Scotland out of the recession than any Scottish Government before it, with a real increase of £943 million and another £83 million from the recent budget.

How is it the case, as Mr Kerr asked, that the UK economy avoided the dreaded double dip in output in the first quarter but Scotland is lagging behind in several important areas? Last week's key survey by the British Chambers of Commerce provided reassurance that the UK economic recovery, led by Gordon Brown, will prove sustainable, but it also shows that Scottish companies in the service and manufacturing sectors were less confident about future turnover and profitability than their counterparts in most other parts of the UK. It also found that the service sector appears to be much weaker in Scotland than in the UK as a whole, with a fall in domestic deliveries and new orders and flat export business, in contrast with UK-wide increases on all those indicators.

Labour wants to secure jobs and grow the economy in the face of the Salmond slump, which has cost 30,000 construction jobs through the stagnation caused by the Scottish Futures Trust. I know that that phrase will be painful to Mr Patrick Harvie and that the SNP does not like it, but that is what has happened.

Stewart Stevenson: Nonsense.

David Whitton: It is not nonsense; it is a fact. The minister should speak to the Scottish Federation of Housing Associations, which will reconfirm it for him.

Labour in London has got us back on the road to economic recovery—a fact recognised globally, although not by certain elements in the chamber—and we need to build on the economic progress that we are making. Those efforts will create 100,000 extra skilled jobs in Scotland. The Tories would cut away the recovery and take jobs away from people.

Let us not forget that the Tories and the SNP opposed the national minimum wage. Apparently, some SNP MPs do not even know what level the national minimum wage is at or that it is increasing. When we were campaigning to introduce a national minimum wage, Mr Brownlee and his colleagues were probably marching to free right-wing generals.

Let us discuss the national insurance issue. The decision was tough, but the wider perspective must be considered. The UK Government must balance keeping the recovery going with attacking the national debt at the right time and controlling interest rates. It is vital to support investment in key public services as the UK battles to cut its multibillion-pound deficit after the recession. We can all throw around spending and savings statistics, but the Tories would have to cut back on

front-line services to fund their national insurance cut if they came to power. They were wrong when they said that the national minimum wage would cost jobs, and they and their supporters in the business community, which is praised by Mr Brown, are wrong about the national insurance increase. Their policy of seeking to cut the budget deficit at a faster pace is also wrong.

Before the dynamic duo of Mr Brownlee and Mr Brown on the Tory front bench get to their feet to protest, I will quote from a letter to the *Financial Times* that was signed by 60 leading economists. Members know how much the Tories like letters to the papers. Perhaps Mr Brown should listen to those leading economists. They said:

"A sharp shock now would not remove the need for a sustained medium-term programme of deficit reduction. But it would be positively dangerous."

Even Ernst and Young—which is a company that is familiar to Mr Brownlee—has commented:

"The Chancellor is right to resist calls to tighten policy more aggressively in the near term given the fragile nature of the recovery."

Closer to home, the Scottish public are waking up to the fact that Alex Salmond's team is more about grievance than government. We have all heard about the Salmond bluff and bluster, and we all know how he shouts loudly and stamps his feet. However, what has he done when there has been money and opportunities to act? Despite its carefully worded motion and the fact that it has barely noticed that there is a global recession, the SNP has hardly adjusted its economic plans. Nothing changes in Brigadoon, where the SNP lives.

The Fraser of Allander institute at the University of Strathclyde, where the First Minister was a visiting professor, has calculated that, over the course of the recession, Scottish economic output has fallen by 6.13 per cent. That is a bigger drop than the 5.73 per cent decline UK-wide. Another survey last week in the latest Lloyds TSB Scotland business monitor shows that the tentative recovery from the recession is stalling. In the three months ending February 2010, 25 per cent of the firms that were surveyed increased turnover, 28 per cent experienced static turnover, and 47 per cent experienced a decrease in turnover. After four consecutive quarters of improvement, the latest business monitor shows a deterioration delaying Scotland's emergence from the recession.

I turn to comments that have been made in the debate. Like Joe FitzPatrick, I welcome the investment in the city of Dundee. I have one other thing in common with him: we both welcome the fact that Dundee United will play in the Scottish cup final on 15 May. We might be on the same side on that day, but not today. He claimed that an

independent Scotland would have been able to bail out the collapsed banks and that Scotland would be better off with the euro. Back to Brigadoon, I think.

As usual, Ross Finnie made a thoughtful speech. He will have noticed that I share his views on the decision to cut the enterprise and tourism budgets.

Bob Doris spoke about investment in social housing. It is about time, too. The failure to invest in construction projects in the first two years of the SNP Government has already cost 30,000 construction jobs.

Wendy Alexander made important points about the Glasgow airport rail link. In his opening remarks, the cabinet secretary said that Labour members should remember that that was a four-year project. He knows that next year would have been the peak spending year. As Wendy Alexander pointed out, he has had two cash windfalls plus capital slippage, which would have helped him to reinstate the scheme.

We all know that these are difficult days. We agree with many parts of the economic strategy with what it says about infrastructure investment and support for education and skills, not least because we have championed those matters. However, it is strange that the report states that the Borders railway scheme, which is much loved by Mr Purvis, is a vital piece of transport infrastructure that is needed to support the economic development of the south-east of Scotland. That is from a cabinet secretary who cancelled the Glasgow airport rail link, which is a vital piece of transport infrastructure that would have been a tremendous boost to the economic prospects of the west of Scotland and would have supported 1,300 construction jobs.

We all know that our economy needs to be rebuilt. However, the SNP Government must concentrate on securing the recovery and investing in future growth and jobs, rather than time and money on national conversations, a Scottish Futures Trust that is not working and a proposed referendum bill that is doomed to failure. Economic recovery will not happen with Mr Salmond sitting in his ministerial car dreaming of independence in the land of milk and honey. He should come into the real world and start taking responsibility for his actions. Economic recovery will be a myth in Scotland unless it is supported by initiatives that contain more than broken promises and worthless words.

16:50

John Swinney: Iain Smith said that there had been an absence of party election slogans and rhetoric. Of course, he spoke before Mr Whitton

enlightened us with his speech, which bore a startling and horrible resemblance to the thing that Mr Smith had predicted would characterise the debate. The same could not be said for Mr Finnie, who promised us no theology, although what he said sounded a bit theological. I do not say that to be critical of Mr Finnie because, as Mr Whitton fairly said, he made another thoughtful and substantial contribution to the debate.

I will address several questions that Mr Finnie posed about independence and the public finances. He asked whether any country could sustain an argument that it had economic independence and said that all countries are, in essence, economically interdependent. I accept entirely that there are interdependencies affecting every economy. That is why we have a global economy and why the economic recovery programme is predicated, as we have always said, on the wider global economic conditions with which we have to deal. However, the question that the Government poses is whether we have all the opportunities and levers to allow us to best influence the outcomes to improve the lives of people in Scotland and the performance of the Scottish economy. I do not believe for a moment that we do and I do not think that Mr Finnie believes that, either, because he has long argued-since long before the establishment of the Parliament—for a Scottish Parliament that has a broader range of powers than the current one

Mr Finnie makes a substantial argument that relates to many of the questions with which I wrestle about the sustainability of capital investment in the years to come. The ability to borrow, which is a power that is available to our local authorities but not to the Parliament, would undoubtedly have an impact on the approaches that we could take to long-term capital investment when we have projects ahead of us with a substantial cost. There is a debate to be had on that and I signal the Government's enthusiasm to have that debate.

Ross Finnie: I am grateful for that thoughtful response, but does the cabinet secretary concede that it is perfectly possible to achieve exactly that degree of fiscal responsibility and borrowing powers that he described without necessarily becoming an independent nation state?

John Swinney: There are opportunities to do that. In the Government's white paper on constitutional reform we accept that it is possible, within the framework of the United Kingdom, to acquire a range of further financial powers without changing fundamentally the constitutional structure of the United Kingdom. I suspect that that was the motivation for some of the parties to take part in the Calman commission. We have

made clear in our proposals that we would welcome an opportunity to acquire powers that would give us greater financial discretion. We have never resisted that agenda in any way.

I accept that that can be done within the United Kingdom, but I hold to a view that our economic performance will be greatly enhanced if we are players on the international stage and, for example, can influence the agenda of the European Union and wider forums, which are fundamental in that they affect the economic performance and the judgments of member states of that union.

Mr Finnie also talked about the importance of looking ahead to the public expenditure challenges that we face. It is certainly our duty to do that, which is precisely why I have established an independent budget review that will report not to me but to the body politic of Scotland-it will publish its report on such questions. It is incumbent on me to ensure that the budget review group has access to a range of quality information that allows it to form views on the challenges and options for us. That is why I have asked my officials to conduct exploratory analysis of the financial outlook for the Scottish budget in the short and medium terms. That analysis will of course be shared with the budget review group and with Parliament in due course.

Wendy Alexander made several points about capital expenditure decisions, which rehearsed many arguments that we have had in the chamber in the past few months about the Glasgow airport rail link. In my speech—I am not sure whether she was here for it—I made the point that the rail link is not a 12-month project. As Mr Kerr conceded, the money is available only for 12 months, so we have deployed it to fund capital programmes that can be delivered and supported in that period.

Ms Alexander: The cabinet secretary is well aware that, had he funded GARL this year, a mere £63 million would have been left over the next three years, when he will have £9 billion of capital expenditure at his disposal.

Will any of the eight capital projects to which the cabinet secretary has given the go-ahead today incur expenditure in years after this year?

John Swinney: Some of the projects will do so, but we are accelerating those projects. [*Interruption.*] Wendy Alexander laughs but, if she were as clued into public expenditure as she tells us she is—

Members: Oh.

John Swinney: Oh yes. Mr Finnie explained the public expenditure levels going forward. I have just said that we will give the independent budget review group information on the question. Capital

expenditure levels will reduce in the years to come and we must plan accordingly.

When Wendy Alexander intervened, I thought that she would warmly welcome the extra £31 million of housing expenditure that we have announced today; the support for further education colleges; the work for sustainable transport initiatives, which Patrick Harvie almost accepted grudgingly—mibbes aye, mibbes naw; and various other investments that are designed to support economic recovery.

Mr Brown asked questions about the Scottish Investment Bank, on which the economic recovery plan gives an update. As I am sure he knows, I assure him that—as the economic recovery plan charts—the Government made more resources available to the Investment Bank as part of the spring budget revisions in the 2009-10 financial year. We will have more information on the Investment Bank to set out shortly. He will be in no way disappointed by the flow of information that lies ahead.

Gavin Brown: Will the cabinet secretary give way?

John Swinney: I will of course give way.

The Presiding Officer (Alex Fergusson): Briefly, please, Mr Brown.

Gavin Brown: The plan does indeed contain an update, which is that more information will be released in a few months. It has been a year since the policy was unveiled. Why has progress taken so long?

The Presiding Officer: I ask Mr Swinney to reply and then close, please.

John Swinney: Of course, Presiding Officer.

If, for completeness, Mr Brown had looked at page 32 of the economic recovery plan, he would have seen that we have set out the recent allocation of an additional £10 million to the Scottish Investment Bank and said that we will give more details. I reiterate that he will not be disappointed by what he hears.

We must consider the data carefully. Yes—the Scottish economy has challenges. Mr Brown derided us for saying that Scottish tourism had outperformed that in the rest of the globe. When tourism in the rest of the globe declined by between 7 and 9 per cent, but our revenues declined by 1.6 per cent, that suggests that we have a performance to celebrate and commend and not to deride. That is what the economic recovery plan does—it builds on the good work that is taking place throughout Scotland to manage the challenges of economic recovery. The Government is determined to continue that effort.

Business Motions

17:00

The Presiding Officer (Alex Fergusson): The next item of business is consideration of business motion S3M-6136, 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 21 April 2010

2.30 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Scottish Government Debate:

Transmission Charging

followed by Business Motion

followed by Parliamentary Bureau Motions

5.00 pm Decision Time followed by Members' Business

Thursday 22 April 2010

9.15 am Parliamentary Bureau Motionsfollowed by Scottish Labour Party Business

11.40 am General Question Time

12 noon First Minister's Question Time

2.15 pm Themed Question Time

Europe, External Affairs and Culture; Education and Lifelong Learning

2.55 pm Stage 3 Proceedings: Control of Dogs

(Scotland) Bill

followed by Scottish Government Debate: Progress

Towards 18 Week Referral to Treatment

followed by Parliamentary Bureau Motions

5.00 pm Decision Time followed by Members' Business

Wednesday 28 April 2010

2.30 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Stage 3 Proceedings: Interpretation and

Legislative Reform (Scotland) Bill

followed by Business Motion

followed by Parliamentary Bureau Motions

5.00 pm Decision Time followed by Members' Business

Thursday 29 April 2010

9.15 am Parliamentary Bureau Motionsfollowed by Scottish Government Business

11.40 am General Question Time

12 noon First Minister's Question Time

2.15 pm Themed Question Time

Finance and Sustainable Growth

2.55 pm Scottish Government Businessfollowed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business—[Paul Martin.]

Motion agreed to.

The Presiding Officer: The next item of business is consideration of business motion S3M-6137, in the name of Bruce Crawford, on behalf of the Parliamentary Bureau, setting out an extension to the stage 1 timetable for the Crofting Reform (Scotland) Bill.

Motion moved.

That the Parliament agrees that consideration of the Crofting Reform (Scotland) Bill at Stage 1 be extended to 14 May 2010.—[Paul Martin.]

Motion agreed to.

The Presiding Officer: The next item of business is consideration of business motion S3M-6138, in the name of Bruce Crawford, on behalf of the Parliamentary Bureau, setting out an extension to the stage 1 timetable for the Alcohol (Scotland) Bill.

Motion moved.

That the Parliament agrees that consideration of the Alcohol (Scotland) Bill at Stage 1 be extended to 14 May 2010.—[Paul Martin.]

Motion agreed to.

Decision Time

17:01

The Presiding Officer (Alex Fergusson): We come to decision time. There are five questions to be put as a result of today's business.

The first question is, that motion S3M-6127, in the name of John Swinney, on the Local Government Finance (Scotland) Amendment Order 2010, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

Adam, Brian (Aberdeen North) (SNP)

Aitken, Bill (Glasgow) (Con)

Alexander, Ms Wendy (Paisley North) (Lab)

Allan, Alasdair (Western Isles) (SNP)

Baillie, Jackie (Dumbarton) (Lab)

Baker, Claire (Mid Scotland and Fife) (Lab)

Baker, Richard (North East Scotland) (Lab)

Brankin, Rhona (Midlothian) (Lab)

Brocklebank, Ted (Mid Scotland and Fife) (Con)

Brown, Gavin (Lothians) (Con) Brown, Keith (Ochil) (SNP)

Brownlee, Derek (South of Scotland) (Con)

Butler, Bill (Glasgow Anniesland) (Lab)

Campbell, Aileen (South of Scotland) (SNP)

Carlaw, Jackson (West of Scotland) (Con)

Coffey, Willie (Kilmarnock and Loudoun) (SNP)

Constance, Angela (Livingston) (SNP)

Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)

Cunningham, Roseanna (Perth) (SNP)

Don, Nigel (North East Scotland) (SNP)

Doris, Bob (Glasgow) (SNP)

Ewing, Fergus (Inverness East, Nairn and Lochaber)

Fabiani, Linda (Central Scotland) (SNP)

Ferguson, Patricia (Glasgow Maryhill) (Lab)

FitzPatrick, Joe (Dundee West) (SNP)

Foulkes, George (Lothians) (Lab)

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

Gibson, Kenneth (Cunninghame North) (SNP)

Gibson, Rob (Highlands and Islands) (SNP) Godman, Trish (West Renfrewshire) (Lab)

Goldie, Annabel (West of Scotland) (Con)

Grahame, Christine (South of Scotland) (SNP)

Grant, Rhoda (Highlands and Islands) (Lab)

Gray, Iain (East Lothian) (Lab)

Harper, Robin (Lothians) (Green)

Harvie, Christopher (Mid Scotland and Fife) (SNP)

Harvie, Patrick (Glasgow) (Green)

Henry, Hugh (Paisley South) (Lab)

Hepburn, Jamie (Central Scotland) (SNP)

Hyslop, Fiona (Lothians) (SNP)

Ingram, Adam (South of Scotland) (SNP)

Johnstone, Alex (North East Scotland) (Con)

Kerr, Andy (East Kilbride) (Lab)

Kidd, Bill (Glasgow) (SNP)

Lamont, John (Roxburgh and Berwickshire) (Con)

Livingstone, Marilyn (Kirkcaldy) (Lab)

Lochhead, Richard (Moray) (SNP)

MacAskill, Kenny (Edinburgh East and Musselburgh)

(SNP)

Macdonald, Lewis (Aberdeen Central) (Lab)

MacDonald, Margo (Lothians) (Ind)

Martin, Paul (Glasgow Springburn) (Lab)

Marwick, Tricia (Central Fife) (SNP)

Mather, Jim (Argyll and Bute) (SNP)

Matheson, Michael (Falkirk West) (SNP)

McAveety, Mr Frank (Glasgow Shettleston) (Lab)

McConnell, Jack (Motherwell and Wishaw) (Lab)

McGrigor, Jamie (Highlands and Islands) (Con)

McKee, Ian (Lothians) (SNP)

McKelvie, Christina (Central Scotland) (SNP)

McLaughlin, Anne (Glasgow) (SNP)

McLetchie, David (Edinburgh Pentlands) (Con)

McMahon, Michael (Hamilton North and Bellshill) (Lab)

McMillan, Stuart (West of Scotland) (SNP)

McNeil, Duncan (Greenock and Inverclyde) (Lab)

McNeill, Pauline (Glasgow Kelvin) (Lab)

Milne, Nanette (North East Scotland) (Con)

Mitchell, Margaret (Central Scotland) (Con)

Morgan, Alasdair (South of Scotland) (SNP)

Mulligan, Mary (Linlithgow) (Lab) Murray, Elaine (Dumfries) (Lab)

Neil, Alex (Central Scotland) (SNP)

Paterson, Gil (West of Scotland) (SNP)

Peacock, Peter (Highlands and Islands) (Lab)

Peattie, Cathy (Falkirk East) (Lab)

Robison, Shona (Dundee East) (SNP)

Russell, Michael (South of Scotland) (SNP)

Salmond, Alex (Gordon) (SNP)

Scanlon, Mary (Highlands and Islands) (Con)

Scott, John (Ayr) (Con)

Simpson, Dr Richard (Mid Scotland and Fife) (Lab)

Smith, Elaine (Coatbridge and Chryston) (Lab)

Smith, Elizabeth (Mid Scotland and Fife) (Con)

Somerville, Shirley-Anne (Lothians) (SNP)

Stevenson, Stewart (Banff and Buchan) (SNP)

Stewart, David (Highlands and Islands) (Lab)

Sturgeon, Nicola (Glasgow Govan) (SNP)

Swinney, John (North Tayside) (SNP)

Thompson, Dave (Highlands and Islands) (SNP)

Watt, Maureen (North East Scotland) (SNP)

Welsh, Andrew (Angus) (SNP)

White, Sandra (Glasgow) (SNP)

Whitefield, Karen (Airdrie and Shotts) (Lab)

Whitton, David (Strathkelvin and Bearsden) (Lab)

Wilson, Bill (West of Scotland) (SNP)

Wilson, John (Central Scotland) (SNP)

Abstentions

Brown, Robert (Glasgow) (LD)

Finnie, Ross (West of Scotland) (LD)

Hume, Jim (South of Scotland) (LD)

McArthur, Liam (Orkney) (LD)

McInnes, Alison (North East Scotland) (LD)

Pringle, Mike (Edinburgh South) (LD)

Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)

Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)

Scott, Tavish (Shetland) (LD)

Smith, Iain (North East Fife) (LD)

Smith, Margaret (Edinburgh West) (LD)

Stephen, Nicol (Aberdeen South) (LD)

Stone, Jamie (Caithness, Sutherland and Easter Ross) (LD)

The Presiding Officer: The result of the division is: For 95, Against 0, Abstentions 13.

Motion agreed to,

That the Parliament agrees that the Local Government Finance (Scotland) Amendment Order 2010 be approved.

The Presiding Officer: The question is, that amendment S3M-6129.3, in the name of Andy Kerr, which seeks to amend motion S3M-6129, in the name of John Swinney, on the economic recovery plan, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Alexander, Ms Wendy (Paisley North) (Lab) Baillie, Jackie (Dumbarton) (Lab)

Baker, Claire (Mid Scotland and Fife) (Lab) Baker, Richard (North East Scotland) (Lab)

Brankin, Rhona (Midlothian) (Lab)

Brown, Robert (Glasgow) (LD)

Butler, Bill (Glasgow Anniesland) (Lab)

Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)

Ferguson, Patricia (Glasgow Maryhill) (Lab)

Finnie, Ross (West of Scotland) (LD)

Foulkes, George (Lothians) (Lab)

Godman, Trish (West Renfrewshire) (Lab)

Grant, Rhoda (Highlands and Islands) (Lab)

Gray, Iain (East Lothian) (Lab)

Henry, Hugh (Paisley South) (Lab)

Hume, Jim (South of Scotland) (LD)

Kerr, Andy (East Kilbride) (Lab)

Livingstone, Marilyn (Kirkcaldy) (Lab)

Macdonald, Lewis (Aberdeen Central) (Lab)

Martin, Paul (Glasgow Springburn) (Lab)

McArthur, Liam (Orkney) (LD)

McAveety, Mr Frank (Glasgow Shettleston) (Lab)

McConnell, Jack (Motherwell and Wishaw) (Lab)

McInnes, Alison (North East Scotland) (LD)

McMahon, Michael (Hamilton North and Bellshill) (Lab)

McNeil, Duncan (Greenock and Inverclyde) (Lab)

McNeill, Pauline (Glasgow Kelvin) (Lab)

Mulligan, Mary (Linlithgow) (Lab)

Murray, Elaine (Dumfries) (Lab)

Peattie, Cathy (Falkirk East) (Lab)

Pringle, Mike (Edinburgh South) (LD)

Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale)

Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)

Scott, Tavish (Shetland) (LD)

Simpson, Dr Richard (Mid Scotland and Fife) (Lab)

Smith, Elaine (Coatbridge and Chryston) (Lab)

Smith, Iain (North East Fife) (LD)

Smith, Margaret (Edinburgh West) (LD)

Stephen, Nicol (Aberdeen South) (LD)

Stewart, David (Highlands and Islands) (Lab)

Stone, Jamie (Caithness, Sutherland and Easter Ross)

Whitefield, Karen (Airdrie and Shotts) (Lab)

Whitton, David (Strathkelvin and Bearsden) (Lab)

Against

Adam, Brian (Aberdeen North) (SNP) Aitken, Bill (Glasgow) (Con)

Allan, Alasdair (Western Isles) (SNP)

Brocklebank, Ted (Mid Scotland and Fife) (Con)

Brown, Gavin (Lothians) (Con)

Brown, Keith (Ochil) (SNP)

Brownlee, Derek (South of Scotland) (Con)

Campbell, Aileen (South of Scotland) (SNP)

Carlaw, Jackson (West of Scotland) (Con)

Coffey, Willie (Kilmarnock and Loudoun) (SNP)

Constance, Angela (Livingston) (SNP)

Cunningham, Roseanna (Perth) (SNP)

Don, Nigel (North East Scotland) (SNP)

Doris, Bob (Glasgow) (SNP)

Ewing, Fergus (Inverness East, Nairn and Lochaber)

(SNP)

Fabiani, Linda (Central Scotland) (SNP)

FitzPatrick, Joe (Dundee West) (SNP)

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

Gibson, Kenneth (Cunninghame North) (SNP)

Gibson, Rob (Highlands and Islands) (SNP)

Goldie, Annabel (West of Scotland) (Con)

Grahame, Christine (South of Scotland) (SNP)

Harper, Robin (Lothians) (Green)

Harvie, Christopher (Mid Scotland and Fife) (SNP)

Harvie, Patrick (Glasgow) (Green)

Hepburn, Jamie (Central Scotland) (SNP)

Hyslop, Fiona (Lothians) (SNP)

Ingram, Adam (South of Scotland) (SNP)

Johnstone, Alex (North East Scotland) (Con)

Kidd, Bill (Glasgow) (SNP)

Lamont, John (Roxburgh and Berwickshire) (Con)

Lochhead, Richard (Moray) (SNP)

MacAskill, Kenny (Edinburgh East and Musselburgh)

(SNP)

MacDonald, Margo (Lothians) (Ind)

Marwick, Tricia (Central Fife) (SNP) Mather, Jim (Argyll and Bute) (SNP)

Matheson, Michael (Falkirk West) (SNP)

McGrigor, Jamie (Highlands and Islands) (Con)

McKee, Ian (Lothians) (SNP)

McKelvie, Christina (Central Scotland) (SNP)

McLaughlin, Anne (Glasgow) (SNP)

McLetchie, David (Edinburgh Pentlands) (Con)

McMillan, Stuart (West of Scotland) (SNP) Milne, Nanette (North East Scotland) (Con)

Mitchell, Margaret (Central Scotland) (Con)

Morgan, Alasdair (South of Scotland) (SNP)

Neil, Alex (Central Scotland) (SNP)

Paterson, Gil (West of Scotland) (SNP)

Peacock, Peter (Highlands and Islands) (Lab)

Robison, Shona (Dundee East) (SNP)

Russell, Michael (South of Scotland) (SNP)

Salmond, Alex (Gordon) (SNP)

Scanlon, Mary (Highlands and Islands) (Con)

Scott, John (Ayr) (Con)

Smith, Elizabeth (Mid Scotland and Fife) (Con)

Somerville, Shirley-Anne (Lothians) (SNP)

Stevenson, Stewart (Banff and Buchan) (SNP)

Sturgeon, Nicola (Glasgow Govan) (SNP)

Swinney, John (North Tayside) (SNP)

Thompson, Dave (Highlands and Islands) (SNP)

Watt, Maureen (North East Scotland) (SNP)

Welsh, Andrew (Angus) (SNP)

White, Sandra (Glasgow) (SNP)

Wilson, Bill (West of Scotland) (SNP)

Wilson, John (Central Scotland) (SNP)

The Presiding Officer: The result of the division is: For 43, Against 65, Abstentions 0.

Amendment disagreed to.

The Presiding Officer: The question is, that amendment S3M-6129.1, in the name of Derek Brownlee, which seeks to amend motion S3M-6129, in the name of John Swinney, on the economic recovery plan, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Aitken, Bill (Glasgow) (Con)

Brocklebank, Ted (Mid Scotland and Fife) (Con)

Brown, Gavin (Lothians) (Con)

Brownlee, Derek (South of Scotland) (Con)

Carlaw, Jackson (West of Scotland) (Con)

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

Goldie, Annabel (West of Scotland) (Con)

Harper, Robin (Lothians) (Green)

Harvie, Patrick (Glasgow) (Green)

Johnstone, Alex (North East Scotland) (Con)

Lamont, John (Roxburgh and Berwickshire) (Con)

McGrigor, Jamie (Highlands and Islands) (Con)

McLetchie, David (Edinburgh Pentlands) (Con)

Milne, Nanette (North East Scotland) (Con)

Mitchell, Margaret (Central Scotland) (Con)

Scanlon, Mary (Highlands and Islands) (Con)

Scott, John (Ayr) (Con)

Smith, Elizabeth (Mid Scotland and Fife) (Con)

Against

Adam, Brian (Aberdeen North) (SNP)

Alexander, Ms Wendy (Paisley North) (Lab)

Allan, Alasdair (Western Isles) (SNP)

Baillie, Jackie (Dumbarton) (Lab)

Baker, Claire (Mid Scotland and Fife) (Lab)

Baker, Richard (North East Scotland) (Lab)

Brankin, Rhona (Midlothian) (Lab)

Brown, Keith (Ochil) (SNP)

Butler, Bill (Glasgow Anniesland) (Lab)

Campbell, Aileen (South of Scotland) (SNP)

Coffey, Willie (Kilmarnock and Loudoun) (SNP)

Constance, Angela (Livingston) (SNP)

Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)

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)

Ferguson, Patricia (Glasgow Maryhill) (Lab)

FitzPatrick, Joe (Dundee West) (SNP)

Foulkes, George (Lothians) (Lab)

Gibson, Kenneth (Cunninghame North) (SNP)

Gibson, Rob (Highlands and Islands) (SNP)

Godman, Trish (West Renfrewshire) (Lab)

Grahame, Christine (South of Scotland) (SNP)

Grant, Rhoda (Highlands and Islands) (Lab)

Gray, Iain (East Lothian) (Lab)

Harvie, Christopher (Mid Scotland and Fife) (SNP)

Henry, Hugh (Paisley South) (Lab)

Hepburn, Jamie (Central Scotland) (SNP)

Hyslop, Fiona (Lothians) (SNP)

Ingram, Adam (South of Scotland) (SNP)

Kerr, Andy (East Kilbride) (Lab)

Kidd, Bill (Glasgow) (SNP)

Livingstone, Marilyn (Kirkcaldy) (Lab)

Lochhead, Richard (Moray) (SNP)

MacAskill, Kenny (Edinburgh East and Musselburgh)

(SNP)

Macdonald, Lewis (Aberdeen Central) (Lab)

MacDonald, Margo (Lothians) (Ind)

Martin, Paul (Glasgow Springburn) (Lab)

Marwick, Tricia (Central Fife) (SNP)

Mather, Jim (Argyll and Bute) (SNP)

Matheson, Michael (Falkirk West) (SNP)

McAveety, Mr Frank (Glasgow Shettleston) (Lab)

McConnell, Jack (Motherwell and Wishaw) (Lab)

McKee, Ian (Lothians) (SNP)

McKelvie, Christina (Central Scotland) (SNP)

McLaughlin, Anne (Glasgow) (SNP)

McMahon, Michael (Hamilton North and Bellshill) (Lab)

McMillan, Stuart (West of Scotland) (SNP)

McNeil, Duncan (Greenock and Inverclyde) (Lab)

McNeill, Pauline (Glasgow Kelvin) (Lab)

Morgan, Alasdair (South of Scotland) (SNP)

Mulligan, Mary (Linlithgow) (Lab) Murray, Elaine (Dumfries) (Lab)

Neil, Alex (Central Scotland) (SNP)

Paterson, Gil (West of Scotland) (SNP)

Peacock, Peter (Highlands and Islands) (Lab)

Peattie, Cathy (Falkirk East) (Lab)

Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale)

Robison, Shona (Dundee East) (SNP)

Russell, Michael (South of Scotland) (SNP)

Salmond, Alex (Gordon) (SNP)

Simpson, Dr Richard (Mid Scotland and Fife) (Lab)

Smith, Elaine (Coatbridge and Chryston) (Lab)

Somerville, Shirley-Anne (Lothians) (SNP)

Stevenson, Stewart (Banff and Buchan) (SNP)

Stewart, David (Highlands and Islands) (Lab) Sturgeon, Nicola (Glasgow Govan) (SNP)

Swinney, John (North Tayside) (SNP)

Thompson, Dave (Highlands and Islands) (SNP)

Watt, Maureen (North East Scotland) (SNP)

Welsh, Andrew (Angus) (SNP)

White, Sandra (Glasgow) (SNP)

Whitefield, Karen (Airdrie and Shotts) (Lab)

Whitton, David (Strathkelvin and Bearsden) (Lab)

Wilson, Bill (West of Scotland) (SNP)

Wilson, John (Central Scotland) (SNP)

Abstentions

Brown, Robert (Glasgow) (LD)

Finnie, Ross (West of Scotland) (LD)

Hume, Jim (South of Scotland) (LD)

McArthur, Liam (Orkney) (LD)

McInnes, Alison (North East Scotland) (LD)

Pringle, Mike (Edinburgh South) (LD)

Rumbles, Mike (West Aberdeenshire and Kincardine)

Scott, Tavish (Shetland) (LD)

Smith, Iain (North East Fife) (LD)

Smith, Margaret (Edinburgh West) (LD)

Stephen, Nicol (Aberdeen South) (LD)

Stone, Jamie (Caithness, Sutherland and Easter Ross)

The Presiding Officer: The result of the division is: For 18, Against 78, Abstentions 12.

Amendment disagreed to.

The Presiding Officer: The question is, that amendment S3M-6129.2, in the name of Jeremy Purvis, which seeks to amend motion S3M-6129. in the name of John Swinney, on the economic recovery plan, 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)

Brankin, Rhona (Midlothian) (Lab)

Brocklebank, Ted (Mid Scotland and Fife) (Con)

Brown, Gavin (Lothians) (Con)

Brown, Robert (Glasgow) (LD)

Brownlee, Derek (South of Scotland) (Con)

Butler, Bill (Glasgow Anniesland) (Lab)

Carlaw, Jackson (West of Scotland) (Con)

Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)

Ferguson, Patricia (Glasgow Maryhill) (Lab)

Finnie, Ross (West of Scotland) (LD)

Foulkes, George (Lothians) (Lab)

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

Godman, Trish (West Renfrewshire) (Lab)

Goldie, Annabel (West of Scotland) (Con)

Grant, Rhoda (Highlands and Islands) (Lab)

Gray, Iain (East Lothian) (Lab)

Harper, Robin (Lothians) (Green)

Harvie, Patrick (Glasgow) (Green)

Henry, Hugh (Paisley South) (Lab)

Hume, Jim (South of Scotland) (LD) Johnstone, Alex (North East Scotland) (Con)

Kerr, Andy (East Kilbride) (Lab)

Lamont, John (Roxburgh and Berwickshire) (Con)

Livingstone, Marilyn (Kirkcaldy) (Lab)

Macdonald, Lewis (Aberdeen Central) (Lab)

MacDonald, Margo (Lothians) (Ind)

Martin, Paul (Glasgow Springburn) (Lab)

McArthur, Liam (Orkney) (LD)

McAveety, Mr Frank (Glasgow Shettleston) (Lab)

McConnell, Jack (Motherwell and Wishaw) (Lab)

McGrigor, Jamie (Highlands and Islands) (Con)

McInnes, Alison (North East Scotland) (LD)

McLetchie, David (Edinburgh Pentlands) (Con)

McMahon, Michael (Hamilton North and Bellshill) (Lab)

McNeil, Duncan (Greenock and Inverclyde) (Lab)

McNeill. Pauline (Glasgow Kelvin) (Lab)

Milne, Nanette (North East Scotland) (Con)

Mitchell, Margaret (Central Scotland) (Con)

Mulligan, Mary (Linlithgow) (Lab)

Murray, Elaine (Dumfries) (Lab)

Peacock, Peter (Highlands and Islands) (Lab)

Peattie, Cathy (Falkirk East) (Lab)

Pringle, Mike (Edinburgh South) (LD)

Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale)

Rumbles, Mike (West Aberdeenshire and Kincardine)

Scanlon, Mary (Highlands and Islands) (Con)

Scott, John (Ayr) (Con)

Scott, Tavish (Shetland) (LD)

Simpson, Dr Richard (Mid Scotland and Fife) (Lab)

Smith, Elaine (Coatbridge and Chryston) (Lab)

Smith, Elizabeth (Mid Scotland and Fife) (Con)

Smith, Iain (North East Fife) (LD)

Smith, Margaret (Edinburgh West) (LD)

Stephen, Nicol (Aberdeen South) (LD)

Stewart, David (Highlands and Islands) (Lab)

Stone, Jamie (Caithness, Sutherland and Easter Ross) (LD)

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)

Campbell, Aileen (South of Scotland) (SNP)

Coffey, Willie (Kilmarnock and Loudoun) (SNP)

Constance, Angela (Livingston) (SNP)

Cunningham, Roseanna (Perth) (SNP)

Don, Nigel (North East Scotland) (SNP)

Doris, Bob (Glasgow) (SNP)

Ewing, Fergus (Inverness East, Nairn and Lochaber)

(SNP)

Fabiani, Linda (Central Scotland) (SNP)

FitzPatrick, Joe (Dundee West) (SNP)

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)

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)

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)

Neil, Alex (Central Scotland) (SNP)

Paterson, Gil (West of Scotland) (SNP)

Robison, Shona (Dundee East) (SNP)

Russell, Michael (South of Scotland) (SNP)

Salmond, Alex (Gordon) (SNP)

Somerville, Shirley-Anne (Lothians) (SNP)

Stevenson, Stewart (Banff and Buchan) (SNP)

Sturgeon, Nicola (Glasgow Govan) (SNP) Swinney, John (North Tayside) (SNP)

Thompson, Dave (Highlands and Islands) (SNP)

Watt, Maureen (North East Scotland) (SNP)

Welsh, Andrew (Angus) (SNP)

White, Sandra (Glasgow) (SNP)

Wilson, Bill (West of Scotland) (SNP)

Wilson, John (Central Scotland) (SNP)

The Presiding Officer: The result of the division is: For 63, Against 45, Abstentions 0.

Amendment agreed to.

The Presiding Officer: The question is, that motion S3M-6129, in the name of John Swinney, on the economic recovery plan, as amended, 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)

Brankin, Rhona (Midlothian) (Lab)

Brocklebank, Ted (Mid Scotland and Fife) (Con)

Brown, Gavin (Lothians) (Con)

Brown, Robert (Glasgow) (LD)

Brownlee, Derek (South of Scotland) (Con)

Butler, Bill (Glasgow Anniesland) (Lab)

Carlaw, Jackson (West of Scotland) (Con)

Craigie, Cathie (Cumbernauld and Kilsyth) (Lab) Ferguson, Patricia (Glasgow Maryhill) (Lab)

Finnie, Ross (West of Scotland) (LD)

Foulkes, George (Lothians) (Lab)

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

Godman, Trish (West Renfrewshire) (Lab)

Goldie, Annabel (West of Scotland) (Con)

Grant, Rhoda (Highlands and Islands) (Lab)

Gray, Iain (East Lothian) (Lab)

Henry, Hugh (Paisley South) (Lab)

Hume, Jim (South of Scotland) (LD)

Johnstone, Alex (North East Scotland) (Con)

Kerr, Andy (East Kilbride) (Lab)

Lamont, John (Roxburgh and Berwickshire) (Con)

Livingstone, Marilyn (Kirkcaldy) (Lab)

Macdonald, Lewis (Aberdeen Central) (Lab)

MacDonald, Margo (Lothians) (Ind)

Martin, Paul (Glasgow Springburn) (Lab)

McArthur, Liam (Orkney) (LD)

McAveety, Mr Frank (Glasgow Shettleston) (Lab)

McConnell, Jack (Motherwell and Wishaw) (Lab)

McGrigor, Jamie (Highlands and Islands) (Con)

McInnes, Alison (North East Scotland) (LD)

McLetchie, David (Edinburgh Pentlands) (Con)

McMahon, Michael (Hamilton North and Bellshill) (Lab)

McNeil, Duncan (Greenock and Inverclyde) (Lab)

McNeill, Pauline (Glasgow Kelvin) (Lab)

Milne, Nanette (North East Scotland) (Con)

Mitchell, Margaret (Central Scotland) (Con)

Mulligan, Mary (Linlithgow) (Lab) Murray, Elaine (Dumfries) (Lab)

Peacock, Peter (Highlands and Islands) (Lab)

Peattie, Cathy (Falkirk East) (Lab)

Pringle, Mike (Edinburgh South) (LD)

Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)

Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)

Scanlon, Mary (Highlands and Islands) (Con)

Scott, John (Ayr) (Con)

Scott, Tavish (Shetland) (LD)

Simpson, Dr Richard (Mid Scotland and Fife) (Lab)

Smith, Elaine (Coatbridge and Chryston) (Lab)

Smith, Elizabeth (Mid Scotland and Fife) (Con)

Smith, Iain (North East Fife) (LD)

Smith, Margaret (Edinburgh West) (LD)

Stephen, Nicol (Aberdeen South) (LD)

Stewart, David (Highlands and Islands) (Lab)

Stone, Jamie (Caithness, Sutherland and Easter Ross)

Whitefield, Karen (Airdrie and Shotts) (Lab)

Whitton, David (Strathkelvin and Bearsden) (Lab)

Against

Harper, Robin (Lothians) (Green) Harvie, Patrick (Glasgow) (Green)

Abstentions

Adam, Brian (Aberdeen North) (SNP)

Allan, Alasdair (Western Isles) (SNP)

Brown, Keith (Ochil) (SNP)

Campbell, Aileen (South of Scotland) (SNP)

Coffey, Willie (Kilmarnock and Loudoun) (SNP)

Constance, Angela (Livingston) (SNP)

Cunningham, Roseanna (Perth) (SNP)

Don, Nigel (North East Scotland) (SNP)

Doris, Bob (Glasgow) (SNP)

Ewing, Fergus (Inverness East, Nairn and Lochaber)

Fabiani, Linda (Central Scotland) (SNP)

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)

Hyslop, Fiona (Lothians) (SNP)

Ingram, Adam (South of Scotland) (SNP)

Kidd, Bill (Glasgow) (SNP)

Lochhead, Richard (Moray) (SNP)

MacAskill, Kenny (Edinburgh East and Musselburgh)

Marwick, Tricia (Central Fife) (SNP)

Mather, Jim (Argyll and Bute) (SNP)

Matheson, Michael (Falkirk West) (SNP)

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)

Neil, Alex (Central Scotland) (SNP)

Paterson, Gil (West of Scotland) (SNP)

Robison, Shona (Dundee East) (SNP)

Russell, Michael (South of Scotland) (SNP)

Salmond, Alex (Gordon) (SNP)

Somerville, Shirley-Anne (Lothians) (SNP)

Stevenson, Stewart (Banff and Buchan) (SNP)

Sturgeon, Nicola (Glasgow Govan) (SNP)

Swinney, John (North Tayside) (SNP)

Thompson, Dave (Highlands and Islands) (SNP)

Watt, Maureen (North East Scotland) (SNP)

Welsh, Andrew (Angus) (SNP)

White, Sandra (Glasgow) (SNP) Wilson, Bill (West of Scotland) (SNP)

Wilson, John (Central Scotland) (SNP)

The Presiding Officer: The result of the division is: For 61, Against 2, Abstentions 45.

Motion, as amended agreed to,

That the Parliament notes the Scottish Government's response to the global recession through the Economic Recovery Plan and notes the three core themes of investing in innovation and industries of the future, strengthening education and skills, and supporting jobs and communities, and regrets that unemployment continues to rise in Scotland while falling in the United Kingdom as a whole.

Freedom from Fear Campaign

The Deputy Presiding Officer (Trish Godman): The final item of business is a members' business debate on motion S3M-5309, in the name of Hugh Henry, on the Union of Shop, Distributive and Allied Workers freedom from fear campaign. The debate will be concluded without any question being put.

Motion debated.

That the Parliament is shocked and horrified that there has been a 78% increase in violence and abuse against Scottish shop workers over the last three years, according to Retailers Against Crime; believes that further measures need to be taken to deter violence against shop workers and other workers delivering a service to the public; welcomes the Freedom from Fear campaign organised by the Union of Shop, Distributive and Allied Workers (USDAW), which seeks to make shops and shopping areas safer for staff and customers; recognises that the sale of age-restricted products, especially alcohol, is a frequent flashpoint for verbal abuse, threats and violence against shop workers; further recognises the difficulties that shop workers, including in Paisley South, have in policing agerestricted sales and how that can leave them vulnerable, isolated and under threat of prosecution when mistakes are made: considers that there would be benefit in high-profile campaigns that support the Think 25 policy and highlight to youngsters that it is an offence to attempt to buy alcohol under age, and would welcome a partnership approach to the development of strategies to prevent under-age sales rather than sting operations, which seek to prosecute shop workers.

17:08

Hugh Henry (Paisley South) (Lab): Like many others, I take for granted the fact that there should be no abuse or violence at work. People think that should be the norm in a civilised society, but unfortunately that is still not the case for many workers across Scotland, particularly shop workers.

Over the past few years, like many other members of the Scottish Parliament, I have received regular reports of violence against bus workers, train drivers, postal workers, social care staff and, of course, shop workers. Indeed, I have received such reports about many other workers in different occupations in Scotland. That is the main reason for my proposed workers (aggravated offences) Scotland bill. I am grateful to MSPs not only from the Labour Party but from other parties who have supported my proposal, and I look forward to taking the bill on to its next stage. I am also grateful for broad-based support from trade unions in not only highlighting the problems that their members experience but offering practical support in moving forward what is, for them, a very important bill.

Tonight, I will focus on one issue: violence against and abuse of shop workers. In 2002,

USDAW, the shop workers union, launched its freedom from fear campaign to highlight the violence and abuse that shop workers throughout the United Kingdom face.

Since then, USDAW has organised annual respect for shop workers events, including events in Scotland. I have been pleased to help to highlight the issue by hosting events here in the Scottish Parliament. One feature of the campaign is that events have secured support from MSPs from all political parties. I know that USDAW is grateful for that broad-based support.

Unfortunately, the problem does not go away. I acknowledge that, since USDAW launched its campaign, there has been a decline in the number of reported incidents, but everything is relative. In 2009, there were still more than 13,000 physical attacks and hundreds of thousands of reported cases of regular verbal abuse across the United Kingdom. That is unacceptable—no worker should have to face such incidents in the course of their employment.

I pay tribute to USDAW for the work that it has done in taking such a determined stance against a problem that is totally unacceptable. John Hannett, the general secretary of USDAW, has led from the front and put his union fully behind the campaign to make a difference. I thank David Williams, the political officer of USDAW, for the work that he has done. He has been a true friend to those in Scotland who have campaigned on the issue. John Scott may not share my view, but I wish David Williams well in his campaign to be elected as the next member of Parliament for Crewe and Nantwich and look forward to him being at Westminster. Here in Scotland, Lawrence Wason and Stewart Forrest have been vigorous in their work to promote awareness of the problem and to bring it to the attention of the wider public.

Margo MacDonald (Lothians) (Ind): I was shocked when I heard the total number of assaults on people who are working. Has work been done to determine the percentage of assaults that are caused by people's reliance on alcohol or misuse of drugs, or pure bad manners? Have we categorised the problem? Do we have any idea why assaults happen?

Hugh Henry: Margo MacDonald is right to mention some of the contributory factors. It would be foolish to suggest that alcohol and drug misuse is not a problem. Unfortunately, there are other issues that often lead to violence and abuse. I will come on to those.

There are flashpoints during the year. Christmas time is particularly stressful and difficult for shop workers. Many people are desperate to spend money—where they still have it. Sometimes the social norms of politeness and good manners fall

by the wayside when people are harassed and looking to buy presents. Shop workers bear the brunt of that. They take abuse when someone is not able to get service as quickly as they expect, when an item is not in stock and for shoddy items that are produced by manufacturers on other continents. Shop workers are on the front line at such stressful times.

Margo MacDonald mentioned alcohol. One of the most difficult problems that shop workers face relates to alcohol sales. USDAW is fully behind the measures that have been taken in that area over the years—not only in the Parliament and by ministers in different Administrations. All of us back demands for shop workers, shopkeepers and those who sell alcohol to act responsibly; there is no doubt that that should happen. However, we must also consider the fact that shop workers are in a particularly difficult situation. Often it is difficult to determine a person's age. I welcome the measures that many responsible retailers have taken on proof of identity, but those can cause difficulties.

I was recently at a Morrisons store in my constituency, where I witnessed a shop worker asking someone to prove their age. The person got abusive and aggressive simply because they had been asked to prove their age. The shop worker was doing their job properly, but they faced abuse as a result.

It is not right that shop workers have to take full responsibility if a mistake is made when alcohol is sold to someone who is underage. There has to be a strategy by retailers, the police, local authorities and others. Shop workers need to be protected.

I have mentioned just some examples of the difficulties that shop workers face. Unfortunately, the issue persists, but we have a union that is prepared to support its members, and it is incumbent on us as elected representatives to ensure that the law, local authorities and responsible organisations also fully support them. No shop worker should have to face violence and abuse—it is about time that we put an end to that.

17:16

John Scott (Ayr) (Con): I commend Hugh Henry for securing the debate and highlighting an important issue that deserves, and indeed requires, our immediate and utmost attention.

Many shop workers in Scotland work in a threatening environment. By bringing their circumstances to the fore, we can help to reverse the shocking increase in violence that has been shown towards them. Over the past three years, the number of incidents of violence and abuse towards Scottish shopkeepers has risen by 78 per

cent. Every minute of the working day, a shopkeeper or shop worker is threatened physically, attacked or verbally abused. There are about 13,000 incidents a year, which is simply unacceptable.

Those citizens—our people—are simply trying to get on with a day's work, and more must be done to help them. No employee should have to feel intimidated just for doing his or her job. I welcome the Union of Shop, Distributive and Allied Worker's freedom from fear campaign and its work to raise awareness among shoppers and workers alike, that the antisocial behaviour that is exhibited towards them is not only unacceptable but against the law. I hope that, through our support, we can give shop workers the fortitude to speak out against such abusive behaviour, rather than accept it as part of the job, particularly—as Hugh Henry mentioned—at Christmas or during the Christmas sales.

The freedom from fear campaign has rightly recognised that the origin of most attacks is rooted in the sale of alcohol. The conflict that arises from shopkeepers and shop workers policing the sale of age-restricted products is frequently the starting point of the abuse that they receive. It leaves shopkeepers and shop workers in a vulnerable situation, in which they must choose between potentially causing conflict or risking prosecution in the event that a mistake is made.

The think 25 policy, which the motion highlights, can help hugely, by insisting that people who are aged below 25 but above 18 will be required to produce photographic identification purchasing alcoholic drinks. The introduction of the challenge 21 initiative proved to be successful in reducing the number of underage sales. By raising the identification age, we can expect even more improvement. Large firms such as Asda are already enforcing the scheme and are helping to address the stigma that surrounds age checking, and to reduce the conflict that it can cause. With nine out of 10 underage drinkers believing that local convenience stores offer them the best chance to be served alcohol, we must promote the think 25 initiative throughout all stores. That will help to cut down underage drinking and to reduce the level of offence that might be caused by asking for identification and, with that, the incidence of aggression that is shown to shopkeepers.

By reducing the incidence of unwarranted attacks we will be doing a great service to all those Scots who, on a day-to-day basis, face isolation and threats to which no one in the workplace should be subjected. In doing that, we will help to create not just a safer working environment but a safer shopping experience for customers. That would correct a problem that for too long has gone unresolved.

I repeat my congratulations to Hugh Henry on securing the debate. I am particularly happy to support his motion, having seen for myself the problem that exists in my constituency, and recognising the fact that ways must be found to resolve it.

17:20

Karen Whitefield (Airdrie and Shotts) (Lab): I congratulate Hugh Henry on securing this members' business debate on USDAW's freedom from fear campaign. I am a member of USDAW, so the issue is of concern to me. More important, the issue is of concern to workers in my constituency and throughout Scotland.

Every worker has the right to be treated with respect. Every worker has the right to a working life that is free from fear, verbal abuse, threats, bullying, intimidation and assault. However, as Hugh Henry said, the reality is quite different. The motion highlights the 78 per cent increase in attacks on Scottish workers during the past three years. Although the trend at United Kingdom level is downward, recent figures from USDAW show that one in 10 shop workers has been assaulted while at work and that one in three experiences verbal abuse on a monthly basis. Those of us who visit the shops—probably a little too frequently will not have found it hard to see shop workers having to deal with difficult customers and will know that the statistics represent a reality that shop workers experience every day.

The statistics should shock everyone, but the debate is about not just statistics but everyday life for workers up and down our country. It is about the shop worker who constantly faces a barrage of abuse for refusing to sell alcohol to an underage customer, the train conductor who is threatened by drunks who refuse to buy a ticket, the bar worker who is attacked at the end of a shift by a customer and is too scared to go back into work, or the petrol station attendant who is terrified after being robbed at knifepoint. Those are everyday stories of everyday people in Scotland.

Too many workers who serve the public face a climate of intimidation, threats and violence at work, which takes a terrible toll on them. Such a working environment is detrimental not just to those individuals and their families, but to employers who are left with the consequences of low staff morale, higher sickness levels and the loss of skilled and experienced workers who have decided that enough is enough.

We do not need to rely on the newspaper headlines to know that workplace violence is a real issue. Every member will have had first-hand experience of constituents or friends who have been subjected to violence at work. I thank

USDAW and other trade unions that have campaigned on the issue, such as Community and ASLEF—the Associated Society of Locomotive Engineers and Firemen—because as a result of their campaigns we should all be well aware of the devastating impact of a climate of fear in workplaces throughout Scotland.

The time has come to do something about the issue. In the previous session of the Parliament, the Scottish Executive made a welcome start with the Emergency Workers (Scotland) Act 2005, but the most recent figures show that freedom from fear is far from being the reality for many Scottish workers. I know from speaking to USDAW members in my constituency that they want workplaces in which everyone can feel safe, valued and respected. That is why I am pleased to support Hugh Henry's proposal for a workers (aggravated offences) (Scotland) bill, which would extend the tighter protection under the 2005 act in relation to criminal law and offer protection to every public-facing worker in Scotland.

I take this opportunity to congratulate USDAW on its award-winning freedom from fear campaign, which has opened our ears and eyes to the reality of working life for many people in Scotland. The campaign has been successful because it has involved a close partnership between employers, the Government, the police, the Health and Safety Executive and local authorities, who have ensured that the issue is placed at the top of the agenda and have worked together to tackle the serious problem of workplace violence and consequences for workers, employers and communities.

I look forward to a day when every worker is free from fear. Until then, it is up to us to do as much as we can do to make that vision a reality. I hope that members will support not just Hugh Henry's motion but his bill, when it is introduced in the Parliament. I hope that the Scottish Government will listen to the experiences of workers throughout Scotland and work in partnership with Scotland's trade unions, the police and employers to end the climate of violence and fear that far too many Scottish shop workers and other workers have to endure every day.

17:25

Bill Wilson (West of Scotland) (SNP): Let me join other members in congratulating Hugh Henry on lodging the motion.

We all agree that violence against any individual is completely unacceptable. Random violence, which is happily not too common in our society, is profoundly unpleasant. How much more unpleasant is it, then, for a shop worker who is the

subject of violence in their place of work, knowing that they have to return day after day to the same place? The psychological pressure must be so much greater under those circumstances.

During the campaign against violence in betting shops, I visited several betting shops in Paisley and heard some pretty horrendous stories. I am sure that Hugh Henry has heard the same stories, which brought home to me forcefully just how important it is to have a campaign and to take action against violence in the place of work. The USDAW freedom from fear campaign is therefore very much to be welcomed, and I am sure that the minister will agree to meet the USDAW representatives to discuss it.

I question Hugh Henry's motion in respect of test purchases. It is important to expose illegal sales, and I believe that the campaign was supported by the previous Administration—indeed, Andy Kerr rolled it out. It is a little unfair to characterise it as involving "sting operations". I am sure that the minister can correct me if I am wrong, but my understanding is that test purchases are intelligence led and are carried out by the police only when they have good evidence to suggest that illegal sales are going on.

Hugh Henry: A particular phrase was used in the motion, but that should not be taken as denigrating test purchasing. As a minister, I was fully behind the introduction of test purchasing: I promoted it, I welcome it and I believe that it has been used to good effect in many areas in Scotland. The points that I am trying to make tonight are that responsible shop workers should not carry the full responsibility and take the full brunt of the problems that are caused by someone who is under age managing to purchase alcohol, and that there should be a supporting strategy to prevent underage sales. The motion is not about stopping or replacing test purchasing; it is about having a broader strategy to tackle the problem.

Bill Wilson: I thank Hugh Henry for that clarification. I agree that we must have a broad strategy to tackle the issue, and I do not think that anyone would want a shop assistant to be prosecuted because they made a mistake: anyone can make a mistake. Shop owners must take the bulk of the responsibility in these circumstances.

In that case, I do not think that there is much more to be said, other than to congratulate Hugh Henry once more on lodging an excellent motion, and to wish USDAW every success in the campaign.

17:28

Cathie Craigie (Cumbernauld and Kilsyth) (Lab): I welcome the opportunity to take part in the

debate, and I thank Hugh Henry, as others have done, for bringing the debate to the chamber.

The statistics that we are presented with are deeply worrying. USDAW figures show that, across the UK, a shop worker is verbally or physically abused or threatened with abuse every minute. We have been on our feet now for about 28 minutes, so while we have been talking in this debate about 30 shop workers have been abused in some way.

Other speakers have mentioned the work that USDAW has done on the freedom from fear campaign, and it is right that we continue to support the campaign and our shop workers who are on the front line.

Margo MacDonald: Can the member tell me whether USDAW goes into schools and similar places to talk to pupils about how they should behave towards people who work in shops?

Cathie Craigie: I do not know for a fact, but USDAW is a forwarding-thinking union and I am sure that it will have an education programme. I know that some of the larger retailers go into schools to talk to young people about the trade and how they should behave when they are in those shops.

During alcohol awareness week, I had the opportunity to visit some shops in my constituency where I could speak to the folk who serve at the counter and who have to tell people that they will not sell them cigarettes or alcohol. Sometimes, people who are perhaps old enough to purchase such products but who are fortunate enough not to look their age will hurl abuse at the shopkeeper. I really feel that there is a job there for the Government—for all of us—in telling people who are fortunate enough to look younger than their age that it should be automatic for them to put their passport or some other form of ID in their pocket. I have experience of that in Cathy Peattie's constituency. I remember as an 18-yearold heading off on a Saturday night to Dock's dancing—it would be called a nightclub now—with a friend of mine. We were looking forward to going into the dancing and had gone there by bus only to be stopped at the door to be told that we were not old enough. "But we're 18", said both of us. "Ah, no. You have to be 21," we were told as we were turned back. At that time, I looked younger than my age, so we had to make a point of taking along some form of ID if we wanted to go to the dancing, particularly in Falkirk—I do not know what people had against us in that area.

I believe that the trade unions and the workers are doing everything possible to raise the issue with the politicians. Shop workers are doing everything that they can not to sell age-restricted products to young people. In turn, that pays off in

the communities where they live. Therefore, the Government must now come forward with support for the shop workers. Given the amount of Government spending on advertising that we have heard about in recent weeks, is it not time that the Government joined the retailers in promoting proof-of-age schemes by saying that people need to bring some form of ID with them? The unions, the retailers and the workers cannot do all of that on their own.

I hope that the minister will take those points on board and respond to them in his summing up.

17:32

Richard Baker (North East Scotland) (Lab): I too congratulate Hugh Henry on securing tonight's debate on USDAW's freedom from fear campaign—and I pay tribute to USDAW for its great work in promoting such ideas.

It is important to recognise the personal commitment that Hugh Henry has shown, particularly through his member's bill proposal to extend the application of the tougher penalties in the Emergency Workers (Scotland) Act 2005 to other workers, to trying to ensure that workers are given better protection from assault and injury. As other members have said, that proposal is backed by Unite, USDAW and a wide range of other trade unions. It was right to create new specific offences for assaulting or obstructing emergency workers, and we are now seeing convictions under that act. As the freedom from fear campaign makes clear, we need to ensure that workers are similarly protected when they are employed in any profession that involves providing a face-to-face service to the public.

Last year, the Scottish crime and justice survey found that, among adults whose jobs involve contact with the general public, 35 per cent have experienced verbal or physical abuse and 7 per cent have experienced physical abuse. When one considers the number of workers involved, that is a huge figure.

In the case of retail workers, the greater demands that are being placed on how they interact with the public can lead to tense, and even threatening, situations. I guess that not many MSPs are often challenged for ID, but such challenges are having to be made more and more. In effect, we are asking shop workers to police licensing restrictions on the sale of alcohol and tobacco. Although that is necessary, shop workers are being presented with the challenge of having to refuse to sell goods to people who might well not be in a sober state—as Margo MacDonald pointed out—but are determined to obtain the goods that they want to purchase. I think that Hugh Henry is also right that when mistakes are

made in carrying out that policing responsibility, the responsibility for the mistake cannot rest simply with the shop worker in question. The new responsibilities can easily lead to verbal abuse.

Like others, I have witnessed such situations—indeed, I have witnessed two in the past week alone. One involved someone being refused the sale of cigarettes; the other involved a person who had come into a cafe with alcohol being asked to leave, which ended up in racist abuse. Unfortunately, the new responsibilities can lead to violence as well, which is why tougher penalties need to be in place. The Scottish Government is not always in agreement with us on ensuring that there are adequate penalties for offending, but on this issue I hope that we can achieve consensus.

New penalties are not always the answer; education must be involved, too, as the Community union showed in its campaign on protection for betting shop workers. In retail in particular, we must educate the public about the existence of the think 25 policy on the sale of alcohol, as the motion suggests, and ensure that staff receive appropriate training on how to deal with such situations. We have proposed the rollout of a mandatory challenge 25 scheme for the purchase of alcohol, covering all retailers. We hope that that will help to change the culture of buying alcohol by making it the norm to prove one's age when alcohol is purchased. Along with education campaigns, that measure will, we hope. reduce the number of assaults on staff.

Unfortunately, education on its own is unlikely to work. That was made clear to me a few years ago when there was a spate of attacks involving serious assaults on bus drivers in Aberdeen. Despite the great negative publicity that was created by coverage of those incidents, there were repeat offences. That is why we need education and enforcement, and a partnership approach on the part of everyone who is involved in dealing with such issues. We must give other workers the new protections that are rightly now afforded to emergency workers. That is the approach that Hugh Henry has adopted in the motion and in his proposed bill, and I hope that Parliament will show its commitment to dealing with such important issues by supporting not only the motion but the proposed bill.

17:36

Mary Mulligan (Linlithgow) (Lab): I draw members' attention to my entry in the register of members' interests, as I am a proud member of USDAW, and add my congratulations to Hugh Henry on securing the debate.

Members of all parties have agreed that every worker should be able to do their work without fear

of being abused, verbally or physically. We know that people who work with the public can be at risk of abuse. Indeed, the Parliament recognised the particular risk to which emergency workers were exposed by introducing legislation to increase the penalties for such abuse in the hope that that would deter it. As I was a member of the Justice 1 Committee that oversaw consideration of the Emergency Workers (Scotland) Bill, I am extremely proud of that piece of legislation. However, even as we took evidence on the bill, we recognised that many other workers could face similar threats to their safety. One such group was shop workers.

The figures on the increase in violence and abuse that shop workers suffer, which Hugh Henry highlights in his motion, are a disgrace and we cannot ignore them. I congratulate USDAW on the work that it has done: first, to highlight the issue; secondly, to support shop workers in avoiding risk and, sadly, in how to deal with the aftermath of such abuse; and thirdly, to ensure that the issue is taken seriously by everyone, with the aim of reducing the number of violent incidents.

I want to refer to two incidents that occurred in my constituency recently that highlight aspects of the behaviour that has been discussed. The first involves a young person who attempted to buy cigarettes in a well-known supermarket. When the sales assistant asked for proof of age, because she believed that the young person was underage, she was met with verbal abuse. Eventually, the teenager left the shop, only to return 15 minutes later with her father, who shouted and swore at the assistant while trying to buy the cigarettes. As the assistant did not know whether the cigarettes were for the teenager, she again refused to sell them. Eventually, the man and his daughter left the store, leaving the assistant badly shaken, but the issue did not end there; the man phoned the company's headquarters and insisted that the assistant be "dealt with". Thankfully, the store manager backed up his assistant. I recount that story because it is important that employers and managers support their staff and offer them as much help as possible to avoid such abusive situations arising. Unfortunately, that is not always what happens.

My second example involves a checkout assistant who was faced with a customer who was trying to buy a bottle of alcohol. The checkout assistant knew that, as he is under 16 years of age, he had to check with the supervisor, but she was busy so, because he thought it might cause problems, he decided just to sell the alcohol. The problem was exacerbated when it was discovered that the customer was under 18. In that case, effective training was necessary—not, as Hugh Henry and others have said, condemnation of an under-pressure checkout operator.

Both cases relate to age-proscribed situations that frequently lead to difficulties and possibly abuse, so I whole-heartedly support Hugh Henry's call to raise the profile of the think 25 campaign. I hope that the minister will also support it and say what the Scottish Government will do to promote it

Tonight, we seek to support shop workers in Scotland to do their jobs without fear. I hope that our efforts will ensure that the increase in violence to which Hugh Henry's motion refers will be stopped and that, in future, all shop workers will be protected.

17:41

Cathy Peattie (Falkirk East) (Lab): I too congratulate Hugh Henry on his motion and on initiating this debate. I also congratulate USDAW on its freedom from fear campaign and note other trade union campaigns to protect workers, such as that being run by Community on behalf of betting shop workers. Those campaigns and others in support of fire fighters who are trying to save lives in our communities, health service workers, benefits staff and local authority workers are welcome and necessary. As long as violence persists and workers are subjected to widespread abuse and threats of violence in our shops, public services, and leisure facilities, such campaigns deserve our support.

The freedom from fear campaign has made a difference. In the UK, it has contributed to the long-term drop in reported incidents since it began but, as we have heard, there is a difference in Scotland, where there has been a 78 per cent increase in recorded incidents of violence and abuse during the past three years.

We cannot be sure about the true level of verbal abuse and threats because of massive underreporting. It is concerning that the problem seems to be worse in Scotland, where four out of five shop workers have reported verbal abuse and two out of five have reported threats of violence in the past year. Those threats can be to communities and take the form of racist attacks, as happened in my community. Perhaps the level of reporting reflects a developing problem in Scotland, which means that the Scottish Government should look at its duty to encourage and provide better support through community safety plans.

There is clearly a problem with age-restricted sales. I welcome the motion's recognition that we need to take a partnership approach. Sting operations have their place, but a long-term solution depends on co-operation from retailers. Some retailers have been proactive in that—I congratulate the Co-op and Tesco on their participation—but others seem to be reluctant.

Some were even in denial until the campaign highlighted the facts. I hope that those retailers will think seriously about their role in protecting their staff.

We must also recognise that such problems are not confined to the workplace; workers who live in the communities in which they work can be intimidated outside the workplace, for example if they have refused to serve a particular customer. There are also issues to do with the involvement of organised crime in shoplifting—the most prominent gang is based in Scotland. The Scottish Government needs to pay more attention to those issues. I call on the minister to take early action and to consider the suggestions that have been made.

It is important that we all challenge the kind of behaviour we are discussing; no one can say, "It's nothing to do with me." We need action, and the partnership that I spoke about earlier is important. I urge the Scottish Government to play a key role in that partnership and to work with trade unions and employers to make shops in Scotland safer places to go into.

17:45

The Minister for Community Safety (Fergus Ewing): I thank Hugh Henry for providing us with the opportunity to debate these extremely serious issues, and I thank members from all parties who have taken part in the debate. The motion is extremely wide and covers a number of areas. I will do my best to focus on the key issues.

As many members have said, violence is never acceptable. The person who commits a violent act—whether it is an act of physical violence or verbal abuse—is primarily responsible for his or her actions. It is important to start from that principle. It is particularly concerning when the violence is directed at those who are simply doing their job, on pretty low wages in many cases, to provide a service courteously to the public.

We are taking significant steps across society as a whole to tackle violence, abuse and antisocial significant investments behaviour. and taxpayers' money have been made in policing and community safety. We have record numbers of police officers on our streets, and the level of recorded crime is at its lowest since 1980, with the level of violent crime at its lowest since 1986. However, to ensure that our partners in the police, local government and the business community have the very best tools with which to tackle the issues, we are also investing significantly in new initiatives such as the violence reduction unit and in such bodies as the Scottish Business Crime Centre, to which I will return, as I believe that some of its measures are relevant to the subject and to members' speeches.

I welcome the powerful contribution that USDAW's freedom from fear campaign has made in highlighting the issue over several years and in providing support and advice to those who are affected. Since its launch in 2002, the campaign has done much for people in the sector, along with the annual respect for shop workers event, which took place in November. I advise Bill Wilson that I shall write to USDAW seeking a meeting to find out more about the campaign and the specific policy measures that USDAW believes might now be implemented to deliver what all members want to see. I will also hear its perspective on the issue.

We are clear about the impact of violence, abuse and antisocial behaviour in the retail sector. Some people have said that it is victimless crime, but it is patently not so—they could not be more wrong. Whenever there is a robbery, when someone is physically or verbally abused, or when a business goes to the wall due to crime, shoplifting or theft, there is also the cost of that, the hassle that that produces and the bureaucracy that is involved in putting things right, reporting the crime to the police, making the insurance claims and sorting out all the mess afterwards. The crime is therefore not victimless.

In her intervention on Hugh Henry, Margo MacDonald was right to point out that we must also look at what causes people to behave in that unacceptable way. We all recognise that, as Margo MacDonald and Richard Baker said, many people who behave in such a way may be under the influence of drugs and/or alcohol. That is no excuse, but it is important that we tackle those issues and help people to recover from their drug addiction. That is why, since the year began, I have meet recovering drug addicts in alcohol and partnerships in Kilmarnock, Hamilton, Inverclyde, Dumbarton, Glasgow and-this week-Irvine. Some of those drug users who are in recovery-in some cases, they have been in recovery for a couple of years-have told me, "Two years ago, when I was on the drugs, I would be out shoplifting now." We all recognise that strategies such as the road to recovery-which, I am delighted to say, all parties support-must be implemented effectively. That will prevent the indefensible and pointless acts of violence and shoplifting that often take place to feed a drugs

Margo MacDonald: I am delighted to hear of the measures that have been taken to address offences that have already been committed, but I am interested in the prevention of such inhumanity towards my fellow men and my fellow women. USDAW, representing the workers who are abused, can play a role in re-educating children about how they behave towards folk who are just doing a job of work.

Fergus Ewing: Margo MacDonald makes an important point about the importance of educating young people so that they behave with respect and do not display violent behaviour. We all have a role to educate people—all of us here are leaders who give a lead in our communities. I am sure that USDAW has a role to play as well. When I meet its representatives, I will pursue Margo MacDonald's point and refer to her intervention as proof of the importance of that factor.

The Scottish Business Crime Centre has received around £770,000 of investment over the past three years and has provided excellent support. I want to touch on some of those practical measures, as members have asked about what has been done of late. The centre oversees the operation of the retailers against crime programme that operates in 20 towns and cities, which enables intelligence to be gathered by and shared between more than 600 stores nationally, which is invaluable. It is piloting the safer retail award in five areas throughout Scotland. The award, which is similar to the best bar none award, is aimed at ensuring best practice in the sale of age-restricted products. The centre's safer areas scheme use retail radio networks to share information between shops. Further, the centre is working with the centre for healthy working lives to co-ordinate the Scottish betting industry working group that is specifically examining the difficulties that are faced by workers in that sector, which Bill Wilson mentioned.

We believe that test purchasing is an important and valuable initiative. As Bill Wilson said, it is intelligence based and is designed to expose the illegal activity that is undertaken by a small minority of rogue retailers. Test purchasing is effective, well planned and vital, and we want it to continue.

The motion refers to the need to work in partnership to develop strategies on underage sales. I am pleased to say that there already is an excellent partnership between the Government, the Association of Chief Police Officers in Scotland, the Scottish Grocers Federation, the Society of Chief Officers of Trading Standards in Scotland and Young Scot. An example of the results of that partnership is the £50,000 that we have invested in the SBCC to promote the use of the Young Scot proof-of-age card. I am not sure that many of us here would have our age questioned. I am looking at Richard Baker, who I suppose must be the youngest member present by some way, but I think that it is safe to say that we are all over 25. Nevertheless, the issue that many members have raised is important. In investing £50,000 in the Young Scot proof-of-age

card, I am conscious that it is effective, and considerably cheaper than the UK Government's identity card scheme.

This has been an important debate on an important issue. The Scottish Government is committed to providing direct support and encouragement to those who seek to tackle retail crime. I am indebted to Mr Henry and to every member who has taken part in this debate. I believe that all the sentiments that have been expressed are worthy, and that we are united on these matters. I hope, therefore, that the work that will take place will serve to reduce the unacceptable levels of violence and abuse towards shop workers in Scotland.

Meeting closed at 17:54.

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