



The Scottish Parliament  
Pàrlamaid na h-Alba

## Official Report

# MEETING OF THE PARLIAMENT

Thursday 28 October 2010

Session 3

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Thursday 28 October 2010

## CONTENTS

	Col.
<b>SUPPORT FOR BUSINESS</b> .....	29687
<i>Motion moved—[Jeremy Purvis].</i>	
<i>Amendment moved—[John Swinney].</i>	
<i>Amendment moved—[Derek Brownlee].</i>	
Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD) .....	29687
The Cabinet Secretary for Finance and Sustainable Growth (John Swinney) .....	29690
Derek Brownlee (South of Scotland) (Con) .....	29693
Andy Kerr (East Kilbride) (Lab) .....	29695
Mike Rumbles (West Aberdeenshire and Kincardine) (LD) .....	29696
Ms Wendy Alexander (Paisley North) (Lab) .....	29698
Aileen Campbell (South of Scotland) (SNP) .....	29700
Peter Peacock (Highlands and Islands) (Lab) .....	29702
Stuart McMillan (West of Scotland) (SNP) .....	29703
Cathy Jamieson (Carrick, Cumnock and Doon Valley) (Lab) .....	29705
Gavin Brown (Lothians) (Con) .....	29707
David Whitton (Strathkelvin and Bearsden) (Lab) .....	29708
John Swinney .....	29710
Alison McInnes (North East Scotland) (LD) .....	29712
<b>RENEWABLE ENERGY</b> .....	29715
<i>Motion moved—[Liam McArthur].</i>	
<i>Amendment moved—[Stewart Stevenson].</i>	
<i>Amendment moved—[Lewis Macdonald].</i>	
<i>Amendment moved—[Patrick Harvie].</i>	
Liam McArthur (Orkney) (LD) .....	29715
The Minister for Transport, Infrastructure and Climate Change (Stewart Stevenson) .....	29718
Lewis Macdonald (Aberdeen Central) (Lab) .....	29721
Patrick Harvie (Glasgow) (Green) .....	29723
Gavin Brown (Lothians) (Con) .....	29724
Ross Finnie (West of Scotland) (LD) .....	29726
Rob Gibson (Highlands and Islands) (SNP) .....	29728
Duncan McNeil (Greenock and Inverclyde) (Lab) .....	29729
Christopher Harvie (Mid Scotland and Fife) (SNP) .....	29731
Sarah Boyack (Edinburgh Central) (Lab) .....	29732
Patrick Harvie .....	29734
Jackson Carlaw (West of Scotland) (Con) .....	29736
David Whitton (Strathkelvin and Bearsden) (Lab) .....	29737
Stewart Stevenson .....	29739
Iain Smith (North East Fife) (LD) .....	29741
<b>SCOTTISH EXECUTIVE QUESTION TIME</b> .....	29744
<b>GENERAL QUESTIONS</b> .....	29744
Public Expenditure Reduction .....	29744
Inveramsay Bridge .....	29745
Carbon Trust (Agricultural Sector) .....	29746
Bervie Braes .....	29747
“The role of boards” (Audit Scotland Report) .....	29748
Broadband Services .....	29749
Gourock to Dunoon Ferry Service Tender .....	29750
Glasgow City Council (Meetings) .....	29751
<b>FIRST MINISTER’S QUESTION TIME</b> .....	29752
Engagements .....	29752
Prime Minister (Meetings) .....	29754
Secretary of State for Scotland (Meetings) .....	29756
Defence Spending Reduction .....	29758
Local Authority Budgets .....	29761
Obesity and Diabetes .....	29763
<b>SCOTTISH EXECUTIVE QUESTION TIME</b> .....	29765

<b>EUROPE, EXTERNAL AFFAIRS AND CULTURE</b>	29765
Gaelic (Adult Learning)	29765
Scots Language	29766
Roman Heritage (Economic Benefits)	29766
Creative Scotland	29768
Theatre	29768
Creative Scotland	29770
Edinburgh Sculpture Workshop	29771
Museums	29772
Built Heritage	29773
<b>EDUCATION AND LIFELONG LEARNING</b>	29774
Scottish Education Quality and Improvement Agency	29774
Curriculum for Excellence (Implementation)	29775
Further Education Colleges (Funding)	29776
Clackmannanshire Council (Meetings)	29777
Newly Qualified Teachers (Employment)	29778
City of Glasgow College Merger (Engineering)	29779
Further and Higher Education (Range, Quality and Relevance)	29780
<b>CARERS AND YOUNG CARERS STRATEGY</b>	29782
<i>Motion moved—[Shona Robison].</i>	
The Minister for Public Health and Sport (Shona Robison)	29782
Jackie Baillie (Dumbarton) (Lab)	29786
Mary Scanlon (Highlands and Islands) (Con)	29790
Ross Finnie (West of Scotland) (LD)	29791
Bob Doris (Glasgow) (SNP)	29793
Mary Mulligan (Linlithgow) (Lab)	29795
Hugh O'Donnell (Central Scotland) (LD)	29797
Linda Fabiani (Central Scotland) (SNP)	29799
Cathy Peattie (Falkirk East) (Lab)	29801
Cathy Jamieson (Carrick, Cumnock and Doon Valley) (Lab)	29803
Jamie Stone (Caithness, Sutherland and Easter Ross) (LD)	29803
Margaret Mitchell (Central Scotland) (Con)	29805
Karen Whitefield (Airdrie and Shotts) (Lab)	29807
Shona Robison	29810
<b>STRATEGIC DEFENCE AND SECURITY REVIEW</b>	29813
<i>Statement—[John Swinney].</i>	
The Cabinet Secretary for Finance and Sustainable Growth (John Swinney)	29813
<b>PRESIDING OFFICER'S RULING</b>	29825
<b>DECISION TIME</b>	29826
<b>COMMUNICATION SUPPORT NEEDS (YOUNG OFFENDERS)</b>	29837
Willie Coffey (Kilmarnock and Loudoun) (SNP)	29837
James Kelly (Glasgow Rutherglen) (Lab)	29840
John Lamont (Roxburgh and Berwickshire) (Con)	29841
Robin Harper (Lothians) (Green)	29842
The Minister for Community Safety (Fergus Ewing)	29843

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## Scottish Parliament

Thursday 28 October 2010

[The Presiding Officer *opened the meeting at 09:15*]

### Support for Business

**The Presiding Officer (Alex Fergusson):**

Good morning. The first item of business is a Liberal Democrat debate on motion S3M-7273, in the name of Jeremy Purvis, on support for business.

09:15

**Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD):** First, I congratulate the Cabinet Secretary for Finance and Sustainable Growth on the birth of his new child.

**Members:** Hear, hear.

**Jeremy Purvis:** We are glad that he is here in the Parliament today, but this is one occasion on which he could have been excused.

In November 2009, I asked the cabinet secretary why the Scottish Government had not consulted the business community in Scotland on whether there should be a transitional relief scheme to allow the big increases in the rates bills that were being forecast as a result of the revaluation to be phased in.

Mr Swinney responded that the Scottish Government did not consult because there was no statutory duty on it to do so. That was a less than convincing case in the view of business groups in Scotland, every one of which regretted the lack of consultation on possible schemes and the lack of understanding of the concerns of businesses about the looming—and very large—increases in bills.

The tourism and hospitality sector has been hit the hardest: there has been no support at all, and no transitional scheme has been put in place. Members will recall that we debated in Parliament the need for greater support for our tourism industry, because it is one of the areas that will produce growth in the Scottish economy during the coming years.

Only six months before I asked the cabinet secretary my question, things were different. In April 2009, a Scottish Government press release stated that businesses could

“spread this year’s ... increase in business rates over three years to help companies’ cash flow and provide a ‘much-needed boost’ for the Scottish economy.”

It emphasised that the Government was acting to help businesses to cope with an increase in rates bills, and stated:

“For those businesses that still have to pay rates, we are acting today to offer them vital breathing space in these tough economic times.”

What was the increase that was causing so much difficulty at that time that the Government decided to act? It was a 5 per cent increase. When there was a 5 per cent increase in 2009, the Government acted, but this year, with increases of 50, 100 and 150 per cent in tax bills, the Government sits on its hands.

I made no apologies then, and I do not apologise today for bringing the issue to Parliament. I make no apologies either for trying to persuade the Government and the Conservatives to explore openly the options for transitional relief and to accept the principle that such relief should exist.

I spoke to many businesses in my constituency that are facing massive increases in their bills. It is not an academic exercise for them, and there is genuine anger. They may be happy to see businesses that are in receipt of the small business bonus exempted from paying rates, but they are angry that their situation is given no regard.

The Conservatives will no doubt criticise my party in today’s debate, but I say to them in all seriousness that simply reviewing what went wrong during that period, as their amendment demands, does not—given that it was their votes that created the problem in the first place—send a convincing message to businesses.

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

Does Jeremy Purvis accept that the votes in question took place in March, after the bills had been issued, and that there is no mechanism for anyone other than the Government to bring forward a statutory instrument to introduce transitional relief?

**Jeremy Purvis:** The Parliament could have acted to get the Government to do what it had previously done, which was to provide an element of support after rates bills had been issued. When that happened in 2009, for increases of 5 per cent, Mr Brownlee welcomed it, but for increases of 50, 100 and 150 per cent, he seems to think that no action should be taken. That is simply not convincing.

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

**Jeremy Purvis:** I will give way later if I have time, but I am afraid that I do not have time at the moment.

The level of concern is such that, as information that the Lothian Valuation Joint Board has provided to us has confirmed, the number of appeals from businesses about the rates revaluation in 2010 has increased by 10 per cent. The number of businesses that are appealing this year has increased by 6,000 from the number that appealed following the previous revaluation.

I will interrogate those figures further. There are 214,000 properties on the rateable register, and if we strip out those that are exempted from paying rates altogether and those that are zero rated, we are left with a pool of 75,000 properties in Scotland that pay rates. Of those, 60,300 have appealed, which means that 80 per cent of all properties that are being taxed have appealed their valuation. That is an incredible situation for businesses in Scotland, and it is the context for anything that the cabinet secretary says today about the number of businesses that have gained.

The Government gives three main arguments for why a transitional scheme should not be implemented. The first is that Government would have to pay more, the second is that the public sector would potentially benefit and the third is that other businesses might have to pay more.

On the first point, it is interesting to note that the Government would have incurred costs from the scheme that was put in place last year to allow 60 per cent of the 5 per cent increase to be deferred. The Government recognised that, given that its press release stated:

"The additional costs which local authorities will incur as a result of this measure will be refunded to them by the Scottish Government."

It accepted the principle then, so it cannot use that point as a principled argument now.

With regard to the argument that the public sector may benefit, a finance circular of 15 June last year stated:

"Every single business property in Scotland qualifies as long as it pays non-domestic rates, including public sector."

That surely, therefore, cannot be a principled reason for not providing transitional support now.

The Government uses the third argument—that other businesses would pay more—at every opportunity; that is its principled argument. However, small businesses that receive support from the small business bonus scheme do so because 29,000 other businesses pay a supplementary increase in their rates to cross-subsidise the scheme. Other businesses pay in that case, so that point is not a principled argument against transitional support.

There are no principled arguments against transitional support, but there is a principled reason for it. Businesses that are now making the

difficult choice not to invest in their business or to lose staff are facing difficulties. The Government and all parties in the Parliament know it, and we are asking the Government to act on that.

I move,

That the Parliament notes that there has been a stark increase in appeals to valuation boards over non-domestic rates following the 2010 revaluation, with approximately 30% of businesses appealing the new rates; believes that the increase in appeals reflects the fact that a lack of transitional relief has caused serious cash-flow problems for businesses and concerns that jobs will be lost; shares the view of the Aberdeen and Grampian Chamber of Commerce that small and medium-sized enterprises (SME) support is not a substitute for transitional relief for the hardest hit; notes that the Scottish Government's net income from non-domestic rates has increased by £150 million following the revaluation, despite Scottish ministers' claims that the revaluation is revenue neutral, and calls on the Scottish Government to work constructively with Scotland's business community to agree and deliver a transitional rates relief scheme and to identify ways in which to improve the revaluation process for the future.

09:23

**The Cabinet Secretary for Finance and Sustainable Growth (John Swinney):** I thank Mr Purvis warmly for his kind remarks at the start of his speech. The past seven days following the birth of Matthew have been among the happiest of my life, and I deeply appreciate the kind wishes that members on all sides of the chamber have expressed to Elizabeth and me.

I wish I had had a conversation with Mr Purvis before I left Perthshire this morning, as his assurance that consideration would have been given if I had not been here today would have been welcome; nonetheless I am here, so we may as well plough on with the debate.

This is, as Mr Purvis said, the fourth time that the Parliament has considered motions from the Liberal Democrats arguing for transitional relief on business rates. On each occasion, it was clear that the Liberal Democrats had failed to think through their proposals and, as a result, on each occasion Parliament voted against those proposals.

It is vital that our debate here is underlined by the facts. Throughout the revaluation process, we have actively encouraged businesses to appeal if they disagree with their valuation. That is the proper course of action for any individual business to take.

The evidence suggests that the number of appeals that are lodged against any revaluation is not solely linked to the existence or otherwise of a transitional relief scheme. If that was the case, I would have expected there to have been a huge surge in the number of appeals this year, but that has not happened. If transitional relief is so

important, I would have expected the number of appeals to be far greater, and certainly on a par with the earlier revaluations in 1995 and 2000. However, the number of valuation appeals that have been lodged is significantly down on both the 2000 and 1995 revaluations—in fact, it is almost 40 per cent fewer than in 1995.

**Jeremy Purvis:** Is the cabinet secretary saying that the only comparable year for comparison is 15 years ago? What about a comparison with 2005, when there was the same process for rates with regard to poundage in Scotland? Can he confirm that the information that we have been provided with by the Lothian Joint Valuation Board is correct? It indicates that there has been a 10 per cent increase in the number of appeals compared with 2005 and that the number of properties that have appealed represents 80 per cent of all properties that are receiving a tax bill.

**John Swinney:** I will put on the record the figures that I have in front of me, because I do not know the precise figures that Mr Purvis has got. In 1995, 102,500 appeals were lodged and in 2000 there were 82,200 appeals. In 2005, there were 57,800 appeals and in 2010 there were 60,400. Those are the figures on appeals that I have in front of me, from the information that the valuation authorities, which I stress are independent of the Government, gave to the Government yesterday.

**Cathy Jamieson (Carrick, Cumnock and Doon Valley) (Lab):** Will the cabinet secretary give way?

**John Swinney:** If Ms Jamieson will forgive me, I had better cover more ground before I take more interventions.

That is the detail on valuation appeals. I stress that the number of valuation appeals is almost 40 per cent fewer than in 1995.

The second point that I will make—a factual point—is that it is wholly misleading to claim that the 2010 revaluation has provided the Scottish Government with an extra £150 million. That is not the case and it ignores the facts, which were set out clearly in my answers to parliamentary questions. The 2009-10 income estimate is deflated by a number of appeals, dating back to the 2005 revaluation, which were settled in 2009-10. The business rates income figure in 2010-11 is inflated at this point in the cycle as the actual amount collected will be reduced as funds are used to meet successful appeals over the 2010 to 2015 revaluation cycle and payments are backdated to 1 April 2010.

Indeed, the real context for the debate around business rates is that we have made available an estimated £2.4 billion-worth of relief to reduce the rates bills of Scottish businesses over the next five years. Members have heard that figure before, but

let me just quantify what it means. It represents £2.4 billion that would otherwise have been paid in tax, but which businesses now have at their disposal to invest. We should not underestimate the impact that that kind of tax break will have on the Scottish economy.

Of course, central to that relief package is the small business bonus scheme, which will save small and medium-sized enterprises in Scotland an estimated £117 million in 2010-11. Mr Purvis appears to believe that the small business bonus scheme is not worth while.

**Members:** No.

**John Swinney:** We get harrumphing from Mr Rumbles, the chief harrumpher of the Parliament. Of course, the Liberal Democrats have never been obviously identifiable in their enthusiasm for the small business bonus scheme. When I was negotiating budget arrangements with the Conservatives to put in place and accelerate the small business bonus scheme, were the Liberal Democrats supportive of the proposition? No, they were not, but they were certainly quick to issue leaflets in the Borders claiming the benefits of the small business bonus scheme.

Mr Purvis said in his speech that businesses were not investing, but in his recent publication “Making Scotland the most innovative and entrepreneurial economy in the world”, which is an interesting read—I read it at about 2 o’clock this morning while dealing with family matters—Mr Purvis notes that many businesses

“have simply absorbed the relief into their bottom line”,

therefore enabling them to invest in the future of their business, and that is what the small business bonus scheme is designed to do.

The small business bonus scheme has now benefited 74,000 properties in Scotland. Even more businesses are benefiting from the scheme this year. Following revaluation, the figure for properties that are potentially eligible for the small business bonus scheme has risen to 114,657.

The Government has taken difficult decisions on the business rates issue and we have delivered £2.4 billion of relief to businesses in Scotland. That is why the Parliament should support my amendment.

I move amendment S3M-7273.2, to leave out from “notes” to end and insert:

“commends the vital role that small and medium-sized enterprises (SME) play in the Scottish economy and their importance in building economic recovery; recognises that the full savings due to that sector as a result of revaluation have been passed to businesses, and recognises that the general trend of the revaluation has been to reduce the tax burden for SMEs and that the total savings for the 87,500 SME properties that saw bills fall was £124 million.”

09:29

**Derek Brownlee (South of Scotland) (Con):** I pass on my best wishes to the cabinet secretary on his new arrival.

Of course, one arrival that we await with bated breath but which has yet to make an appearance is any suggestion from the Liberal Democrats of how much their proposals would cost, or how they would be financed. I suspect that there is a very long and unpleasant gestation for that set of proposals, which we may not see for some time. The core issue, which is mentioned in the Liberal Democrats' motion, although Mr Purvis did not mention it in his speech, is the suggestion that the revaluation is not revenue neutral. That is an important point, because if the revaluation is not revenue neutral, that would undermine confidence not only in the Government but in the business rates system in Scotland and send a very negative message about Scotland's competitiveness.

Various claims have been made about how the £150 million has arisen. The Scottish Chambers of Commerce has taken the same view as the Liberal Democrats that it is an additional tax hike. I think that it is better to wait until we see the outcome of the appeals. If there is a record number of appeals, as the Liberal Democrats suggest, I presume that a record number of appeals would be upheld, which would reduce the liability.

**Mike Rumbles (West Aberdeenshire and Kincardine) (LD):** When Jim Mather came to the Ballater Business Association, we had a very interesting meeting. The other person there was Ian Hamilton Milton, the Grampian assessor. Everybody accepted that when the appeals go forward they will fail, because nobody disputes the assessor's calculations and no other issues can be taken into account.

**Derek Brownlee:** Obviously, appeals that are not based on a successful head will fail, but to suggest that every appeal will fail is a nonsense.

**Mike Rumbles:** Most of them will fail.

**Derek Brownlee:** A process has to be gone through. It is one thing for Mr Rumbles to say that most appeals will fail, but if that is his assessment, perhaps he should be determining the business rates liabilities.

**John Swinney:** Will Mr Brownlee reflect on my point that part of the reason why the income in 2009-10 from business rates is deflated is the necessity to pay successful appeals?

**Derek Brownlee:** I do not doubt that that is the case. The key issue is that, at the end of the process, we must ensure that the revaluation itself has been revenue neutral.

**Iain Smith (North East Fife) (LD):** Will the member take an intervention?

**Derek Brownlee:** I am afraid that I do not have time.

It is one thing for the Government to make a policy decision to take either more or less out of business rates. That is fair enough and we can have arguments about that, but it should be done in an explicit manner and the revaluation itself must be revenue neutral.

We reiterate in our amendment that now that we are in the revaluation period, we do not think that it is appropriate to expect businesses that have expectations about one level of business rates liability to see their bills increase to subsidise the reduction of other bills. It is one thing to do that for future periods, but it is unreasonable to expect businesses that have a settled view of their liability to see it increase to pay for other businesses.

Other issues have been identified through the process. The lack of time between the liability notice for business rates being issued and the payment becoming due has caused many people to be very concerned. Unlike other areas of the tax system, an appeal against the business rates liability does not hold the liability; in most other areas, it would be held over and interest would arise. There has also been some suggestion that perhaps the revaluation has not been consistent across the country. There are issues that we need to consider and we should have a proper look at the mechanics of the system in advance of the next revaluation.

The Liberal Democrats are free, if they so wish, to make uncosted and unfunded pledges to businesses about transitional relief. However, before businesses and business groups crack open the champagne, perhaps they might want to phone the National Union of Students and ask how much weight to give to a Lib Dem manifesto promise, because the value of Liberal Democrat promises is one lesson that I think we can all agree will always be available without a tuition fee.

I move amendment S3M-7273.1, to leave out from "that there has" to end and insert:

"the level of appeals against non-domestic rating valuations following the 2010 revaluation; believes that no business should see its bill increase to fund a transitional relief scheme introduced within the revaluation period; believes that the revaluation should be revenue neutral and calls on the Scottish Government to ensure that this is the case, and calls on the Scottish Government to review the issues around the 2010 revaluation, in particular those concerning the time difference between notification of non-domestic rates liability and the liability entering into force, with a view to reforming the business rates system in Scotland."



09:33

**Andy Kerr (East Kilbride) (Lab):** I add my congratulations to Mr and Mrs Swinney on the birth of baby Matthew and, in so doing, wish Mr Swinney every success for the future in dealing with the challenges ahead of him—I am familiar with those challenges.

I address the broader title of the debate, “Support for Business”. We have found out, as the Scottish electorate has found out, that during election campaigns and in opposition the SNP makes great promises about the economy. Since then we have had mind maps that could circumnavigate the world, and probably the universe, from Mr Mather, but we now find that when it comes to the SNP’s support for business, as with the rest of its manifesto, it is full of broken promises about the Scottish Futures Trust and local income tax. Of course, the SNP-Tory alliance in this Parliament has continued to ensure that those broken promises have been laid upon the doorstep of our businesses in Scotland.

If I heard Mr Swinney correctly, he said that transitional relief is not important. I will check the *Official Report* on that point, because if it is not important, why are so many of our businesses and chambers of commerce, including Lanarkshire Chamber of Commerce, writing to us about the importance of such a scheme? I understand that, except on this occasion, every previous change to the system has been supported by a transitional relief scheme.

The whole situation has been mishandled from the outset. For a start, businesses have faced enormous hikes in their rates with no caps on such increases. That has not been the case elsewhere, including in England, where the cap is 12 per cent. Businesses have also faced increases of more than 200 per cent and, indeed, were notified of those increases only weeks beforehand. There have been huge internal delays in the Scottish National Party with regard to making its position known and we are now suffering the same situation with the Scottish budget. The SNP delays and delays and then tries to rush through decisions that lack accountability and scrutiny.

As I have said, there is a five-year transitional scheme in England and the fact that, unlike with previous changes, a transitional relief scheme has not been introduced for this revaluation is having a real and damaging effect on our businesses. Indeed, the situation in my area of Lanarkshire is probably the worst in Scotland. According to Mr Swinney’s response to a parliamentary question lodged by Lewis Macdonald, the change in Lanarkshire has been of the order of £79 million. At a time when people in Lanarkshire are struggling to deal with the effects of the global economic crisis, have lost a number of major

employers and are seeking to support small and large businesses in the area, the move is having a hugely detrimental effect on the area’s business community. That is simply unacceptable.

The cabinet secretary needs to explain, first, why the process was so delayed; secondly, why he refuses to listen to what many businesses are saying; and thirdly, why he thinks that it is acceptable to suggest that businesses should simply go off and challenge decisions through the appeals process. As I say, that is unacceptable in the current economic climate. The SNP has failed to publish the new rateable values in sufficient time and has failed to recognise the impact of the lack of a transitional relief scheme and, as our Liberal Democrat colleagues have pointed out in the debate, key growth sectors of our economy—including tourism, which is doing relatively well considering the global crisis—are being hammered by the Government’s decision not to have a transitional relief scheme and by increases in their rates burden of hundreds of per cent.

Although, as we know, there have been transitional relief schemes before and although the principles have been set out in previous changes, the Government has refused to take action on any capping or transitional relief measures. At a time of global economic crisis, it is, as ever, failing to support Scottish business.

09:38

**Mike Rumbles (West Aberdeenshire and Kincardine) (LD):** Earlier in the debate, Mr Swinney called me a harrumph. Well, I assure him that on this issue there is a great deal to harrumph about.

**The Minister for Parliamentary Business (Bruce Crawford):** He called you the chief harrumph.

**Mike Rumbles:** Indeed. I think that it is a great promotion.

**John Swinney:** I look forward to seeing how it is spelt in the *Official Report*.

**Ross Finnie (West of Scotland) (LD):** Will it have one R or two?

**Mike Rumbles:** In my speech, I want to concentrate on local issues for me and businesses in my constituency.

In the last Liberal Democrat debate on business rates, when the Scottish Government rejected transitional relief for businesses, Jim Mather kindly accepted my invitation to meet me and the Ballater Business Association in my West Aberdeenshire and Kincardine constituency. Unfortunately Mr Mather is not in the chamber this morning, but I want to thank him for attending what was for him a

really difficult meeting. He heard at first hand from businesses in Ballater their utter disbelief at the rate increases they were having to pay; he heard that, although average increases in rateable values across Grampian had been 30 per cent, the increase in Ballater was 60 per cent; he heard from one business that its rates had increased by 259 per cent; and he heard that a second-hand bookshop that had paid nothing at all last year was facing a £5,000 bill this year. He was also given the results of the Ballater Business Association's assessment of 18 different and varied businesses, which showed that these dramatic changes were affecting them all.

The message to the minister was clear: transitional relief must be reinstated to allow businesses to deal with these changes and challenges.

**Derek Brownlee:** Will the member give way?

**Mike Rumbles:** I want to make a little bit of progress first.

As it stands, those massive increases are crippling small businesses in Ballater. The businesses were simply making a realistic and reasonable request for time to pay and time to adjust to the increases over several financial years. Unfortunately, although Jim Mather offered plenty of sympathy to the businesses in Ballater that are suffering from the SNP Government's massive rates increases, he could offer no action at all and action is what the businesses in my constituency are requesting.

The Liberal Democrats believe that restoring transitional relief is the right thing to do. However, our motion to limit the increases to 12.5 per cent in any one year—itself a big increase—was defeated by a combination of SNP and Conservative MSPs. Quite why Conservative MSPs should want to harm businesses in that way is beyond all understanding. Perhaps Derek Brownlee might enlighten us.

**Derek Brownlee:** I freely concede that Mr Rumbles knows the situation in Ballater better than I do but, after listening to the figures, I feel that there is something fundamentally wrong with the valuations. I can think of no empirical reason why the valuations in Ballater should have increased by such a scale and, as I say, it suggests that, before one even gets to a transitional relief scheme, there is a significant problem with the valuation process. Is that not an issue?

**Mike Rumbles:** The issue in Ballater is quite clear. Ian Milton, the Grampian assessor—who, as I said earlier, came to the meeting in the town—was very helpful in that respect. Although the business association is appealing the valuations, it realises that its appeals will fail because no one is

challenging the assessor's calculations and the assessor himself made it clear that when he considers the appeals he cannot take anything else into account. As a result, all the Ballater businesses' appeals will fail. They have been told as much. They do not disagree with the Grampian assessor's calculations—it is the system that is wrong.

The Liberal Democrats back the campaign headed up in the north-east by the Aberdeen and Grampian Chamber of Commerce, which has calculated that although businesses in Aberdeenshire, like those in Ballater, are paying £10.4 million more this year after reliefs have been taken into account, the local authority is receiving £4.1 million less. That represents a total year-on-year hit of £15.5 million on Aberdeenshire and its businesses. Those are not my figures; they are from the Aberdeen and Grampian Chamber of Commerce.

**The Presiding Officer:** You must close, Mr Rumbles.

**Mike Rumbles:** Och. Right. Thank you, Presiding Officer.

The argument that the Government simply does not have the money for a transitional relief scheme simply does not wash. It has received an extra £150 million from business rates and it is using that money for other purposes. The solution is simple: transitional relief must be restored and any rates increase must be limited to 12.5 per cent in any one year. We need action, not sympathy, from the SNP Government.

**The Presiding Officer:** When I ask members to close, that does not require more harrumphing. I do so because we are running out of time.

09:42

**Ms Wendy Alexander (Paisley North) (Lab):** I, too, congratulate the cabinet secretary on Matthew's arrival.

I welcome this Liberal Democrat debate. As other members have pointed out, by common consent the feeling among Scotland's business community is that the Scottish Government has simply mishandled the 2010 business rates revaluation and has left many Scottish businesses facing enormous hikes in their rates bills with no cap on those increases.

It has all been quite unnecessary. First, there were unnecessary delays. In England, businesses knew what their rates bills would be six months in advance; in Scotland, the Government managed to give businesses just six weeks' notice. As others have said, the cabinet secretary has just been too busy—and that is not just a reference to the past seven days. The rates bills, the budget

and the pay policy have all been left to the last minute and the emerging pattern is that there has not been the necessary attention to detail.

We want the Government to admit that the failure to introduce a transitional relief scheme was quite simply a mistake. I fully accept that the move was probably based on official advice to ministers, but it is time to say that the advice was wrong. As a consequence, the Scottish Government has put businesses on a completely unequal footing with companies based in England.

Given the time pressures, I will make three quick points and then point to a solution.

First, the absence of a transitional relief scheme in Scotland means that one in five Scottish businesses—more than 45,000 businesses in all—are facing an increase of more than 12.5 per cent in their rates bills this year. That is four times the rate of inflation.

My second point is that one has to wonder whether the Scottish Government has seen Scottish business as a soft touch in hard times. Let me deal with the point that an extra £150 million is being taken in business rates this year. We know that businesses are going to pay that additional money this year—that is a fact. The explanation that we heard from the cabinet secretary is that it is all about the bills being artificially deflated last year. I have the figures here. Last year, for the first time ever, in cash terms, the Government collected £2 billion in rates in Scotland, which was 5.3 per cent up on the previous year. In a year in which the cabinet secretary alleges that bills were artificially deflated, the Government took 5 per cent extra from businesses, which was more than double the prevailing rate of inflation.

Who was the advocate for business in the Scottish Cabinet when the Cabinet Secretary for Finance and Sustainable Growth was planning to fill the coffers with an additional 5 per cent last year and an additional 7.5 per cent, on average, this year? That is the additional amount of money that is going to be paid this year, and it completely wipes out the benefit from the small business bonus scheme.

I give credit to the Government for expanding the previous coalition Government's small business rates relief scheme. Many businesses greatly appreciate the small business bonus scheme, and rightly so, but I simply comment on something that is hidden in the detail of the scheme, which is partly paid for by large businesses. This year, the Government is increasing the contribution that large businesses make to the scheme by 90 per cent. Large businesses will pay 90 per cent more towards the small business bonus while the Government's own

contribution is up by less than 1 per cent. Indeed, the Government is putting in a mere £74 million extra while taking another £150 million in total from that community.

I simply conclude by saying that we do indeed live in tough times, but if the Government believes that it is right to take, on average, 7.5 per cent more from Scottish business, it should say so up front and directly. It should not hide its intentions about how much extra it intends to take from business, and crucially, it should cushion the blow to the 45,000 businesses that are being asked not for 7.5 per cent extra but for more than 12.5 per cent extra.

**The Presiding Officer:** You must close, please.

**Ms Alexander:** There is, of course, an easy solution—to introduce an emergency transitional relief scheme now.

09:47

**Aileen Campbell (South of Scotland) (SNP):** I add my warm wishes to John Swinney and his family. He should feel free to pass any baby tips my way.

If members have a sense of déjà vu this morning, they can be forgiven, because we have already debated a Lib Dem proposal for transitional relief on non-domestic rates three times this year, and the Parliament has already voted against the Lib Dem proposals three times, for good reasons. At the risk of extending that feeling of déjà vu, I repeat what I said during the second of those debates, in April:

"The first and most important thing that any of us can do to support small businesses during this recession is to be honest with them."—[*Official Report*, 15 April 2010; c 23512.]

That honesty goes to the heart of the Scottish Government's relationship with small businesses in Scotland, and that is why it has been so productive and beneficial for both sides.

The Scottish Government recognises the absolute importance of small and medium-sized enterprises to Scotland's economy, and that is why supporting them has been a priority since day one.

**Mike Rumbles:** Would the member say that it has been productive and beneficial to the businesses in Ballater that are facing all the rises that I mentioned?

**Aileen Campbell:** The actions that the Government has taken with the small business bonus has certainly been beneficial to my constituents. I have evidence to prove it.

The small business bonus scheme has had a transformative effect on the sector since its

introduction. There is no question but that the support from the Scottish Government has helped more of our small businesses to get through the economic downturn than would otherwise have been the case.

I have spoken in the chamber before about the survey that I conducted in 2008 of small businesses in the South of Scotland region to assess whether they were likely to benefit from the small business bonus scheme. Mike Rumbles might be interested in that. More than 90 per cent of respondents intended to apply for support and many of them took the time to comment on how welcome the scheme was.

**Cathy Jamieson:** Will the member take an intervention?

**Aileen Campbell:** The small business bonus scheme and other initiatives, such as the reduction in the poundage rate and rural business relief, combine to form the most generous package of support that is available to small businesses anywhere in the UK. It amounts to some £2.4 billion over a five-year period. However, clearly that is not evident in the approach of the Liberal Democrats, who continue to attempt to whip up unnecessary fear and confusion among small businesses in Scotland. They appear not to have learned from our previous debates on the issue. The fact is that the majority of businesses—nearly 60 per cent—have seen their rates fall or remain the same following revaluation.

Transitional relief schemes are not free. The cost must be met from somewhere, and in the scheme that the Lib Dems propose, the businesses that would gain the most from the revaluation would be forced to give up those gains to offset the rises elsewhere. In effect, the Lib Dems' scheme would lead to small and medium-sized businesses throughout Scotland subsidising public sector rate payers and larger businesses. Alternatively, the costs could be met from the Scottish Government's budget, but they could be some £195 million this year alone. I do not see any mention in the Liberal Democrats' motion of how they would fund their proposal. Do they want the smallest businesses, which have benefited from the revaluation, to lose out, or do they propose further cuts to public spending from elsewhere in the devolved budget?

Support for business does not simply have to come in the shape of rates relief, and the Scottish Government has taken many other practical steps since 2007 to provide assistance to our small business sector. Jim Mather also visited Biggar, in my region, and hosted an interactive session with representatives from small business communities in the South of Scotland region. Many of the participants spoke afterwards of how encouraged and enthused they felt, not least by the minister's

self-evident commitment to helping them to work together to grow the local economy. I have continued to keep in touch with those businesses and to help them in various ways, whether by ensuring that they have the right contacts at the local business gateway or by trying to solve seemingly small but important issues such as ensuring that loading bays are properly enforced so that deliveries can arrive on time.

There is no doubt that the economic downturn has made things difficult for small businesses, and the savage cuts to public expenditure will not help matters. If we want Scotland and its small businesses to flourish, we need far greater powers for the Parliament and the ability to manage the economy. The Scottish Government is, has been and always will be right behind our small businesses. The vast majority of Scotland's small businesses know that. They will see through the Lib Dems' bluster and scaremongering and they will continue to benefit from the Scottish Government's policies.

09:52

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

I have had the joy of interacting with rating revaluations over more years than I care to remember. I was once a regional council finance convener when councils set both business and domestic rates. I was the convener of a valuation committee for a period of time and I even sat on the Scottish Valuation Advisory Council, for my sins, which was one of the high points of my 30 years in public life. Indeed, I was also involved in the matter as a minister.

Revaluations are always complex matters. The principles of business valuations are very complex indeed. There are winners, from whom we hear little, and there are losers, from whom we usually hear a great deal, understandably. This year, there are a substantial number of losers, many of whom are losing significantly.

As Derek Brownlee said, the principle of a revaluation is that it is revenue neutral. The yield remains the same but the distribution between the sectors will vary and shift. In the context of local government finance or public finance generally, coping with significant redistribution effects is a common thing. It is not at all unusual. The issues at present are clearly significant for those who are involved.

The principle of transitional relief to dampen the full effects of implementation is well established in public finance—in rating matters and in grant distribution matters more generally. The principle is simple. There is no detriment to the final outcome. The losers still lose but the full effects are mitigated, which gives them time to plan, to

manage and to adjust for the change that is necessary.

The key question for a minister in any given year when the matter pops on to their desk—it is not terribly welcome when that happens—is whether the scale of the changes is sufficient to warrant a transitional relief scheme or whether the impact is so small as to warrant moving away from the well-established principle of having a transitional scheme, as Andy Kerr said. It is clear that some businesses are facing very large changes at present. In that context, it is not clear to me why the minister would reject a transitional scheme.

If the minister thought that the scale of the changes was not sufficient to warrant a scheme, that judgment is flawed, because it is clear that the scale is very significant indeed. As members have said, businesses in my region face increases of up to 200 per cent. The interaction with the wider small business scheme is a complicating factor, but there are still major issues for businesses in my region to contend with. Jeremy Purvis talked about the tourism and hospitality sector, which is a sector in which competition with businesses south of the border is important. However, south of the border, the same types of businesses are getting a transitional relief scheme. That is a significant issue.

A wider point raised in the motion and in the Conservative amendment is about reviewing the principles behind the valuation scheme. I caution substantially against rushing into that. It is a simple fact of life that no system, however we construct it, will suit everyone. I caution against the belief that a review would lead to a fairer system. That is why the principle of appeals in the system is important, but it is also why the principle of a transitional relief scheme is important. Such a scheme allows the smoothing out of the inevitable fluctuations that occur in revaluations. It helps preserve a broad consensus in our society that a difficult and turbulent system that has peaks and troughs in its effect on people can be managed fairly in the interests of all those who are involved. That is why the minister should think again about the matter—to help restore belief in the system.

The minister told me that yesterday he had the joys of changing nappies. I suspect that changing nappies might seem less messy than fiddling about with an emergency transitional relief scheme, but I encourage him to tackle both those issues with equal gusto in the coming days.

09:57

**Stuart McMillan (West of Scotland) (SNP):** I, too, congratulate John and Elizabeth on the birth of Matthew. I am sure that they have many happy

years ahead of them and that, in the next month or so, the changing of nappies and looking after Matthew will provide a welcome distraction from the budget.

This is the fourth time that the issue has come before the Parliament. All credit is due to the Lib Dems for their perseverance, but I have heard nothing new to indicate that the result of the vote at decision time at 5 pm will be any different from that on the previous three occasions.

Every MSP will know of businesses in their electoral area that have benefited from the SNP Government's welcome actions. Many small business owners to whom I have spoken in recent years have benefited from the introduction of the small business bonus scheme. They were delighted that the SNP introduced the scheme, particularly given the timing. It has helped them through the recession and, in some instances, has helped their businesses to survive. Furthermore, even the Liberal Democrats should welcome the extension of the small business bonus scheme this year, which involves abolishing business rates for some businesses, halving them for others and reducing them by a quarter for others.

However, in this Parliament, the Lib Dems have not been in the business of working together—well, not with the SNP Government, anyway. They are good at coalitions, right enough, either with Labour up here or with the Tories down in Westminster. Mr Kerr spoke earlier about alliances in the Parliament, but he obviously forgot about the five Labour-Conservative local authority alliances in Scotland, including two in the West of Scotland region, in Inverclyde Council and East Dunbartonshire Council.

The motion highlights the Lib Dems' concerns about the business rates revaluation. In a perfect world, everyone would be a winner, but we do not live in a perfect world. The Lib Dems and their Tory masters in London proved that last week by introducing savage cuts to Scotland and the rest of the United Kingdom. The Con-Dem cuts of last week will force just under half a million public sector workers on to the dole, with the private sector expected to pick up the pieces. The small business sector is the backbone of the Scottish economy, but how many small businesses here will be able to take on additional staff?

I do not know the answer to that, but I know that if the small business bonus scheme and the extension had not happened and if the rates revaluation did not benefit the small business sector, there would be fewer small businesses in Scotland. As a consequence, fewer small businesses would have the opportunity to take people on to help with the recovery from the wreckage of the tougher and deeper cuts of Mr

Purvis's party and his Tory colleagues in Westminster.

**Iain Smith:** I am interested in the member's line of argument, but I cannot quite understand how it squares with the fact that a hotel in my constituency had its rates bill increased by £10,000, which means that it either had to increase turnover by £200,000 to meet that or make a member of staff redundant. Which one does the member think is likely to have happened?

**Stuart McMillan:** As I said, we will all suffer because of the savage cuts that were announced last week and that are coming to Scotland and the rest of the UK. That is why the small business sector in Scotland, which is the backbone of the economy, is vital.

I am conscious of time, Presiding Officer, so I will conclude. The SNP Government has an excellent record on helping businesses. It has the most generous rates relief package in the UK, with the small business bonus scheme, renewables rates relief and rural rates relief, and it has equalised the poundage rates with those in England. I would rather go to the electorate with a record of trying to help businesses in Scotland than with that of the Tory lackeys, who have introduced savage cuts in last week's comprehensive spending review and in the emergency budget in the summer. I hope that the electorate will recognise the true Lib Dem agenda of continuing to restrict Scotland's ambition instead of helping to choose a better way for Scotland by giving the Parliament the full powers of a normal independent nation.

10:01

**Cathy Jamieson (Carrick, Cumnock and Doon Valley) (Lab):** A couple of SNP members have said that this is the fourth time that the issue has been debated in Parliament. The reason for that is that it is still a huge issue for people in our local communities and our small businesses.

Only this week, I heard from the owner of a petrol station in South Ayrshire whose rateable value has gone up from £10,000 to £31,000, which means an uplift in rates from £5,000 to £12,000. He is appealing that, but the problem is the uncertainty while he awaits the outcome of the appeal. It is difficult for him to plan for the future and he has to think about what will happen if the appeal is unsuccessful. That is not an isolated case. I have heard from other small independent garages in Muirkirk, Mauchline and Coylton. Those are local traders who at the best of times have to compete against the larger supermarkets. They are the only ones who provide filling stations in those rural communities, which, incidentally, are

not deemed rural enough to qualify for some other relief schemes.

I turn to the question that I wanted to raise with the cabinet secretary earlier when he was not able to take my intervention. He mentioned the number of appeals that are under way, but does he have figures for the number of appeals that have been concluded and the number of those that have been successful? Perhaps he could give us that information in his winding-up speech. If the information is available, I would like to know how many small businesses are now no longer eligible for small business rates relief because the revaluations have taken them out of that particular block, and how many have to pay more because of the revaluation.

We have heard suggestions that transitional rates relief is not the way forward. Aileen Campbell talked about a survey that she undertook in the South of Scotland region. The last time that I looked, my constituency of Carrick, Cumnock and Doon Valley, which takes in East Ayrshire Council and South Ayrshire Council—both of which, incidentally, are run by SNP-Tory coalitions—is in the South of Scotland. I do not know whether she consulted any businesses in my area, but the Ayrshire Chamber of Commerce and Industry has done so, and it wrote to me recently about the issue. It makes the point that the one thing that would most help businesses in Ayrshire would be the introduction of

"Transitional Relief to soften the blow of this year's rates revaluation for those businesses hardest hit".

**Aileen Campbell:** Will the member take an intervention?

**Cathy Jamieson:** Aileen Campbell would not take an intervention from me, so I will not take one now. She has had her opportunity to speak.

The Ayrshire Chamber of Commerce and Industry also says that it wants

"An urgent review of the rating appeals process to ensure that businesses have the best possible opportunity to challenge unrealistic rating valuations."

Two things need to be done as a way forward. Obviously, something has happened in this year's process that has not taken account of the wider economic circumstances or the particular circumstances that businesses in some communities face. Equally, something needs to be done now to help the businesses that are struggling the most.

I first raised the issue with Mr Swinney back in March. He was good enough to respond to me quickly but, unfortunately, the response did not offer any hope other than the small business bonus and rural rates relief, which, as I outlined, does not affect some of the businesses that I am

talking about. I appeal to the cabinet secretary to listen again to the people who are suffering the most. He should listen to the voice of businesses and consider introducing a transitional scheme before we have to come back to debate the issue on a fifth occasion, by which time no doubt some of the businesses that we are concerned about will no longer be in existence.

10:05

**Gavin Brown (Lothians) (Con):** I also congratulate Mr Swinney and his wife on the birth of their son and wish them all the very best in the months and years ahead.

As many speakers have said, this is the fourth time that we have discussed this important issue. Although it has been raised and analysed, what is still lacking—for the fourth time—is a credible way of funding what both the Liberal Democrats and the Labour Party are asking for. I point out to Cathy Jamieson, who made an argument about the small petrol stations in her constituency that are trying to compete with the big supermarkets, the slight irony that if there were to be a transitional relief scheme, some of the biggest winners would be those who pay the most in rates—the big supermarkets with which those small petrol stations compete.

The difficulty is that we still have no proposal. A transitional scheme is wanted, but we have heard of no way in which it could be paid for. The first time that the matter was brought to Parliament, the Liberal Democrats wanted the money for the scheme to be clawed back from the smallest businesses that were the transitional relief scheme winners.

**Jeremy Purvis:** Will Mr Brown give way?

**Gavin Brown:** Mr Purvis did not take my intervention, but I will not hold it against him. I am happy to take his intervention.

**Jeremy Purvis:** On that basis, I am doubly grateful to Mr Brown for being so gracious.

It is interesting to note that when the Conservatives asked for a town centre regeneration fund of £60 million they did not offer an explanation of where the funding would come from. However, I will put that aside.

Is my understanding correct that, in principle, Mr Brown believes that there should have been a transitional relief scheme if the funding had been sorted?

**Gavin Brown:** That is interesting. Mr Purvis talked about the town centre regeneration fund. The Liberal Democrats voted against it, but they were the first on the streets handing out leaflets about how they had won the policy.

**Mike Rumbles:** Answer the question!

**Gavin Brown:** Unlike Mr Rumbles, I will answer the question. Of course there is nothing wrong with a transitional relief scheme in principle, but as a responsible party—[*Interruption.*] I ask Mr Purvis to let me answer the question; he has had his chance. The reason why we voted against the Liberal Democrat proposal the first time was that it was unfunded. Although there is nothing wrong with having such a scheme in principle, I wonder whether the Liberal Democrats are serious about having one or whether it is just a way of trying to gain more than the 7 per cent share of the vote that they currently have in Scotland.

**Ms Alexander:** Will the member give way?

**Gavin Brown:** Sorry, not at this time.

If the Liberal Democrats are serious about having such a scheme, they have to bring to the chamber a credible, funded proposal. The second time that they brought the proposal to the chamber, they decided that they would fund it from Barnett consequential. However, the problem was that just the day before that debate, the Government announced that Barnett consequential of £70 million would be spent on affordable housing, and every single Liberal Democrat and Labour Party member stood up and welcomed the fact that the entire £70 million was going to be spent on affordable housing. One cannot spend money twice, so we face the same issue again.

There is nothing wrong in principle with a transitional relief scheme, but if it is to be funded, we need to have a proposal for how that will happen. Where is the money going to come from and how on earth will the scheme be put into practice? When we have a sensible proposal, perhaps we can look at it, but it is not credible simply to demand a scheme with no funding behind it.

10:09

**David Whitton (Strathkelvin and Bearsden) (Lab):** This is just another case of the SNP finance and business team thinking that it knows best and refusing to listen. In his speech, Mr McMillan said that he had heard nothing new. Certainly, I have heard nothing new from the SNP speeches this morning, whether from the front bench or the back bench.

As others have said, people knew for months that there would be a business rates revaluation. Businesses in England knew as far back as October 2009 what their new rates levels would be. I recall the occasion in this chamber when Mr Swinney was asked directly when he would let Scottish business know what was happening and,

more important, whether he intended to introduce a transitional relief scheme. As ever, he told us that we would have to wait and see—a familiar refrain from the cabinet secretary. Then the rates revaluation was introduced and, as we know, there was no relief scheme. That meant that large businesses across Scotland that did not qualify for the small business bonus all found themselves facing large increases in their rates burden with literally no time to ease the position.

Let me compare that with the situation south of the border, where companies had similar increases. As Mr Kerr said, those increases were capped at 12.5 per cent a year, allowing businesses to plan ahead. When we raised the matter again in the chamber, Mr Swinney's excuse—perhaps he would prefer the word "explanation"—was that 60 per cent of small businesses were paying either no rates bill or a reduced rates bill and only 40 per cent were paying more. The rhetoric was that it was better to give assistance to small and medium-sized enterprises, with a challenge to everyone else to defy that logic. That is the line that Mr Swinney is sticking to, as we heard again this morning.

Answers to parliamentary questions put by my Labour colleagues and others reveal another story. The fact is that the SNP Government has taken in an extra £150 million or so in business rates as a result of having no transitional relief scheme. Instead of 60 per cent, or a majority, of companies being better off, which was the main reason for having no relief scheme, only 44 per cent of businesses can make that claim. The majority—56 per cent—are facing increases or, in some cases, no change. When that was raised with him, the earlier response of Mr Swinney and his colleagues was that anyone who was unhappy could use the appeals process. As Mr Purvis pointed out today, it is little wonder that the appeals process has been swamped. As we have heard, in some cases increases are running at 100, 150 and even 200 per cent.

Scottish companies are like others throughout the United Kingdom; they want to be able to plan ahead to know what their outgoings will be. The rates bill is a big part of that. Instead of having eight months or so to plan like businesses south of the border, Scottish companies had only weeks of knowing what was about to hit them with the double SNP whammy of no relief scheme to ease some of their pain.

**Aileen Campbell:** Will the member take an intervention?

**David Whitton:** Sorry, I have only four minutes for my speech so I cannot.

The SNP has tried to make a virtue out of saying that the minority of companies facing an

increase are paying for the majority who gain under the small business bonus scheme, which the Tories—supposedly the friends of business—are keen to support. Let us look at the numbers—they are not my numbers but come from the Scottish Parliament information centre. On the basis of the available figures, the yield from non-domestic rates income is £151.4 million higher this year than it was last year—an estimated 7.5 per cent, as Wendy Alexander said. The pay-out for the small business bonus is estimated at £84 million, which means that Mr Swinney has raided Scottish business coffers of an additional £67.4 million at just the time when business needs the most help. It is little wonder that assessors offices the length and breadth of Scotland are swamped with appeals.

We all want to be able to help Scottish business at this critical time, but the SNP's handling of the business rates increase was a botched job and an object lesson in how not to do it. It should think again about how, even at this late stage, it could do something to help.

10:13

**John Swinney:** Once again, I thank members for their great kindness this morning.

As always, Peter Peacock made a thoughtful contribution about some of the challenges that come from revaluation processes. He asked what the motivation was behind the Government's stance. I cite two particular reasons why the Government decided not to have a transitional relief scheme. The first was that as a consequence of the revaluation—which was, I stress, carried out independently of Government—it was found that 60 per cent of rate payers in Scotland would be better or no worse off. That is before appeals and reliefs would reduce bills further. The majority of rate payers had the potential to be better off and, if we decided to have a transitional relief scheme, those who stood to gain from an independent revaluation process would not appreciate the benefits and would have to pay to support a transitional relief scheme for others.

**Margaret Smith (Edinburgh West) (LD):** Will the cabinet secretary give way?

**John Swinney:** I will do so in a moment, after I have dealt with my two points.

The second issue that weighed heavily in my considerations was the Government's decision to equal the poundage rate in England, which is another manifesto commitment that we have delivered. The rate for 2010-11 is set at 40.7p in the pound, which is 15 per cent lower than the rate for 2009-10. The calculation of the business rate poundage at that level generates a saving of



£200 million for business in Scotland. Those were the key considerations in our decision not to opt for transitional relief.

**Margaret Smith:** The cabinet secretary will be aware that, some months ago, I undertook a business survey on a range of business issues. The rates revaluation was one of them. Even people who had benefited from it were in favour of transitional relief, for the sake of fairness. It is not just about what happens to individual businesses, as they are affected if other businesses around them on the high street have to shed jobs and so on.

**John Swinney:** The member has made an interesting, if lengthy, observation. It comes back to the point that Peter Peacock fairly made, which was that we tend to hear much more from people who lose out in such situations than we hear from people who gain.

Cathy Jamieson asked me how many businesses were eligible for the small business bonus scheme pre-revaluation and post-revaluation. Pre-revaluation, 102,000 properties were potentially eligible for the scheme. Post-revaluation, the figure was 114,000—an increase of 11.8 per cent, which is particularly beneficial.

Wendy Alexander raised the issue of the business rates income rise in 2009-10. I gently point out to her that between 1999-2000 and 2006-07, under the Administration that she notionally supported at the time, the business rates income that was collected rose by 29 per cent.

Peter Peacock made the fair point that there are no simple answers. Many of the sectors about which members have expressed concern today could and would have lost out under a transitional relief scheme. I appreciate that hotels face some significant increases, but they would have faced such increases under a transitional relief scheme. There are no simple answers; anyone who pretends that there are is misleading Parliament.

Cathy Jamieson made a point about petrol stations. Currently, the bills of 52 per cent of petrol stations in Scotland are falling, before appeals and reliefs; 60 per cent are in receipt of reliefs; and 73 per cent would be worse or no better off with transitional relief. Members must follow the data before making points about the way in which the issue could be handled.

I acknowledge the business community's concerns. The Government has taken a set of decisions that are designed to reduce the cost to businesses by ensuring that we match the poundage south of the border—which was one of our manifesto commitments—and that those who benefit from the rates revaluation, which was an independent process, are able to use that benefit

to invest in the future of the Scottish economy. For that reason, I hope that Parliament will support the Government's amendment.

10:18

**Alison McInnes (North East Scotland) (LD):** My colleague Jeremy Purvis set out the case well. Liberal Democrats believe that business should be treated fairly and that the transitional scheme on which everyone relied should be reinstated. It was not fair to take it away, and it is not too late to do something about that.

No one is quibbling about the rates revaluation—everyone knows that that comes around every five years. However, businesses are rightly angry about the fact that a safety net has been whipped away without so much as a by-your-leave. The SNP's handling of the revaluation has been botched. Instead of phasing in big rate hikes in the co-operative and consensual manner of the past, it has set companies against one another, favouring some and cold-shouldering the rest. As Wendy Alexander noted, companies were given just six weeks' notice of the increases.

The principles of transitional relief are well established and well understood; businesses in England are benefiting from it as we speak. Previous Governments have protected companies from big rises in a year. This time there has been no protection, and many companies are struggling to cope with really crippling increases.

Obviously, there are winners and losers in any revaluation. However, in the past there has been a transition to soften the blow; businesses did not suffer the full force of rate rises in one go. This time it is different, because we have an SNP Government. Businesses across Scotland find themselves left alone to deal with huge increases in their tax bills at the very time when, having managed to weather the recession so far, they might have expected to be able to look for support from their Government. Tens of thousands of businesses are worse off as a result of the revaluation. Some have faced a 200 per cent increase in their bills. As Jeremy Purvis pointed out, 80 per cent of them have appealed.

A number of firms in the retail, hospitality, energy, mining, whisky and agricultural sectors have told the Confederation of British Industry of their deep disquiet about the Scottish Government's decision not to place a cap on and not to phase in the bumper increases in rates bills. Many of those firms are already struggling to emerge from the recession. Aberdeen and Grampian Chamber of Commerce says that the increases are already costing jobs. We have already heard that rates in Aberdeen city and shire have gone up by £30 million.

Sadly, across my region examples abound of massive hikes in rates. There are too many to mention them all, but I will give a few examples. Inverurie's Thainstone mart has seen its business rates soar by 71 per cent. Meldrum House hotel faces an increase of 161 per cent and Meldrum Motors faces one of 94 per cent. The hotel and hospitality sector has been particularly hard hit this time because its businesses were revalued by the Government based on their 2008 turnover, not profit. For many businesses, that was the peak year before the recession. As we have noted, to add insult to injury, many of the hotels that the Scottish Cabinet used on its summer tour of Scotland are among the worst hit.

It is not just the Liberal Democrats who are calling for the problem to be fixed. The Federation of Small Businesses, the British Hospitality Association Scotland, the CBI and the Scottish Chambers of Commerce have all criticised the lack of a transitional rates relief scheme. I know how valuable SMEs are, but that is not the whole picture. Bob Collier of the Aberdeen and Grampian Chamber of Commerce said:

"SME support is not a substitute for transitional relief for the hardest hit."

Government—and the Tories—insult business by continually refusing to recognise the real damage that has been caused by the sudden withdrawal of transitional relief and by the endless repetition of their refrain that it is okay because businesses should appeal if there are problems. As Mike Rumbles said, that is disingenuous. The appeals system is there for a different purpose. In addition, as John Swinney indicated today, it takes up to five years for appeals to be heard and resolved.

It is utterly complacent of the Government to argue that many businesses are better off and to turn a deaf ear to those who are worst affected. For a Government that likes to talk, it has been remarkably reluctant to have a conversation about this issue.

A number of members mentioned the extra £150 million in tax take that the Government will draw down. I heard Mr Swinney's arguments, but several excuses are always less convincing than one. I agree more with Liz Cameron, who says that a transitional scheme needs to be introduced and can be afforded.

As Cathy Jamieson said, we have returned to the issue because it is still a problem. Liberal Democrats do not apologise for that. Unlike some members, we are willing to stand up for the whole business community. I say to Gavin Brown that we have repeatedly called on the Government to work with businesses to develop an affordable relief

scheme. I urge the Government to listen to the community and to think again—it is not too late.

## Renewable Energy

**The Deputy Presiding Officer (Alasdair Morgan):** The next item of business is a debate on motion S3M-7269, in the name of Liam McArthur, on renewable energy.

10:24

**Liam McArthur (Orkney) (LD):** Even before the debate gets under way, it has proved to be illuminating. Through the amendments that it has attracted and some of the press coverage that we have seen in recent days, the motion has exposed the ludicrous posturing of the Scottish National Party, in particular, and of the Labour Party and the Greens on this important issue.

In his letter to the Cabinet Secretary for Finance and Sustainable Growth last week, the Liberal Democrat Chief Secretary to the Treasury, Danny Alexander, set out a way in which an additional £250 million of potential investment could be directed, over the course of the spending review period, at developing Scotland's renewables industry to help us to achieve our ambition to create a world-class renewables powerhouse in this country. For every £1 that is drawn down from the levy surplus to be spent in Scotland on developing renewables, a proportionate level of ring-fenced funding for Scotland will be put into the green investment bank, up to a total of £250 million.

**David Whitton (Strathkelvin and Bearsden) (Lab):** I have a quick question for Mr McArthur. When would we get access to the money?

**Liam McArthur:** I will come on to that point later, although it would probably be a good deal quicker than would have happened had the United Kingdom Labour Party remained in power after May this year.

The mechanism takes account of future increases in the surplus, and it ensures that fossil fuel levy money will not be neutralised by cuts to the Scottish budget. Let us not forget that the Scottish Government is already spending about £32 million a year on renewable energy initiatives. Unless ministers' plans are to stop that investment and to replace it entirely with fossil fuel levy funding, there is no reason why the funds that have been identified for Scotland through the mechanism will not be drawn down.

Instead of welcoming that genuine offer of a means to unlock the much-needed funds, instead of acknowledging the substantive and rapid progress that has been made by the new coalition Government since the election in May, and instead of committing to work constructively with UK counterparts to ensure that the full benefits are

realised for Scotland, the Labour Party, the Greens, and the SNP Government in particular are standing previous promises and positions on their heads in order to attack what is a pragmatic and workable solution that would resolve the impasse and ensure that our renewables industry gains access to vital funds, on which its future depends.

The minister's amendment calls for the immediate placing of the fossil fuel funds under the control of the Scottish Government. That clarion call from the SNP will come as something of a surprise to anyone who was present at the Energy Institute conference in Aberdeen on 22 February 2007. They might have thought that they heard the then plain old Alex Salmond MP proclaim, with customary modesty:

"I am delighted to say that I have secured a commitment from Ofgem that the £50m lying in their accounts from the fossil fuel levy will be released on request to the Scottish Executive".

Not only was that promise not delivered in the SNP Government's first 100 days, as it was claimed it would be, but some 1,253 days later, the now First Minister was still checking his bank statements in vain.

**The Minister for Transport, Infrastructure and Climate Change (Stewart Stevenson):** The claim is made that the money is "additional". We cannot get access, without a reduction in our departmental expenditure limit, to the money that is there—the money is transferred to the green investment bank and we get it in three years' time. It is the same money. We are paying for the money that goes in the bank with our money. Where on earth is the additionality?

**Liam McArthur:** As I have explained, unless the minister was proposing to replace any existing spend on renewables with the fossil fuel levy fund, the funding is additional, by any measure.

Mr Salmond's blustering rant in the *Daily Record* this morning suggests that, over the course of 24 hours, the sceptical but still relatively pragmatic approach of Mr Swinney to the proposals has been completely overturned by the First Minister. Mr Swinney wants more detail, as did Mr Stevenson, and that is a position that I understand and respect. Mr Salmond, however, wants nothing to do with the proposals—a position that will strike many people in the industry as putting partisan politics above the interests of what is a key sector for growth in the Scottish economy. Perhaps in his speech the Minister for Transport, Infrastructure and Climate Change can shed more light on whether it is the cabinet secretary's position or that of the First Minister that represents the Government's approach. It cannot be both.

In comparison with the First Minister's 1,253 days of fruitless waiting, it took the Liberal

Democrat Chief Secretary to the Treasury and the Secretary of State for Energy and Climate Change just 153 days to set out how they plan to honour their commitment, in conjunction with the establishment of the widely welcomed green investment bank. More discussion on how that mechanism can work in practice will certainly be needed. I fully accept that, and it appeared that Mr Swinney does, too. A workable basis for the discussions to take place has now been created. Further consideration will be necessary regarding the details and timeframes according to which the green investment bank can fulfil its vital role in taking on the risks that the market is failing to finance, thereby catalysing further private investment in green infrastructure.

That represents decisive action on an issue on which there has been a damaging and seemingly intractable impasse for too long. Given the singular failure of the previous UK Labour Government to address the issue during its time in office, it is somewhat surprising that Labour members now seem to be content to ride on the coat tails of the SNP amendment, demanding that the funds be released immediately to the Scottish Government. Not so long ago, we were told that the funds were caught in a Treasury straitjacket from which Houdini would fail to escape.

**Lewis Macdonald (Aberdeen Central) (Lab):** Will the member give way?

**Liam McArthur:** I do not have time, I am afraid. Mr Macdonald can explain it in his speech.

I whole-heartedly agree that the green investment bank should be set up as soon as possible, and that it should be located in Scotland. On that point, I sincerely hope that the Scottish Government will now agree to work with the Secretary of State for Scotland, with the parties that are represented in this Parliament and with the wider group of industry and other stakeholders, in making the most compelling possible case for that to happen. I respectfully suggest that achieving that will require the bombast of Mr Salmond to be replaced by a more measured and constructive approach from Scottish ministers. It is a little rich, however, for such demands to be made by a Labour Party that has been content for so long to leave the issue in the "too difficult" box.

As for the Green amendment, it is frankly wrong. Tagged on to the SNP amendment, it departs from the view of environmental non-governmental organisations that the funds should be free from political control.

The potential for the Scottish renewables industry is huge. The worrying recent events in Argyll—the uncertainty surrounding the Skykon facility—provide a timely reminder that achieving

that potential is far from inevitable. I hope that the minister will update us on the efforts that he and his colleagues are taking to address the situation at Machrihanish. As Peter Jones suggested in *The Times* yesterday, the developments illustrate the real problems that are created in an industry by lack of finance. That is why Danny Alexander's proposals for the fossil fuel levy and the establishment of a green investment bank have been widely welcomed.

By the Scottish Government's own calculations, the fossil fuel investment will help to create 4,200 direct and indirect jobs in Scotland. Already, the turbine manufacturers Gamesa and Siemens have announced, on the back of the developments, that they are to set up in the UK. We must ensure that Scotland can attract those and other such facilities. I urge Parliament to support those efforts by developing the proposals that have been made, and I have pleasure in moving the motion in my name.

I move,

That the Parliament welcomes the commitment of the UK Government to allow the Fossil Fuel Levy surplus to be deployed for its purpose of supporting renewables in Scotland by delivering £250 million of additional funding for Scotland through the green investment bank; recognises that this offer will provide substantial additional resources for Scotland, in excess of the accumulated £180 million Fossil Fuel Levy surplus, and represents significant progress in releasing these funds to Scotland; supports the early establishment of the green investment bank, and calls on the Scottish Government to signal its agreement in principle to this offer and agree to draw down the existing and future surpluses to fund spending on renewables.

10:31

**The Minister for Transport, Infrastructure and Climate Change (Stewart Stevenson):**

Many of us are very grateful to Liam McArthur for raising this subject. The debate gives us the opportunity to hold the UK Government's proposal on the use of the fossil fuel levy up to the light. When we do that, it is impossible not to notice the serious loopholes and fundamental flaws that riddle what is apparently a generous offer.

Mr McArthur has suggested that there is a division between the First Minister and the Cabinet Secretary for Finance and Sustainable Growth. I assure him that there is not. The division on the matter is between the proposals that have now been put forward by Liberal Democrats and their manifesto, which on page 74 speaks about

"a one-off payment in the 2011 budget."

They said that they would

"give control of future revenues to the Scottish Government. This will likely lead to an increase in resources for Scotland of around £250 million in 2011-12."

That offer is very distant from that which is now before us, which would mean having a three-year period during which we are denied access to the money in any meaningful way. It is our money, as a Parliament; it is our money, here in Scotland.

I hope that I can reassure Liam McArthur that we are fully engaged on the Skykon issue. There will be a meeting today involving Scottish Enterprise and Skykon.

If we postpone the money until 2013, it will be utterly irrelevant to the issues that are faced by companies, which have needs today. That is very different from the proposition that is before us. I hope that, by the close of the debate, Liam McArthur will also be able to see that; that is, assuming that he cannot see the flaws already, and is instead choosing to draw a veil over them.

Let me restate the basics of the situation. The fossil fuel levy surplus, which is money that has been raised from renewables projects in Scotland, as funded by Scots consumers, sits at £190 million. Liam McArthur might, of course, wish to amend his motion in that respect. Indeed, in only nine days, he has resiled from a figure of £500 million, which is referred to as being fossil fuel levy money in the Liberals' press release of 20 October.

By statute, the money can be spent only on promoting renewable energy in Scotland. The money simply cannot be drawn down and spent for that purpose, however, unless the Treasury allows it to be added to the Scottish block spending limit—something that it has repeatedly failed to do. I acknowledge that, at the end of his term in office, the outgoing Chancellor of the Exchequer showed signs of movement on that issue, and we welcome that.

The motion, in common with the UK Government's offer, pivots on the risible proposition around the interpretation of "additional". Let us be absolutely clear: the offer from the UK Government, which has found such uncritical support on the Scottish Liberal Democrat benches, does not change the position of the previous UK Administration by one iota. In effect, the UK Government is saying that if we draw down our fossil fuel levy money and use it for our planned renewables expenditure during the next few years, it will use its corresponding savings—from reducing the Scottish block accordingly—to add to the green investment bank, which is not directly under the control of the Scottish ministers or the Scottish Parliament.

**Gavin Brown (Lothians) (Con):** How does the minister explain the enormous gulf in tone between what his Government is saying and what all the Scottish business organisations and

Scottish Renewables are saying about the announcement?

**Stewart Stevenson:** Gavin Brown should be very careful in ascribing to business and Scottish Renewables support for the proposition that is before the Parliament. It is clear that there is significant concern about the timing of access to the money. We should have access to the money right now. By 2013, many of the key opportunities for the renewables industry in Scotland will have passed us by. That is key—

**Gavin Brown:** What about the Scottish Investment Bank?

**Stewart Stevenson:** There is a debate for members of Gavin Brown's party to have and I hope that they will address the issues.

We might see funds in three or four years' time. That does not help us with our immediate needs and opportunities. The green investment bank will fall far short of the minimum of £4 billion to £6 billion that is demanded by the renewables industry, which would have been expected already to have delivered major investments and benefits for Scotland's renewables and low-carbon sector.

It is absolutely unclear to me why anyone who is outside Liam McArthur's narrow circle should find the offer welcome. It is also hard for me to reconcile the member's enthusiastic welcome for an offer that takes money away from the Scottish Parliament and the renewables sector with the aim that the Scottish Liberal Democrats set out in their manifesto this year, which was that the release of the money would

"lead to an increase in resources for Scotland of around £250 million in 2011-12."

That is the commitment to which Liam McArthur signed up, but how it has changed since his colleagues took their places in the new UK Government. It has unravelled, to the extent that Liam McArthur's motion hails as generous an offer that takes vital resources away from the Scottish Government and the Scottish Parliament and away from the needs of the renewables industry.

The offer that is before us is not in Scotland's interests. We have expressed serious reservations and we asked for urgent clarification on vital aspects, but our questions have not yet been answered. The offer is a chimera; it is a conjuring trick, it is a con and it is a sleight of hand, which takes money that was raised in Scotland and locks it away to meet an existing UK Government commitment at some unspecified, but probably distant, future point. Rather than welcome such an offer, we, along with others who share our interest in the matter, will continue to fight for Scotland's interests.

I move amendment S3M-7269.1, to leave out from “welcomes” to end and insert:

“notes Scotland’s massive renewable energy resources and the opportunities to turn Scotland into Europe’s clean green energy powerhouse; notes the UK Government’s proposals that would result in Scotland’s Fossil Fuel Levy fund helping to form part of a wider UK green investment bank fund that is due to be established in 2013-14; notes the lack of detail underlying that commitment and the risk that this could delay vital funding for the renewables sector in Scotland for several years, and calls urgently on the UK Government to release these funds and place them in the control of the Scottish Government and Scottish Parliament in a way that can be rapidly deployed to support Scotland’s renewable energy sector.”

10:38

**Lewis Macdonald (Aberdeen Central) (Lab):** It was Alistair Darling who, as Labour chancellor, announced plans to establish a green investment bank earlier this year, with £2 billion in capital to support initiatives that support a low-carbon economy. The decision of the incoming Westminster Government to follow Labour’s lead is welcome, in spite of the 1,000-day delay until 2013-14 in setting up the green investment bank and the reduced funding of only £1 billion.

Alistair Darling also committed Labour at Westminster to a review of the fossil fuel levy, in the context of the comprehensive spending review, while at the same time making available new money to support offshore wind power, because he recognised that now is the right time to consider every available means of boosting investment in the renewable energy sector. We welcome the fact that the UK Government followed that Labour lead, too, when it promised to review the fossil fuel levy in the context of the CSR. Of course, a review of a problem is not the same as a solution. It is a pity that the UK and Scottish Governments chose to hype up the promise of a review as if it represented a whole new chapter in bilateral relations. We can now see how limited the respect agenda has proved to be.

Last year, in its report on determining and delivering on Scotland’s energy future, the Economy, Energy and Tourism Committee called on the Scottish and UK Governments

“to work constructively together to see if a way can be found that will release the funds held by Ofgem in its fossil fuel levy account in a manner which will not impact on the Scottish Consolidated Fund.”

Nobody pretended that that would be easy, least of all Labour members, but we were clear that the impact on the Scottish Government’s departmental expenditure limit was the key challenge that must be met. However, George Osborne did not directly acknowledge that last week when he laid out his proposals, and nor did Liam McArthur mention the issue in his motion or in his speech: indeed, he

avoided any explicit reference to the impact on DEL, which was disappointing.

The chancellor did not say, either, whether the green investment bank would have the freedom to leverage private funds, as Labour planned, or would simply be an agency that would distribute public funds. We know one thing, which is that it will not lend a penny to anyone for another three years.

**Liam McArthur:** For clarification, I say that I made it clear that part of the green investment bank’s remit would be the leveraging in of private investment and new investors into the green infrastructure.

**Lewis Macdonald:** It is just a shame that the design for doing that is not in place and is not intended to be in place for several months to come.

The fossil fuel levy is worth nearly £190 million. It has been gaining in value year on year. In that context, if investment of £250 million after 2013 is intended as a trade-off against taking the value of the levy out of the Scottish Government’s budget, that might not be as good an offer as some members would have us believe it is.

**Gavin Brown:** Will the member take an intervention?

**Lewis Macdonald:** I am afraid that I do not have time.

We need to know what the chancellor’s proposals mean. We need to know what the consequences will be for Scotland’s devolved budget and we need to know what other trade-offs might be involved.

The Secretary of State for Scotland was asked yesterday to support calls from Labour for the green investment bank to be based in Scotland. He failed to take the opportunity to do so. He said:

“The decision on the location of the green investment bank has still to be taken.”—[*Official Report, House of Commons*, 27 October 2010; Vol 517, c 299.]

He said that as if the decision was someone else’s. Perhaps it is, or perhaps the UK Government’s decision on where the bank should be is linked in some way to whether there is agreement on the fossil fuel levy.

The amendment in my name calls for the green investment bank to be set up as soon as possible and for it to be part of Scotland’s financial services sector. I hope that our proposal will attract broad support in this lively debate, and I hope that all parties will find it possible to support it.

I move amendment S3M-7269.1.1, to insert at end:

“, and believes that the green investment bank should be established as soon as possible and should be based in Edinburgh.”

10:42

**Patrick Harvie (Glasgow) (Green):** The tone of Liam McArthur's speech suggested that he is a little disappointed that the rest of us are not cheerleading for the Liberal-Tory Administration but are being a tad critical of it. I can only suggest that he gets used to that, because the amount of criticism that will rightly be due to the Administration during the next few months might upset him further.

In many ways, it is gratifying that the principle of renewable energy becoming an increasingly important—and, we hope, the fundamental—aspect of our energy system has gained traction right across the political spectrum. Once upon a time, not so long ago, only the Greens and a handful of environmentalists were banging the drum for renewables; now the issue is up there in some shape or form on every political party's agenda. That is very much to be welcomed. The down side of that, I suppose, is that any issue that is recognised as important across the political spectrum can turn into a bit of a political football. What is astonishing is the low standard at which political football is currently being played in this country.

It is obvious that there are huge differences between the Green and Tory-Lib Dem approaches to many of the issues that face the country, including issues that impact on renewables. We would not be pursuing a dramatic cuts agenda. We would be imposing a financial transactions tax and we would be returning to progressive income taxation, to secure real investment in priority areas, including renewables. We would be considering the already publicly owned banks, such as the Royal Bank of Scotland, which hugely overshadow the small amount of investment that will be put into the green investment bank, and we would be looking to turn those existing public banks into green investment banks. The Lib Dem way, on the other hand, is to slash spending, not only across the board but particularly on energy efficiency schemes, ditch the party's opposition to nuclear power and offer rhetoric on renewables investment but, objectively, less money to invest.

Let us consider the green investment bank, as Lewis Macdonald did. Previously, it was a £2 billion scheme, but now it is a £1 billion scheme. It is still a drop in the ocean compared with the capital investment that publicly owned banks are putting into other, dirtier forms of energy. There is still no detail on the bank's operation and a great delay in the timing, as the Government amendment notes. We will see not a penny of the

money this year or next year, when the public sector and the wider economy need the investment most urgently.

The fossil fuel levy is, objectively, already allocated to Scotland. We should just get it spent. If the rules prevent us from spending it now, we should change them. The two parties in front of me are running the UK Government, like it or not. They have it within their power to change the rules now and allow the fossil fuel levy to be spent immediately. Instead, money is being shuffled around. There are cuts upon cuts on the block grant and sleight of hand. Sleight of hand ought at least to be convincing, but there is no danger of Danny Alexander or Michael Moore being accepted into the Magic Circle on the basis of their performance to date.

The real agenda should be investment, not cuts. We should also be talking about public ownership and community ownership of at least a proportion of our energy generating capacity. I await with interest the Scottish Water bill from the Scottish Government to see what that can do in the way of publicly owned energy generation. An urgent transformation is needed.

We need to ditch oil and coal. Renewable energy does not cut carbon emissions; burning less of the fossil fuels does. Renewable energy will meet our need for energy once we burn less of the fossil fuels but, while the UK Government still commits to projects such as deep-water oil drilling, it will have zero credibility on the transformation of our energy system.

I move amendment S3M-7269.1.2, to insert at end:

“believes that, by cutting the money available to the green investment bank, replacing a small proportion of this cut with money already set aside for investment in Scotland and then further cutting the Scottish block grant if this money is actually spent in Scotland, the UK Government is attempting a transparent act of sleight-of-hand that the Scottish Liberal Democrats should be ashamed to support.”

10:47

**Gavin Brown (Lothians) (Con):** Many members have missed a fairly simple fact thus far: prior to the general election, moneys had lain in the fossil fuel levy account for year after year and there had been no movement at all until, shortly before the election, the chancellor at the time decided that he might consider the situation. He had not been minded to consider it in any of the years previously but, close to the general election, he was minded to consider it.

In a short space of time post the general election, the position has shifted. The coalition agreement contained a pledge to review the situation as quickly as possible. When Prime

Minister David Cameron visited the Scottish Parliament, he had discussions with the Scottish Government and, last week—after a matter of mere months—an announcement was made in the comprehensive spending review.

It is perhaps not the perfect, neat and tidy solution that the Scottish Government wanted, but we must work within the Treasury's rules—the solution is not quite as simple as Mr Patrick Harvie suggested—and the coalition Government has kept its promise. It considered the issue in a very short time and came up with a solution that comes pretty close to the ends for which the Scottish Government initially asked.

**David Whitton:** When Gavin Brown was having his cosy chats with David Cameron and George Osborne, did he ask them whether they could release the money somewhat earlier than 2013?

**Gavin Brown:** Mr Whitton gives me far too much credit in suggesting that I had cosy chats with the Prime Minister and the chancellor, but I will take it as a compliment, as I am sure it was intended.

The announcement was made last week in the CSR. There is a pledge to give details of how the green investment bank will operate in the spring of 2011. It is not a case of simply magicking a bank from nothing; a process must be gone through to set it up.

David Whitton suggests that the bank will not do anything until 2013. I do not know whether anything will happen before that, but there is a pledge to give all the details in the spring of 2011, which is a matter of months away. He may wish to reflect on the fact that, for many years when his party was in power, nothing happened on the issue.

**Stewart Stevenson:** I occasionally speak about my previous experience and do so again now. I was part of the team that set up Sainsbury's Bank in 12 weeks. At the beginning of that period, we did not know the products; at the end of it, we had the first customers. Getting the licence—

**Members:** The Scottish Investment Bank!

**Stewart Stevenson:** Getting the licence took a single week, so why are we waiting until 2013 for a green investment bank?

**Gavin Brown:** We have a man of magic in the chamber. All I say to Mr Stevenson is, in that case, please get involved in getting the Scottish Investment Bank up and running. If he can really pull rabbits out of hats, perhaps he can get involved in the saltire prize before 2025.

**Stewart Stevenson:** Will the member give way?

**Gavin Brown:** Let me close, because I have only four minutes.

I am astonished at the Government's negativity, which I contrast with the tone of Scottish Renewables, which asks fair and perfectly reasonable questions such as, "When will we get the detail, how will the money be distributed and on what basis will it be distributed?" It also said:

"The pledge of £250m Green Investment Bank funding ring-fenced for Scotland is welcome".

What a pity that the Scottish Government could not ask those reasonable questions and take a similar tone to Scottish Renewables.

**Stewart Stevenson:** I quote from Scottish Renewables in today's *Daily Record*:

"The next six"—

**The Deputy Presiding Officer (Trish Godman):** Minister, the member is finished and I did not call your name.

10:52

**Ross Finnie (West of Scotland) (LD):** No doubt the minister has had more jobs than there are members of the Parliament.

There are two matters that we must address. First, Lewis Macdonald was right to remind us that the problem with the fossil fuel levy moneys has proved difficult. However, with respect, the Labour members are on extremely shaky ground because they failed absolutely to advance any prospect of a solution.

The problem is tricky. It concerns the way in which the Scottish consolidated fund interrelates with and is inextricably linked to the Barnett formula, which is inextricably linked to how we organise our monetary policy in the UK.

Before Mr Stevenson takes relief from that by telling us that his so-called normal independent country would be relieved of those obligations, I tell him that he would not be so relieved because he would stick to the pound and, as long as he did that, to those monetary arrangements. He cannot dive out from under the cover of those delicate, intricate and tricky negotiations. It would be much more helpful if, as Gavin Brown suggested, we had simply taken a more positive view.

**Stewart Stevenson** rose—

**Ross Finnie:** I say to the minister that standing and waving at me like a traffic policeman is unlikely to induce me to give way.

**Stewart Stevenson:** Will the member give way?

**Ross Finnie:** On that basis, I am more generously prepared to give way.



**Stewart Stevenson:** My politeness in not interrupting the flow is obviously agin me.

If the rules would apply to an independent Scotland inside the sterling area, they would also apply to a UK Administration inside the sterling area. Therefore, there would be exactly the same, symmetrical issue with releasing the money by any mechanism from a UK Government. I see no difference.

**Ross Finnie:** I am glad that the minister has caught the point, because that is the position. That is the difficulty. It is not an easy matter than can simply be resolved.

The UK Government's proposal is an active proposition. Of course we could consider reforming the Barnett formula and a total reform of the Scottish consolidated fund, but the UK Government has proposed a mechanism that allows the money to be used.

Mr Stevenson kept saying that we are taking money away. Let me remind him that, in the ordinary use of the English language, before someone can have something taken away, they must have it. The Scottish Government does not have the fossil fuel levy or access to it. Therefore, to pretend that everything has been taken away is a preposterous notion that is not supported by the ordinary use of the English language. The position that we all take is that we should have access to that money. We have protested about that for long enough.

**Stewart Stevenson:** Will the member take an intervention?

**Ross Finnie:** No. Access to the money has been the problem, and the Government in Westminster has made a proposal. I deeply regret that the Government in Holyrood is not engaging with the UK Government on how that money can be delivered most efficiently and effectively.

**Ms Wendy Alexander (Paisley North) (Lab):** I concur with the member that all of us should be encouraged that progress has been made, but will he acknowledge that the key issue in the development of offshore wind in the next three years in Scotland is port infrastructure? Vince Cable has committed £200 million to that and associated purposes, starting from next April. The most pressing issue in our agenda must be securing parallel investment in Scotland, starting not in 2013 but in 2011, on the timetable that was planned by both the previous and the current UK Governments. That is the most pressing issue.

**Ross Finnie:** I do not deny that there is a pressing issue there, but Wendy Alexander will have to accept, although I think that she will not agree with me, that the whole profiling of capital and revenue expenditure has to be seriously

amended to take account of the financial situation. There must be priorities within that.

In conclusion, the priority is to elevate the importance of both offshore development and port development, which is critical to offshore development. If we are serious about that, we should engage with a positive proposal, not whinge about it. It is regrettable that the other three parties are doing that.

10:57

**Rob Gibson (Highlands and Islands) (SNP):** It seems that the mother of Parliaments and Whitehall, with their great might, find it impossible to change Treasury rules in order to release a small amount of money that was raised in Scotland and is urgently required for Scotland. Members who support the Scottish National Party amendment understand that. The Scottish Government and the Scottish Parliament need the £190 million fossil fuel levy now to keep on track renewable energy developments that we have in hand. Hijacking the cash to seed-fund the green investment bank could occur only after 2013, as has been said. That move defies reality and the evidence that has been in front of the eyes of the Secretary of State for Energy and Climate Change.

The Scottish Government's national renewables infrastructure project calls for harbour and infrastructure investment to be the top priority now, when we are suffering drastic cuts in our coffers. Chris Huhne saw that need with his own eyes on a visit to Caithness and the northern isles earlier this month, and that was underlined by his alacrity in re-announcing a £2 million grant from the Nuclear Decommissioning Authority's regeneration fund, arising from decommissioning Dounreay, for the Scrabster harbour development package. This week, the Crown Estate announced the new sea bed lease on the inner sound between the Caithness coast and Stroma island in the Pentland Firth. Scrabster harbour is the preferred base of operations of the chosen bidder, Atlantis.

How are harbours to launch tidal and wave machines and offshore windmills and how are firms to get projects kick started to realise our huge marine energy potential? This week, the UK Government announced that £60 million for harbour development would not be available in Scotland. That underlines the fact that there is a disconnect between what is happening in the UK Government and here. Yesterday, Michael Moore had the cheek to say in the House of Commons:

"Scottish Ministers can direct Ofgem to pay an amount from the Scottish fossil fuel levy account to the Scottish Consolidated Fund, which could be used for such projects. If Scottish Ministers do that, they will benefit from our arrangements for the devolution of at least £250 million for

Scotland from the green investment bank.”—[*Official Report, House of Commons*, 27 October 2010; Vol 517, c 295.]

How could he keep a straight face? That is smoke and mirrors. Michael Moore pretends that he cares, but refuses to make Scotland's money available when it is urgently needed without a penalty of equal amount to the Scottish block grant. Tell that to the people of Caithness and the enterprising board of Scrabster Harbour Trust, which is trying to facilitate the renewables revolution.

The Scottish Liberal Democrats must answer for the UK Secretary of State for Energy and Climate Change, Chris Huhne.

**Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD):** Will the member give way?

**Rob Gibson:** No. Chris Huhne snubbed the Economy, Energy and Tourism Committee when it was due to meet in public session on 5 October. He also snubbed the Cabinet Secretary for Finance and Sustainable Growth, John Swinney, all for a union jack-waving tourist visit to Caithness and the northern isles.

**Iain Smith (North East Fife) (LD):** Will the member give way?

**Rob Gibson:** I am sorry; I have no time.

There is zero respect for the Scottish Parliament in London and among Liberal Democrat MSPs. In reality, our efforts to promote renewables have been set back by more than three years. What a record for five months of Liberal Democrats in the UK coalition.

The UK green investment bank, for which I have campaigned from the off, should be set up quickly and should be based in Edinburgh. It should not be funded by looted Scottish fossil fuel levy funds that are needed at this crucial stage to keep the Scottish Government's and the Scottish Parliament's agreed climate change targets and renewable energy delivery on track. That is the position in the Parliament, and Stewart Stevenson's amendment sums it up.

11:01

**Duncan McNeil (Greenock and Inverclyde) (Lab):** No one can doubt our massive renewables potential in Scotland in offshore wind and tidal resources and the positive impact that it could have on the Scottish economy by increasing our energy supply and creating tens of thousands of sustainable jobs in constructing turbines, building barges and jackets, and maintaining the operational infrastructure. Speedy access to significant investment in that potential is necessary. Competition is fierce throughout Europe and, indeed, within the UK.

We welcome the fact that the UK Government is going ahead with the Labour plan to create a green investment bank, which Alistair Darling announced in the 2010 budget. However, there is, of course, disappointment about the announcement that it will not be in place until 2013, with the understandable risk that the vital development funding will be delayed for several years. If we take a positive—some would say naive—view that matters will be resolved, the question is how well prepared we are in Scotland to move quickly and wisely on agreed priorities.

The national renewables infrastructure plan was commissioned by the Scottish energy advisory board, chaired by the First Minister, Alex Salmond. That work was heavily influenced by Highlands and Islands Enterprise and supported by Scottish Enterprise. The report's task was to identify sites in Scotland that offer the greatest opportunities for development for use as construction sites. A matrix and weighting were applied to a number of sites in the selection process for investment. It is important that little weighting was given to population, skills, capability or the cost of bringing a site to the market. Given the context of today's debate, that is surprising, to say the least.

It is significant that there was a 25 per cent weighting for proximity and geography. That is a little odd, as the east coast site that is up and running is engaged in delivering contracts for the west coast of Ireland on a commercial basis. There are no barriers to competing in that market. Of course, the consequences of that matrix and decision-making process were predictable. The Clyde area, with its population, skill base, deep-water docks and infrastructure, will lose out on the opportunity even to be considered on an equal basis to gain a foothold in the emerging renewables industry and the significant benefits that that would have in an area with higher-than-average unemployment.

**Stewart Stevenson:** Will the member take an intervention?

**Duncan McNeil:** Very briefly, because there is not much time.

**Stewart Stevenson:** I agree with the general thrust of what the member says, but I point out that Hunterston is identified in the infrastructure plan—the investment costs are estimated at £65 million.

**Duncan McNeil:** I will come on to that issue, on which I have some specific questions for the minister, to which I hope that he will respond.

Who would have believed that while the country was coming together to ensure that Ministry of Defence contracts from the UK Government resulted in jobs in the shipyards of the Clyde, the Scottish Government was proceeding with plans

that would exclude the Clyde from participating in the renewables jobs of the future? The significant potential of the renewables industry is an opportunity for the whole of Scotland, and the Government must ensure that access to that opportunity is not hindered unfairly or weighted against.

Does the minister recognise that although proximity may be a factor, it is not as significant a factor as the infrastructure plan's application of a 25 per cent weighting—to the detriment of the Clyde—would suggest? What will be the implications of this week's sad news from the Machrihanish site, which has suffered another failure, despite receiving significant funding from the Scottish Government, for the west coast cluster?

In his intervention, the minister mentioned investment at Hunterston. Given the tight financial situation, is it not overly ambitious to propose a plan that would require £65 million to develop? The proposal is not viable. Will the minister review the national RIP?

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

**Duncan McNeil:** Will he ensure that that happens before the RIP is confirmed in the national planning framework?

11:07

**Christopher Harvie (Mid Scotland and Fife) (SNP):** Sixteen years ago I wrote the only history of North Sea oil that has been written so far, and I view the Government's energy efficiency action plan through those lenses. It represents an excellent step towards a sustainable society, but its very merits tend to remind one of a saying beloved of investment bankers: "This time it's different."

The old ghosts still walk. The first of those is social inertia. A travel survey by Stirling Council found that 82 per cent of staff drove to work by car, 1 per cent cycled and 11 per cent walked or ran, which is a third of the number of people who walk or run to work in Copenhagen. Alas, I think that the Stirling Council figures are more representative of Scotland as a whole than those of Holyrood, which are not too bad.

If we look further into the background, we find that funding for environmental research in the UK amounts to £90 million annually, whereas the bill for research on weaponry is £2.5 billion. Secondly, peak oil will soon be on us. The bulls are already talking about oil costing \$100 a barrel. Within six years, I think that it will have reached \$200 a barrel. We can kiss goodbye to an awful lot of mobility.

Thirdly, climate change is a fact, as the introduction to the action plan implies in the one line in which it quotes Sir Nicholas Stern. We can expect a wetter, windier Scotland and more flooding and landslides—think of the A83 or the Bervie braes and the carbon costs involved. Stopping disasters may be as important as deploying new marine generators. Two years ago, flooding cost the UK £2.7 billion. The tsunami that swept the Indian Ocean five years ago went off the scale—it cost at least 50 times that.

However, there are ways in which we in Scotland, because of our position, can benefit from such appalling setbacks. We can use them to bounce back into providing global solutions. We can expand pump storage, the efficiency of which has increased from 58 to 90 per cent, to store the irregular electricity that is produced by wind, tidal and current power. The hydro schemes that were developed by Tom Johnston and the reservoirs of Scottish Water can help to make Scotland an electric battery for Europe.

Scotland is also well placed to tap the north-east passage through the melting Arctic ice sheet, which lops 7,000km off the journey from the far east. Germany, Belgium and Holland either have densely trafficked seas or not much sea at all. Orkney and Shetland can be the new break-bulk ports. We have perhaps a quarter of Europe's usable marine power resources, the research on which is only beginning. It is as if we have reached the stage of the steam engine in 1760, before James Watt came along.

Our disadvantages are the lack of appropriate authority, the lack of revenue streams and, above all, the lack of trained labour. That is our most immediate need. In world war one, the Clyde fitter beat the Kaiser as much as the soldier did, but that debt went unpaid and Thatcher, in Sir Alastair Morton's words, blew the oil money on the dole. We have only a fifth of the trained personnel who are available to German industry. We need a major, well-funded technical training initiative, and we need assistance from Europe, from companies such as Sweden's Vattenfall, Germany's Voith or Norway's Statoil. We need an efficient, single-door gateway—a Statoil for renewables—and we need it now.

11:11

**Sarah Boyack (Edinburgh Central) (Lab):** I welcome the debate and thank Liam McArthur for using Liberal Democrat time to enable us to highlight the parts of the renewable energy agenda on which there is cross-party agreement. It is important that we continue to push ahead.

Liam McArthur was right to highlight the partisanship that has been the hallmark of Alex

Salmond's time in office. We need to be able to work together. Independence is a complete distraction, which diverts us from focusing on how we can push ahead. Not all speakers have agreed with one another, but they have agreed on the need to keep pushing ahead on renewables and that a constructive approach is required.

The key issue is how we can use our political weight to ensure that the green investment bank is set up as quickly as possible and that it is based in Edinburgh. If we are to get the maximum benefit from it, those two issues must be pursued. We need clarity, and I hope that the Liberals will support our amendment, the intention of which is to maximise support across the chamber. There is a strong case for the green investment bank to be established as soon as possible and in Edinburgh. As Wendy Alexander said, we need the ports investment now, not in five years' time.

We also need the detail. I say to my Conservative and Lib Dem colleagues that we have got as far as we have done on the green investment bank thanks to the years of toiling in the undergrowth of the Treasury by Labour ministers to ensure that the detailed arguments would be put forward effectively. We expect the coalition to continue that work. The Conservatives and the Lib Dems are in the driving seat now, so we look to them to push that case. We will do our job by pushing hard and being constructive in Parliament, but we need clarity. Hard work must continue to be done on the detail, because we cannot afford to have a hiatus in investment in renewables.

Last month, Edinburgh Chamber of Commerce hosted a fantastic renewables conference that brought together people across the investment wing and people in the renewables industry to talk about how we can move forward now. We all know that we have fantastic opportunities. We have moved on from having a modest proportion of energy generation from renewables to a position in which more than 30 per cent of it comes from renewables.

The big challenge is how we can crack marine renewables over the next decade. That does not mean doing so in a decade's time; it means doing that work now, next year and the year after that. Infrastructure is important. We need the expertise to be used properly. That is why the siting of the green investment bank in Edinburgh represents an opportunity. Leading investors are based in Edinburgh, and Scottish and Southern Energy and Scottish Power operate here. The major fund companies, both in private equity and venture capital, are located in Edinburgh. Collaborative research and funding involving our higher education institutions in Edinburgh and Glasgow are already in place, and our experience of work

between the public and private sectors is mature. That is why the green investment bank could work extremely well in Scotland. It is not a question of bringing hundreds of new investment jobs to Edinburgh; it is about using the jobs that we have and having a key number of well-qualified people who are experienced at operating at a high level who can take the process forward. We need to be able to work with investment at UK level, but there is a major opportunity for us in Edinburgh.

As Ron Hewitt, the head of Edinburgh Chamber of Commerce, said:

"we have this huge asset of renewable energy in wind and waves and a lot of very large fund managers who might be interested in supporting these activities."

We have an opportunity here that could benefit not only Edinburgh but the Clyde area, Fife ports, Nigg and Argyll. There are infrastructure, manufacturing and offshore investment opportunities throughout Scotland. The Parliament's united commitment must be not to let time slip. Let us all vote for the Labour amendment and add our weight to the cross-party campaign.

Mike Crockart, a Lib Dem member of Parliament in Edinburgh, has responded to Mark Lazarowicz MP's initiative to pull us together to discuss the issue. I support Mike Crockart's early day motion at Westminster. Let us vote for the Labour amendment here. We can disagree on the detail, but the key issue is whether we work together to keep the momentum going. The people who are now in government down south need to work with us here in Scotland. Let us all pull together and deliver the right message today.

**The Deputy Presiding Officer:** We move to the wind-up speeches.

11:15

**Patrick Harvie:** At one point in Stewart Stevenson's speech, he seemed to be quoting from something described as the Liberal Democrat manifesto. Perhaps he did not get the memo from the ministry of truth that there never was such a document. All the same, he properly expressed concern over the timing and scale of investment from the UK Government.

On scale, we have been reminded that between £4 billion and £6 billion is required. That is the estimate of the industry and it is an estimate that I would endorse. Only a fraction of the cut from £2 billion to £1 billion in the green investment bank is replaced by the fossil fuel levy. We need to recognise that, objectively, whichever way we cut the deck of cards, the investment going in is a reduction on what we had been led to expect.

Gavin Brown said that the fossil fuel levy money has lain dormant in an account year after year.

Sadly, it will continue to do so. That is an issue of urgency. Several members have talked about the reasons why renewable energy is an urgent area for investment and why we will not exploit the opportunities that exist unless we get the investment in place now. Wendy Alexander and Duncan McNeil made points along those lines. Wendy Alexander talked about the importance of port infrastructure and, in particular, why investment in that area is so urgent. We will miss out on the opportunities offered by marine renewables unless we get that investment in place soon.

Duncan McNeil made some hugely important points and reminded us of the need to ensure that all of Scotland can benefit from opportunities in renewables. Renewable energy could be a renewable economy opportunity, particularly in the west of Scotland. Jobs on the Clyde and elsewhere could be genuinely sustainable, rather than the economy limping from one military contract to another, going through an eternal cycle of threat and reprieve.

My amendment introduces the phrase “sleight-of-hand”. That mood seems to have caught on. Even Gavin Brown joined in when he described Stewart Stevenson as “a man of magic”. I am not sure that I would go that far. However, other members have used terms such as “conjuring trick”, “con” and “smoke and mirrors” to describe the actions of the UK Government. Sleight of hand often works by distracting the eye. We can all be pretty confident that the Lib Dem-Tory attempt to distract us all from the fact that their agenda is monumentally one of vicious cuts will fail completely over the coming months.

On the wider debate, we should be asking ourselves what renewable energy is for. Some regard it merely as a great new industry from which jobs and gross domestic product can come. It is, but it is much more than that. It is about transforming our energy system, such that we are helped to meet our carbon emission targets. However, wind turbines going round or renewable energy devices operating in the sea—whatever they end up looking like—will not in themselves cut carbon. What they will do, in that tired old phrase, is help to keep the lights on.

If we saw the renewable energy opportunity as part of the transformation of our energy system, we would be talking about real investment, including, as Chris Harvie mentioned, public sector investment and community-owned infrastructure. We would be talking about the huge amount of money that will be made in the sector and saying, “Let’s keep some of that for the common good, not just for the private sector.” It would be accompanied by investment in demand reduction, decentralisation and disinvestment in coal, oil, tar

sands and nuclear—the dead-end technologies of the past.

I urge members to support all the amendments.

11:20

**Jackson Carlaw (West of Scotland) (Con):**

Who would have thought that we would live to see the day? Before us this morning is an unequivocal and wholesome tribute from Scottish Liberal Democrats to the Westminster Government led by the heirs of Disraeli, Churchill and Margaret Thatcher. My colleagues and I here in Scotland, in the Scottish Parliament, will be supporting this inaugural and tangible motion of acknowledgement by our great new friends and colleagues. It draws attention directly to the fruits arising from David Cameron’s visit to the Scottish Parliament, almost within hours of becoming Prime Minister, with the then Liberal Democrat Secretary of State for Scotland. I say “then”—we wait several lifetimes and wonder at the spectacle of just one Liberal Democrat secretary of state, when, like buses, along comes a second almost without drawing breath.

While I have no trouble welcoming the motion, how uncharacteristically churlish is the minister’s amendment? Normally a man noted for being of such generous heart and spirit—a man dripping in consensual pragmatism—that he, of all ministers, should surprise us by devouring a whole bag of soor plums ahead of the debate is a disappointment beyond appropriate expression. His bed will not be an easy place for him to rest tonight, bedevilled as he will be by his conscience, and troubled as he will be at this small-minded commentary in the face of a considerable success: the agreement of Her Majesty’s Government to the surplus in the fossil fuel levy being, in the words of the Liberal Democrat motion,

“deployed for its purpose of supporting renewables in Scotland”.

The only virtue of the minister’s amendment—this was canny of him—was to put down a marker to his own First Minister. The text of the motion does not spell it out, but it is true that those funds are for the development of renewable energy. The minister was no doubt alarmed—spooked even, given the season—that the sophistry of his boss might mean that the meaning of “renewables” could be extended to include renewable policies, and that the money could be diverted to renew a national conversation, the failed local income tax or any one of the many abandoned policies of this Administration, now in the winter of its days. Therefore, I commend him at least for slapping down firmly the craven ambitions of his colleagues, putting them in their place and making it clear that he is completely in tune with the Westminster Government’s intention that the

surplus should be used to develop renewable energy opportunities in Scotland. I see Mr Neil bursting to intervene.

**The Minister for Housing and Communities (Alex Neil):** Does the member agree that the fossil fuel levy would be far more valuable if the same amount of money did not have to be deducted from another budget if we take it up?

**Jackson Carlaw:** It is a shame that Mr Neil was not here to hear the excellent contribution from my colleague Gavin Brown. As he said, this is not a perfect neat and tidy solution. However, it is progress, and it is far faster than any progress on the saltire prize, the Scottish Investment Bank, the Scottish Futures Trust and even the great future that we are now told to expect for Scottish Water, about which I expect we will hear very little between now and next May. This from the minister who told us that he personally was responsible for getting Sainsbury's Bank up and running within 12 days, when I have a firm recollection that it was in fact Delia Smith who cooked up that recipe.

I commend to the minister Ross Finnie's contribution. Mr Finnie dealt directly with the issue of immediacy. I commend, too, Liam McArthur for the way in which he dealt with the various amendments. I greatly enjoyed Lewis Macdonald's contribution—his extolling of the virtues of the death-bed leadership qualities of Alistair Darling was a tour de force in suppressed laughter at his own well-received joke. Labour did nothing yet said plenty, and it was plenty of nothing, plenty late in the day. That said, I am happy to indicate that we will support Mr Macdonald's amendment, if not the substance of the amendment that he seeks to amend.

I have come to the conclusion that, at heart, Patrick Harvie is a kind soul. I keep hoping that at some point he will lodge a motion or an amendment to which I and my colleagues feel we can lend our support, but it just never happens. He is always so angry—his glass is always half empty. He needs to follow current trends in the world's climate and chill.

In essence, the decision tonight will be between those who welcome something that will benefit Scotland and those who do not. The progressives in the chamber will welcome this progress and vote for the motion.

11:24

**David Whitton (Strathkelvin and Bearsden) (Lab):** I welcome the opportunity to take part in the debate and to follow Jackson Carlaw. He says that Labour has done nothing but, if I heard him correctly, we have done something: we have persuaded him to support our amendment. It is

also kind of him to take time out of his very busy schedule to be with us today—

**Members:** Hear, hear!

**David Whitton:** If newspaper reports are to be believed, he might have been expected to be doing something somewhere else.

It is interesting to note the collective heat that the debate has engendered—if members will excuse the pun. There has been enough heat in the debate to power the chamber for some time. It has also been interesting to note the contrast in the relationship between those on the Conservative benches and those on the Liberal Democrat benches between this debate and the previous debate on transitional rates relief. Instead of daggers drawn, they are now all pals together.

Apparently, it has been said elsewhere that at Westminster Lib Dem MPs are acting as not just a human shield for the Tory-led Con-Dem Government but a nuclear shelter. That might not be acceptable in a fossil fuel debate, but the Lib Dems are certainly providing plenty of shelter today, outnumbering the two lonely Tories by four to one.

**Jeremy Purvis:** Following the member's line of thought, how does he explain the Labour Party opposing the SNP in the previous debate but supporting it in this one?

**David Whitton:** As someone who represents a constituency where we have Labour and Tories running the council, I am used to such alliances.

Mr Finnie said that the minister has had more jobs than there are members of the Scottish Parliament. To come to Mr Stevenson's defence, I can safely say that he has certainly had more jobs than there are Liberal Democrat members.

As Mr Carlaw said, we welcome the fact that the Tories are going ahead with Labour's plan for a green investment bank. Whatever he may think, it was announced in March by Alistair Darling, and it is also worth noting that Labour intended to put £2 billion into the bank, not just the £1 billion that is currently proposed. As ever, Labour had more ambition and ideas for the UK than the Conservatives have.

One consequence of the change of Administration at Westminster is that, sadly, Tory and Liberal ministers now make the decisions. As we have heard from Gavin Brown and Liam McArthur, they now have access to the corridors of power, which they did not have before. What good is that doing Scotland? As Lewis Macdonald and Mr Gibson both commented, yesterday at Westminster the current Secretary of State for Scotland, Michael Moore, who is fast becoming the Con-Dems' man in Scotland rather than Scotland's man in the Cabinet, refused to support

Labour's call for a green investment bank to be established here in Scotland, and more particularly here in Edinburgh. Perhaps Mr Brown can have a word in the ear of Prime Minister Cameron. Who knows? It may be to the Tories' electoral advantage here in Scotland. They can hardly do any worse than they are doing just now.

My colleague Sarah Boyack laid out strong reasons why the green investment bank should be based here in Scotland's capital city, in a country that will also be the centre of the UK's renewables industry. Much was made of how long we will have to wait for the green bank to release funds. I remind the chamber that our own Economy, Energy and Tourism Committee said in its report that it wants everyone

"to work constructively together to see if a way can be found that will release the funds held by Ofgem in its fossil fuel levy account in a manner which will not impact on the Scottish Consolidated Fund."

That was the unanimous view of the committee. Perhaps its convener, Iain Smith, will tell us what the impact will be, if he agrees that there will be an impact, and whether he acknowledges that his party is now accepting less than his committee demanded last year. The same question also goes to Mr Brown.

In conclusion, I urge the chamber to support our amendment.

11:29

**Stewart Stevenson:** This has been an interesting debate, if not a particularly consensual one. I will try to respond to points that have been raised, but I say at the outset that I have heard nothing to alter our perception that the UK Government's proposal on the fossil fuel levy is nothing but a bad and very late deal. As such, it is not appropriate.

Scottish Water has been mentioned a couple of times. I am working hard on the future for Scottish Water, and we will be excitingly engaged in that in the future.

**Mike Rumbles (West Aberdeenshire and Kincardine) (LD):** Excitingly engaged?

**Stewart Stevenson:** It is always exciting when I am involved.

Ross Finnie made an interesting contribution. He actually said—I am going to check the *Official Report*—that it is not our money. The reality is that I have a statutory instrument on the matter signed by Allan Wilson in 2005 and another from 2002 that clearly indicate that the powers to collect and attribute the money lie here. Under the proposals in front of us, control is to be taken away and given to others.

**Ross Finnie:** Will the minister take an intervention?

**Stewart Stevenson:** I simply do not have time.

Gavin Brown quoted Scottish Renewables. Perhaps he should read more carefully what has been said elsewhere. In today's *Daily Record*, Scottish Renewables says:

"It would be a massive missed opportunity if this money cannot be freed up"

to support Scotland's renewables sector over the next six to 12 months. No contribution to the debate has suggested that we are even faintly near that. Indeed, on the Liberal Democrats' position, today's *Daily Record* leading article states:

"It is a bad deal and the Lib Dems' brassneck in defending it, as they will at Holyrood today"—

the newspaper is correct on that—

"is breathtaking."

**Jeremy Purvis:** If I understand the minister correctly, he is saying that the money should be Barnett consequentialised. The only area to be protected for Barnett consequentialised in this spending review is health. Not one penny of that money has been committed for renewables under the Government's own preferred method.

**Stewart Stevenson:** I am really quite baffled by the introduction of Barnett consequentialised to the debate. This is our money. It has been taken away from the control of the Scottish Government and this Parliament and put elsewhere. There is no new money. Absolutely fundamentally, and leaving aside questions of ownership and disposition, the critical thing is that it is being delayed by three years, in particular comparison with what the Liberal Democrats stated before the election. I do not know whether that was in the Liberal Democrat manifesto, but it was certainly in a document for the election, and on page 74 the Liberals said that in 2011-12—

**Duncan McNeil:** Will the minister take an intervention?

**Stewart Stevenson:** I will.

**Duncan McNeil:** If we had the money, would the minister seriously spend £65 million on the development of Hunterston? What do we need to do to ensure that the west coast cluster is viable?

**Stewart Stevenson:** The £65 million is the total project cost, not the Government's cost. It is also worth making the point that there is a cluster approach that will ensure that we look at the opportunities. I give that assurance to the member, and we will hear more about it at a later stage because he makes an important and

relevant point that it is correct to draw to our attention.

Sarah Boyack says that independence is a distraction, but forgive me if I take a fundamentally different view. If we could take independent control of the money, we could decide how to spend it, notwithstanding the issues of being in the sterling area or not, which are entirely a red herring that we need not concern ourselves with.

I say to Jackson Carlaw that soor plooms are one of the traditional Scottish sweets, and I am happy to sook them to boost my energy levels at any other time—if only we could suck the money out of the coffers of Ofgem so that we could refresh the economy of Scotland.

**Sarah Boyack:** Will the minister give way?

**Stewart Stevenson:** I am now 30 seconds from the end. I am sorry but I simply cannot.

It is absolutely vital that the money is made available to Scotland immediately and in a way that is additional. It will enable us to start making investments in Liberal areas right across Scotland—Scrabster harbour, Orkney, Shetland and Kishorn. Liberal voters will be looking at the behaviour of their MSPs in denying them access to the money with some grave concern indeed.

11:34

**Iain Smith (North East Fife) (LD):** This has been an interesting but rather disappointing debate because of the very unconstructive approach that has been taken by all parties in the chamber apart from the Liberal Democrats and, on this occasion, the Conservatives. It is extremely disappointing—

**David Whitton:** Will the member give way?

**Iain Smith:** Give me a minute to get started. I will address some of the reasons why I think that the debate has been so disappointing, and the member should feel free to interject once I get going.

I say to the minister that I do not take, never have taken and never will take my view on political events from the leader writer of the *Daily Record* or from any other newspaper. It is for us, as politicians, to make the judgments that we think are right for Scotland, not to follow the headlines of the day in the popular newspapers. It is sad that so many members, for far too long, have decided that the headlines in the *Daily Record* are more important than getting things right for Scotland.

The minister made a number of points and I will pick up on some of those. He talked about the issue of when the funding will be made available. A number of members have mentioned the fact that the green investment bank will not be up and

running until 2013, but I am afraid that that is not necessarily the case. The departmental funding for the green investment bank will not be available until 2013—that is certainly the case—but the green investment bank will also receive funding from the sale of assets, which may be available at an earlier date. We do not know when those sales of assets will happen or when that money will be available, but it could be available even in the next financial year. The money could be available at an earlier date, so to argue consistently that 2013 is the date is just wrong.

**Stewart Stevenson:** Is that an announcement that we are now going to see delivery of the Liberal Democrat manifesto pledge and that we will get the money in the immediate next year?

**Iain Smith:** I will not take lessons from the SNP on the delivery of promises. I will not take lessons from the SNP on anything in the energy field, as its record of delivery is appalling. The energy efficiency action plan, which was commissioned by the previous Government in 2005, was delivered only a couple of weeks ago—it has taken the Government five years to deliver it. The saltire prize was meant to be available in 2013, but that could now be 2014, 2015, 2016 or even 2017—it might not be delivered even in the lifetime of the next Parliament. As for the Scottish Investment Bank, we will wait and see on that one. I will not take lessons from the SNP on the delivery of promises.

Let me be perfectly clear. Lewis Macdonald talked about the committee calling on the Scottish Government and the UK Government to work constructively together to find a method of releasing the funds that are held by Ofgem in its fossil fuel levy account. This is a method of releasing that money. Someone who worked for Sainsbury's would recognise it as a buy one get one free offer. If we spend £1 million from our existing budget on renewable energy projects, we will get £1 million in additional money guaranteed for Scotland to be spent on renewable energy projects. That is a good deal for Scotland.

**Lewis Macdonald:** Will the member confirm that that £1 million would be deducted from the Scottish consolidated fund and that the scheme, therefore, does not meet the objectives that the committee agreed?

**The Presiding Officer (Alex Fergusson):** You have 40 seconds, Mr Smith.

**Iain Smith:** The committee said that it should not impact on the Scottish consolidated fund and it will not impact on it because that money—£32 million in the current budget—is already being spent on renewable energy. That will generate £32 million of additional funding through the green investment bank with the drawing down of £32



million from the fossil fuel levy. That is additional money for Scotland, which it does not have at present. The scheme will provide equivalent funds from the fossil fuel levy and will not impact on the Scottish consolidated fund. That is the reality of the situation and something that members must learn. Instead of carping about it and trying to make cheap political points or engaging in political posturing, we should engage with the UK Government on how we can get on with it and get the money drawn down sooner than 2013. Let us also engage with the UK Government on the location of the green investment bank. We support Sarah Boyack's amendment, although we cannot support the amendment that it seeks to amend. There should be a unanimous call, from across the chamber, for the green investment bank to be based in Scotland.

The green investment bank is a good deal for Scotland. It will do something that the Labour Party never did in 13 years in government and that the SNP has failed to achieve in three and a half years in government—it will give Scotland access to the fossil fuel levy money to invest in our renewable energy infrastructure now and over the next few months. I ask Patrick Harvie how something can be cut when it does not exist. His amendment talks about the money that is available to the green investment bank being cut, but it does not exist at the moment. It is £1 billion of new Government money plus additional money from the sale of assets such as our shares in the banks.

I commend the motion to the Parliament.

**The Presiding Officer:** Thank you, Mr Smith. Your time keeping is much better than mine.

## Scottish Executive Question Time

### General Questions

11:40

#### Public Expenditure Reduction

**1. David McLetchie (Edinburgh Pentlands) (Con):** To ask the Scottish Executive what level of reduction in public expenditure in Scotland for which it is responsible it would not consider to be “too far too fast” given the financial situation inherited by Her Majesty's Government. (S3O-11715)

**The Cabinet Secretary for Finance and Sustainable Growth (John Swinney):** The cuts that are planned by the coalition Government are, as Mr McLetchie says, too fast and too deep. Next year alone, our overall budget will fall by £1.3 billion in cash terms, including a fall of £800 million in the capital budget. Those cuts to our capital budget threaten 12,000 jobs. I accept that the management of the public finances by the previous United Kingdom Government means that a substantial period of fiscal adjustment is now unavoidable. However, that should be achieved by promoting economic growth, which will create jobs, increase tax receipts and reduce welfare spending. In contrast, the austerity measures that have been proposed by the coalition risk undermining the economic recovery, increasing unemployment and doing further damage to the public finances. As we argued in the joint declaration by the devolved Administrations, the cuts should be scaled back and phased in over a longer period of time. That emphasises the urgent need for Scotland to have the same financial and economic powers as other nations, so that we can grow our economy and revenues and protect our vital public services and fairness in our society.

**David McLetchie:** The cabinet secretary tells us that the cuts should be scaled back, but he omits to tell us what that scaling should be, showing a reluctance to provide a straight answer to that type of question that the Scottish National Party shares with the Labour Party. Perhaps I can help him out. The Scottish Government has just published a report in which it claims to have made a total of £1.47 billion-worth of cash-releasing efficiency savings in just two years. Amazingly, while Mr Swinney was slashing, burning, hacking and cutting at public spending over the past two years, nobody noticed—the world did not come to an end and our public services did not grind to a halt. The amount, in cash terms, that Her Majesty's Government is asking the Scottish Government to save over the next four years is

less than the amount of cash that Mr Swinney claims to have saved in the past two years. Will he explain why a future Scottish Government cannot carry on, over the next four years, doing exactly what he has done over the past two years, thereby extricating us from the financial mess that we inherited from Labour?

**John Swinney:** I agree with Mr McLetchie that the coalition Government inherited a financial mess from the Labour Party.

The point that Mr McLetchie slides past in his question is one that he regularly raises with Parliament about the additional burdens that are placed on our public services as a consequence of things such as changes in demography, increasing health care needs and increasing demands on council services—he is wont to raise such issues with me frequently when I appear before the Local Government and Communities Committee. Our cash-releasing efficiencies programme has delivered the capability to achieve more from an increasing sum of money from public finances. Mr McLetchie is now asking us to cope with all that increased demand and increased pressure in the context of a sharply declining real-terms budget—a budget that is declining much more sharply than was ever proposed or was ever the case under the previous Labour Administration. That is the difference between the two situations to which Mr McLetchie refers.

**The Presiding Officer (Alex Fergusson):** I accept entirely that this is an important subject, but for a question to take that long and for an answer to be equally long is just not on. I am afraid that I am unable to allow any supplementary questions on the issue.

### Inveramsay Bridge

**2. Mike Rumbles (West Aberdeenshire and Kincardine) (LD):** To ask the Scottish Executive whether it will fulfil its commitment to replace the Inveramsay bridge during its current term of office. (S3O-11670)

**The Minister for Transport, Infrastructure and Climate Change (Stewart Stevenson):** The Government has made a commitment to deliver a new Inveramsay bridge as part of wider upgrades to the A96. Inveramsay has long been a serious hindrance to local people and acts as a block to development. Transport Scotland has now received the feasibility study into options to upgrade the bridge, which it is considering. In the light of that, I have asked Transport Scotland to complete its consideration of the options as soon as possible and to seek out opportunities to support the economic and social needs of communities along the A96, including Moray.

**Mike Rumbles:** Now that the minister has received the study, after three and a half years of inaction, will he outline in detail what funding he has allocated to the project to fulfil the Government's commitment to complete the project within this term of its office?

**Stewart Stevenson:** It is passing strange that Mr Rumbles chooses to raise this subject, given the previous inertia and lack of attention to the needs of the users of the A96 and, specifically, the Inveramsay bridge. It is only due to the actions of the Administration that is now in office, along with the active and committed engagement of the local member, that we are seeing the kind of progress that is taking place. Mr Rumbles really ought to look at the progress that is being made, at the benefits that we seek to deliver and, particularly in these difficult times, at the acceleration of work on this that I have asked to take place.

**Nanette Milne (North East Scotland) (Con):** The minister will be aware that I have been urging action on the Inveramsay bridge for a number of years. He will also be aware that the height restrictions that were recently imposed on the bridge are forcing vehicles over 14ft 6in to divert via Colpy, which is impacting adversely on the local agricultural community. That not only has an impact on the local economy but leads to increased vehicle emissions.

**The Presiding Officer:** Question, please.

**Nanette Milne:** Will the minister give serious priority to the Inveramsay bridge? When might work be expected to start?

**Stewart Stevenson:** We are giving the bridge priority. We recognise the issues for freight traffic due to the change in the way in which heights are measured and are actively engaged in that matter.

**Maureen Watt (North East Scotland) (SNP):** Does the minister agree that, after 10 years of Liberal Democrats being in government in this place and 30 years of them representing the Gordon constituency in Westminster, it is only now, under the Scottish National Party Government, that Inveramsay bridge has featured in any transport plan and that action is being taken to address one of the most notorious bottlenecks in the north-east of Scotland?

**Stewart Stevenson:** Absolutely.

**The Presiding Officer:** Question 3 was not lodged.

### Carbon Trust (Agricultural Sector)

**4. John Farquhar Munro (Ross, Skye and Inverness West) (LD):** To ask the Scottish Executive what specific support the Carbon Trust gives the agricultural sector in terms of advice or loans. (S3O-11666)

**The Cabinet Secretary for Rural Affairs and the Environment (Richard Lochhead):** Through the Scottish Government's funding support, the Carbon Trust offers energy site surveys to Scottish businesses with an annual spend of £50,000 and over, including those in the agriculture sector. We also support the Carbon Trust's industrial energy efficiency accelerator, which works with many energy intensive sectors, including animal feeds and dairy.

**John Farquhar Munro:** The minister will be aware that anaerobic digestion represents a particularly attractive technology for the Scottish agricultural sector. The process not only provides farmers with a way of disposing of organic waste but also allows for the production of green energy and usable byproducts such as fertiliser. Given the recognised advantages of this green and practical technology, what action is the Scottish Government taking to help rural land managers throughout Scotland to take advantage of it?

**Richard Lochhead:** The member raises a good issue, which is the contribution that our farmers and those in the agriculture sector can make to greening Scotland, reducing our emissions and securing business benefits from that.

I assure the member that many initiatives are under way to help the agriculture sector to take advantage of energy efficiency measures, ways of lowering their emissions and waste management processes, including anaerobic digestion. The rural development programme offers some kind of support for that kind of initiative, and we are also considering new ways in which loans can be made available to the agriculture sector in order to get some of those measures under way.

#### **Bervie Braes**

**5. Nigel Don (North East Scotland) (SNP):** To ask the Scottish Government what support it is providing to protect the Bervie braes from future landslips. (S3O-11681)

**The Cabinet Secretary for Finance and Sustainable Growth (John Swinney):** The Scottish Government agreed on 19 March 2010 to provide a £2 million contribution to Aberdeenshire Council for slope remediation work on the Bervie braes. It is a now matter for Aberdeenshire Council to take forward.

**Nigel Don:** For the record, I should make it clear that I am talking about the Bervie braes in Stonehaven—there are others.

The minister will be aware of the issues surrounding consent from residents that is required for the Bervie braes work, and that that has the potential to hold up the project past April 2011. Can he confirm that, if the project is

delayed, Scottish Government funding will still be available at a future date?

**John Swinney:** I assure Mr Don that the Government will work very co-operatively with Aberdeenshire Council on this matter and that, if issues arise out of an impact on the timescale of the sort that Mr Don raises, the Government will work co-operatively and effectively with Aberdeenshire Council to resolve them.

I hope that, given the seriousness of the issue, and the speed with which the Government acted to address the concerns of the members of the public in Stonehaven whom I met when I visited the site, progress can be made as timeously as possible to ensure that stability is applied to the Bervie braes.

**Alex Johnstone (North East Scotland) (Con):** Given that the project will be jointly funded by the Scottish Government and Aberdeenshire Council, will the minister take into account any difficulties that the council might have under the current funding round, to ensure that that is not an obstacle in the way of the work that is to be carried out?

**John Swinney:** Mr Johnstone will appreciate that the only way in which we can proceed on this matter is through co-operative activity between Aberdeenshire Council and the Scottish Government. That has been my approach, and I appreciate that it has been reciprocated by Aberdeenshire Council.

Under the funding arrangement that is in place, the council must contribute funds according to the terms that I have set out. We will, of course, engage with the council, but I reiterate the point of principle that the council must contribute in the fashion that I have set out.

#### **“The role of boards” (Audit Scotland Report)**

**6. John Wilson (Central Scotland) (SNP):** To ask the Scottish Executive what lessons have been learnt from Audit Scotland's report on the role of boards. (S3O-11703)

**The Cabinet Secretary for Finance and Sustainable Growth (John Swinney):** The Scottish Government welcomes Audit Scotland's report. We continue to look for ways of further strengthening the relationship between the Scottish Government and public bodies as we take forward our public services reform agenda.

**John Wilson:** In the key messages section of its report, Audit Scotland says that it accepts that the Scottish Government has made progress with its public sector reform agenda. However, it goes on to say:

"Chief executives and their boards have parallel lines of accountability and this can cause confusion over who leads the organisation".

How does the cabinet secretary intend to deal with that issue?

**John Swinney:** The question is important because it recognises that public bodies have to have clear direction and leadership. In some circumstances, that will flow directly from ministerial letters of guidance or direction, which boards must respond to in a constructive and positive way. I am confident that we have in place strong arrangements for ministers to make clear to public bodies and senior managers, in their line management responsibility to boards, what is expected of them. However, if any improvements are required to ensure that there is clarity in the leadership of public bodies, the Government will, of course, act in that fashion.

### Broadband Services

**7. Jim Tolson (Dunfermline West) (LD):** To ask the Scottish Executive when it last met United Kingdom Government ministers to discuss the provision of broadband services in Scotland. (S3O-11675)

**The Cabinet Secretary for Finance and Sustainable Growth (John Swinney):** The last meeting between Scottish ministers and UK ministers on the subject of broadband provision in Scotland was on 22 February 2010, when the Minister for Enterprise, Energy and Tourism met Stephen Timms, the then UK Minister for Digital Britain.

Following the Scottish Government's successful bid to the UK Government for inclusion of the Highlands and Islands as one of the four UK rural market testing pilots for superfast broadband, as announced by the Chancellor of the Exchequer on 20 October 2010, a further meeting is now being sought with relevant UK ministers. That meeting will focus on the next steps for the deployment of the pilot and will discuss more generally the support that may be available for improved broadband access throughout Scotland.

**Jim Tolson:** I am glad to hear that, although there have been no meetings with the present UK Government ministers, such meetings are planned.

Although the situation in the Highlands and Islands is important, the failure to provide a good service is adversely affecting local businesses in constituencies such as mine, Dunfermline West, with those people who work from home being particularly poorly served at the moment. What is the minister planning to do in those discussions with UK ministers to help home workers who are striving to help the Scottish economy?

**John Swinney:** Jim Tolson raises an important point about home workers, which my visit to Vertex in Dingwall the other week clearly illustrated to me. There are many home workers in the company who use information technology and broadband communications to take part in various activities.

As part of the Government's agenda for connectivity, on which the Minister for Culture and External Affairs published some material the other week, we will engage in dialogue with the UK Government and service providers to maximise the capability of broadband use in Scotland. It is a significant contributor to our country's economic potential, and the home-working sector offers an opportunity into the bargain.

**Aileen Campbell (South of Scotland) (SNP):** Is the cabinet secretary aware that in my region, the South of Scotland, many residents suffer from poor internet connections? Although it is welcome that the area that Treasury chief Danny Alexander represents will now benefit from superfast broadband, David Mundell and Michael Moore at the Scotland Office have not been quite so successful in gaining improvements for the South of Scotland. Will the minister outline how the Scottish Government will help rural communities in the south that are not part of the project to gain better internet connections?

**John Swinney:** There have already been three interventions by different Administrations in Scotland to address some of those questions. First, our predecessors put in place the exchange activate programme to install broadband capacity in many rural exchanges, which would otherwise not have happened. Secondly, this Administration has used that deal to expand the capability of many of those exchanges and to increase capacity, as service usage has far outstripped expectations.

Thirdly, we have put in place resources to ensure that people in hard-to-reach locations are able to access a broadband service. The Scottish Government has done a great deal over the years to expand broadband capability. For the roll-out of the next generation of broadband we need an approach that guarantees that rural areas, such as those that my colleague Aileen Campbell represents, and Perthshire and Angus, which I represent, can access broadband services in an efficient and effective way so that there is no digital exclusion in Scotland. We will pursue that approach with providers and the UK Government.

### Gourock to Dunoon Ferry Service Tender

**8. David Stewart (Highlands and Islands) (Lab):** To ask the Scottish Executive what the timetable is for the tendering of the Gourock to Dunoon ferry service. (S3O-11755)

**The Minister for Transport, Infrastructure and Climate Change (Stewart Stevenson):**

Ministers are currently considering the tender and contract documents for the Gourock to Dunoon ferry service. When the documentation is finalised, the timetable for the remaining stages of the procurement process will be announced.

**David Stewart:** The minister will be well aware that in accordance with article 18 of the European Union procedural regulations, the Scottish Government was required to launch a public tender for the route before 2009. The subsequent public service contract should start before June 2011. Will the Government comply with that timetable? If not, is the minister aware that that will cause widespread disappointment in Argyll and Bute and beyond?

**Stewart Stevenson:** We are continuing to work with the European Commission on that very important service but, fundamentally, we seek to deliver for the people of the Cowal peninsula and Dunoon a service that carries both vehicles and passengers. Every part of our effort is directed at ensuring that we give it the best possible opportunity.

**The Presiding Officer:** Question 9 has been withdrawn.

**Glasgow City Council (Meetings)**

**10. Sandra White (Glasgow) (SNP):** To ask the Scottish Government when it last met representatives of Glasgow City Council and what was discussed. (S3O-11701)

**The Cabinet Secretary for Finance and Sustainable Growth (John Swinney):** Scottish Government officials regularly meet representatives of councils, including Glasgow City Council, to discuss a range of issues.

**Sandra White:** Is the cabinet secretary aware of the situation in Glasgow with regard to free personal care and care home admissions? Targets are being set to remove people from free personal nursing care and reduce admissions to care homes, which is resulting in the most vulnerable people suffering, and in some cases languishing in hospital.

**John Swinney:** It is clear that individual assessments must be made about the appropriate care arrangements for every person who is judged to require such assistance, and a range of statutory functions must be followed. If Sandra White is concerned about the way in which those issues have been addressed in relation to particular individuals, I respectfully suggest that she raises her concerns with Glasgow City Council, which should address them.

**First Minister's Question Time**

11:59

**Engagements**

**1. Iain Gray (East Lothian) (Lab):** To ask the First Minister what engagements he has planned for the rest of the day. (S3F-2637)

**The First Minister (Alex Salmond):** Later today I have engagements to take forward the Government's programme for Scotland.

**Iain Gray:** The Cabinet Secretary for Education and Lifelong Learning said yesterday that he was "deeply sorry" that the SNP has thrown hundreds of newly qualified teachers on to the scrap heap. Will the First Minister now do likewise and apologise?

**The First Minister:** Given the extraordinarily poor record whereby, as we know, two thirds of the fall in teacher numbers in the last year has been in Labour-controlled authorities in Scotland, despite the fact that there are not that many Labour-controlled authorities in Scotland, I think that there should be shame across the Labour benches at that dramatic statistic.

**Iain Gray:** Clearly, the First Minister does not share his Cabinet Secretary for Education and Lifelong Learning's shame about the situation, which he said causes him "difficulty", "heartache" and "sleepless nights".

At yesterday's meeting of the Education, Lifelong Learning and Culture Committee, Ken Macintosh referred to Allison Baird, a newly qualified primary teacher. Of her entire class, only four teachers have found jobs: one in Scotland, one in Spain, one in Kuwait and one in Abu Dhabi. Spain, Kuwait and Abu Dhabi—the arc of desperation for new teachers.

Allison's e-mail says at the top:

"I'd love to be there myself"—

she means at the committee—

"however I am lucky enough to have 2 hours work today."

What is the First Minister's advice to Allison? Should she also get on a plane to the middle east?

**The First Minister:** A range of people in society, including young qualified teachers, face a hugely difficult situation. There are 575 teachers in Scotland claiming jobseekers allowance. In my opinion—and, I hope, in the opinion of the chamber—that is 575 too many. The figure is lower than the 665 teachers who were in that position last year. If we compare the figure for teachers claiming jobseekers allowance with the figures for other countries in these islands, we find

that there are fewer in the workforce in Scotland, as there are 10.9 per thousand in Scotland compared with 14.5 per thousand in England, 20.8 per thousand in Wales and 41.6 per thousand in Northern Ireland, on comparable figures.

I know that the Labour Party would like the whole country to engage in collective amnesia about the financial position into which it brought this country, but those comparable figures from across the United Kingdom, combined with the dramatic statistic that two thirds of the decline in teacher numbers in Scotland comes from Labour-controlled local authorities or authorities in which Labour is participating in the administration, show that both at UK level and at local government level this is not the best subject for Iain Gray to ask a question on.

**Iain Gray:** My question was about the situation in Scotland. There is a pretty simple equation here in Scotland. The First Minister promised Scotland that he would maintain teacher numbers, but he has cut 3,000 teaching jobs, and that was in the good times when his budget was rising by about £1 billion every year.

As those 3,000 teaching jobs have gone, there are 2,900 newly qualified teachers who cannot find permanent jobs. It is not rocket science to see what has happened.

Allison Baird says that when she applies for jobs she is unsuccessful because there are often 300, 400, 500, 600 or 700 applicants. Mike Russell said yesterday:

"it will be impossible to protect teacher numbers going forward".

Can the First Minister tell us how many more teachers he plans to cut in the future?

**The First Minister:** As I have said, the situation is hugely difficult for people who face it. However, let us put the figures in context. I said that 575 teachers are claiming jobseekers allowance in Scotland, and I pointed out that that is lower than the figure in any of the other countries in the United Kingdom. Yesterday, 150 teaching posts were advertised on the Convention of Scottish Local Authorities job portal. That is the reality of the statistics.

Iain Gray seems to think that what is happening elsewhere in the UK is irrelevant, but of course it is not irrelevant, because the funding that comes to the Scottish Government is determined by the funding in UK Whitehall departments. The reality is that we are facing not only the cuts from the coalition but a £500 million cut in Scotland's finances this year, which is the first real-terms decrease in Scottish spending in a generation. I know that Labour wants to absolve itself of responsibility for that, but the situation facing not

just our teaching profession but public services in Scotland is a consequence of restrictions in spending and economic difficulties for which the Labour Party was largely responsible. It also has to be said that the fact that Labour local authorities account for two thirds of the decline in teacher numbers indicates that they give less of a priority to teaching than any of the other political parties in Scotland.

**Iain Gray:** The First Minister seems to think that he is irrelevant. However, he is in charge of our education system.

Yes, let us put the numbers in context. The SNP promised to maintain teacher numbers. Yesterday, Mr Russell said that the number that he promised was "arbitrary" and "unsustainable". If that was the case, why did he make that promise? What about having class sizes of 18, cancelling student debt or matching Labour's school building programme? Were they, too, arbitrary and unsustainable promises, or is the truth that the First Minister is prepared to promise anything to anyone to get elected, but never has the slightest intention of delivering?

**The First Minister:** Well now—let us take a look at some of the things that Iain Gray mentioned. He mentioned class sizes—primary class sizes in Scotland are at a record low for a third year running. He mentioned the school building programme—as we now know, 303 schools are being built or refurbished in Scotland. *[Applause.]*

**The Presiding Officer (Alex Fergusson):** Order.

**The First Minister:** We know that that is more than Labour would have built or refurbished, because it promised only 250 in its last manifesto.

We also know that finance is of no concern whatever to Iain Gray, because in a document entitled "Ideas for a Fairer Scotland: Report of the Scottish Labour Policy Forum", which has fallen into my hands, it says:

"This document is not a costed list of Labour policies in Government".

It is an unrealistic wish list from a party that will never be close to government in Scotland again.

## Prime Minister (Meetings)

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

To ask the First Minister when he will next meet the Prime Minister. (S3F-2638)

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

**Annabel Goldie:** When last month I raised with the First Minister the funding crisis that is facing our universities, he had no answer. Indeed, that

was the day that he came, he saw and he did not have a clue. Today, our Scottish universities are acknowledging the crisis by accepting that there will have to be a graduate contribution and calling for urgent action. Those are all points that the Scottish Conservatives have made repeatedly. If the First Minister still does not have a clue, does he at least accept the principle that graduates are going to have to contribute to the cost of their degrees?

**The First Minister:** We are committed to finding a uniquely Scottish solution to university funding and we have made it clear that we want to ensure that all sensible ideas, no matter how radical they are, are given a chance to be aired. The only measure that has been ruled out is a return to tuition fees, as previously supported by the Conservative party.

**David McLetchie (Edinburgh Pentlands) (Con):** No.

**The First Minister:** David McLetchie says no, but my very clear memory is that when the Parliament voted to abolish tuition fees, the proposal was opposed by the Conservative party. At that time, of course, it was supported by the Liberal Democrats—I think that there might have been a change of heart in the intervening period.

No decisions will be made until all those with an interest, including students, the universities and university staff, have offered their views. An all-party summit with university and student representatives will be held on 15 November to give the other parties, including Annabel Goldie's, the chance to make a constructive contribution. The Scottish Government will publish a green paper by the end of the year that lays out the options that are available to us with a view to reaching a solution by the second half of 2011.

**Annabel Goldie:** Listening to the First Minister, he is like some latter-day Nero, strumming out "Gaudeamus Igitur" on his fiddle while tongues of flame reach out to our universities. This is a First Minister who talks but never leads, a First Minister who ducks and dives round the problem but never solves it, and a First Minister who will always do the populist thing rather than the right thing.

When our own universities now concede that graduates will have to contribute to the cost of their education, and when the National Union of Students accepts that, why cannot the First Minister accept that simple principle so that we can all get on with working out the detail?

**The First Minister:** I am glad that Annabel Goldie's remedial classes in Latin are still on train.

In relation to the relative position of Scottish and English universities, she should remember the

statement from Alastair Sim, the director of Universities Scotland:

"I would say we're in a better position than in England, where we've already been told to expect £600m of further cuts in addition to what's already been announced, so I would rather be here than in England at the moment."

That comment was made before the comprehensive spending review, which shows a dramatic decline in higher education funding south of the border.

As Annabel Goldie well knows, the important point is that, through consequentials, what happens south of the border is reflected in the funding settlement for Scotland. That is why we are committed to finding a distinctively Scottish approach. I believe—and we all have to combine to ensure—that that approach is much better than either the funding or the position facing students in England or elsewhere south of the border.

### Secretary of State for Scotland (Meetings)

**3. Tavish Scott (Shetland) (LD):** To ask the First Minister when he will next meet the Secretary of State for Scotland. (S3F-2639)

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

**Tavish Scott:** The SNP has promised to cut senior managers in the health service over the next four years. Can the First Minister explain how much senior non-clinician pay has increased in Scotland since that sunny day in 2007 when he became First Minister?

**The First Minister:** As Tavish Scott well knows, it has been the Government's position for some considerable time to restrict the distinction awards in the national health service, which are the most substantial part of bonuses across the health service. We received a dusty response from the previous UK Government when Nicola Sturgeon took that initiative. Let us hope that the present Government is prepared to follow Tavish Scott's lead on this matter, if nothing else, and that the distinction awards are restricted.

On the general position, Tavish Scott should understand that, in terms of the overall public sector wage bill, there are certainly going to be great sacrifices, but we cannot cut across previously established contracts of employment. If we did that, we would end up in the Court of Session or the Supreme Court for the foreseeable future. I am sure that not even the Liberal Democrats would support that.

**Tavish Scott:** None of that was an answer to the question that I asked.

The accounts of Scotland's health boards show that in 2007, the number of non-clinical staff who

earned more than £50,000 a year was 617. Today, it is 1,790. Alex Salmond's army of NHS managers who earn more than £50,000 a year now numbers 1,790. The total pay bill then was £34 million. Now, it is £104 million. Pay is three times higher under the SNP and the number of health board managers has trebled. How has all that happened?

**The First Minister:** Taking the pay bill of the health service, Tavish Scott seems conveniently to omit that there are far more people working in the health service now than there were in 2007.

**Members:** Managers!

**The First Minister:** Well, there are, but the bulk of the increase is in clinical staff—in nurses, doctors and dentists—compared with the deplorable position that was left by the previous Liberal-Labour Administration. Instead of taking the approach that he has taken, Tavish Scott should welcome the initiative to cut the senior managers pay bill in the health service by 25 per cent. That emphasises the front line, which is the Government's policy.

Many statistics are used to measure performance in the health service, but the one that perhaps really matters is that on public satisfaction with the national health service, and that public satisfaction is at a high in Scotland—much higher than it was when Tavish Scott was a minister. That is because of the direction that the current Administration has set and its investment in Scotland's national health service.

**Margaret Curran (Glasgow Baillieston) (Lab):** Is the First Minister aware of allegations about practices at a care home in my constituency of Baillieston, which the *Daily Record* has highlighted this week? Will he follow the investigations and make every effort to ensure that residents in care homes in Scotland and their families can be assured of a safe and caring environment?

**The First Minister:** I read the *Daily Record* report and asked officials to give me a briefing. The Cabinet Secretary for Health and Wellbeing will be delighted to meet the constituency member to pursue the issue. As Margaret Curran knows, the issue is subject to a police investigation, which severely restricts what I can say. I know that that will be understood by members across the chamber. The Scottish Commission for the Regulation of Care visited the home following the allegations, and it is satisfied that appropriate action is being taken to protect residents' wellbeing. The care commission will await the outcome of the police investigation before considering what further action it can take. I hope that it gives some assurance to the constituency member to know that the serious and distressing allegations are being investigated appropriately.

All members know that we have a robust regulatory system in place to protect vulnerable people. Of course, no system can guarantee that there will be no cases of abuse, but the important thing is that action is taken swiftly when incidents occur, and that is happening in the distressing case that Margaret Curran raises.

**Alex Johnstone (North East Scotland) (Con):**

In the past week, I have spoken to a number of farmers in Aberdeenshire and Moray who are experiencing serious difficulties with this year's harvest. What action is the First Minister's Government taking to assess the damage that has been caused to this year's harvest by severe weather conditions in the north and north-east and what actions does he propose to take to alleviate the immediate damage to the rural economy?

**The First Minister:** Assessments are being made of harvest conditions, as is done each and every year. The assessments are not yet complete, but the Cabinet Secretary for Rural Affairs and the Environment will be delighted to meet the member and constituency members from the north-east of Scotland to discuss the issue.

#### Defence Spending Reduction

**4. Dave Thompson (Highlands and Islands) (SNP):** To ask the First Minister what steps the Scottish Government is taking to counteract the effects of the reduction in defence spending on the economy. (S3F-2641)

**The First Minister (Alex Salmond):** The threat to the Moray economy is in my view an issue of national importance. The Scottish Government is actively working with the Moray task force to create and secure a sustainable future for the Moray economy. I will continue to press the Secretary of State for Defence to face up to the consequences of the decisions that have been made and to deliver solutions for the people of Moray. I hope and believe that we will continue to have the all-party unity that accompanied the strategic defence review in arguing for the future of Lossiemouth as an air base. It is an immediate and urgent priority that we present that case and that the task force gains all-party support, since we understand that the decision on Lossie might be taken in the next few weeks.

**Dave Thompson:** The First Minister is obviously aware of the devastating effect of the loss of defence jobs in Moray, where there have been Royal Air Force bases in Kinloss and my home town of Lossiemouth for more than 65 years. The local MSP, Richard Lochhead, has been working hard on the issue. Highlands and Islands Enterprise has produced a report on the economic impact, which shows that it could cost £158 million in wages. Of course, Moray whisky contributes hundreds of millions to the Exchequer



every year. I am glad to hear of the steps that are being taken. Does the First Minister intend to attend the rally that is to be held in Lossiemouth on 7 November?

**The First Minister:** Yes, I do. I know that an invitation has been offered to the other party leaders in Scotland or their representatives and I hope and believe that the party unity on the issue will be demonstrated on the platform at that important rally.

I held a meeting earlier this week with the Moray task force. It is difficult to point to an advantage in what is a hugely challenging situation, but one advantage that the people of Moray have is that, thanks to Highlands and Islands Enterprise and the local council, a huge examination has been carried out of the economic impact of the air force bases on the Moray economy. That both concentrates our minds as we fight for Lossiemouth and gives incredibly detailed information on the extent of the economic challenge that is faced. I said that it might seem like small consolation, but in terms of taking the action that is required, it indicates the scale of the economic challenge and therefore the urgency of response that is needed from all relevant and responsible parties.

**David Stewart (Highlands and Islands) (Lab):** Will the First Minister look at three particular issues to help the Moray economy: first, the granting of assisted area status; secondly, whether there could be any further civil service or agency job relocations; and finally, whether he could approach Europe? As the First Minister will know, one can apply for extra structural funds when there has been economic decline in an area.

**The First Minister:** If I am correct, all three of those issues were raised by the Moray task force in the meeting that I had with it earlier this week, and action and initiatives have been taken on all three. Let there be absolutely no doubt about this: the Scottish Government will live up to its responsibilities as far as the people of Moray are concerned. We are talking about an impact on approaching a quarter of the local economy. Few decisions in history have threatened such an economic impact.

Although we might not always look to the United States of America when it comes to social initiatives, the Moray task force made it perfectly clear to me with an illustration from that country that when major bases are closed there, the Department of Defense takes responsibility for remedial action in the local economy with the intention of securing as many jobs and as much investment as the military presence previously provided. We will fulfil our responsibilities and progress the points that the member makes, but everybody in this chamber should ensure that the

Ministry of Defence lives up to its responsibilities as far as the people of Moray are concerned.

**Murdo Fraser (Mid Scotland and Fife) (Con):** We on this side of the chamber have argued for the retention of the RAF bases in Moray, we will continue to do so and we will be happy to be associated with any cross-party campaign on that basis.

Does the First Minister accept that the current UK Government inherited from its predecessors a £38 billion black hole in the defence budget, which made cuts inevitable? Will he join me and my constituents in Mid Scotland and Fife in welcoming the retention of the aircraft carrier contracts that will protect 6,000 jobs at Rosyth and on the Clyde, many hundreds of apprenticeships and the future of the Scottish shipbuilding industry?

**The First Minister:** I will, and I welcomed the decision on the carrier contracts in a letter to Liam Fox that was sent to him yesterday following the meeting with the Moray task force. I am intent on maintaining the cross-party approach to the issue. However, when we had the cross-party meeting with the Secretary of State for Defence and discussed the future of Kinloss, I was able to quote to him the exact phrases that he had used to the Prime Minister about the importance of the Nimrod replacement. The words were not mine or those of Iain Gray, Annabel Goldie or Tavish Scott, but Liam Fox's own words, so I find it difficult to understand why something that was essential according to the Secretary of State for Defence less than a month ago is not essential now.

As far as Lossie is concerned, the reason for taking an all-party approach is that there is to be a discretionary decision on which air base will host the Tornado fleet, therefore it is vital that we argue the case for Moray as a Scottish national case with the support of all the political parties in the chamber.

**Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD):** It is my privilege to represent Scotland's second-biggest infantry barracks at Glencorse in Penicuik, so I am well aware of the impact that hosting armed servicemen and women has on our local economies. The document comprising the Scottish all-party contribution to the defence and security review process was stronger at the end of that process than it was at the start. Can that process be continued to include a national response from the chief executives of HIE, Scottish Enterprise, Skills Development Scotland and the Convention of Scottish Local Authorities leadership group in a national action group that considers all our defence installations in Scotland? As the First Minister rightly says, this is a national issue.

**The First Minister:** Specifically, the Moray task force is preparing a submission on the case for Lossiemouth. At the meeting earlier this week, it asked me whether I believed that the case would be backed by all party leaders in Scotland; I said that I believed that it certainly would. I believe that all party leaders will endorse that document on an all-party basis when it is produced next week. The reason for producing the document quickly is that we believe that the decision on the case will be made in the next few weeks. I hope that that reassures the member of my bona fides in wanting to pursue an all-party approach to such decisions. In my view, that offers the best chance of securing an outcome for Moray and for Scotland.

### Local Authority Budgets

**5. Michael McMahon (Hamilton North and Bellshill) (Lab):** To ask the First Minister whether the Scottish Government plans to give local authorities a one-year budget only. (S3F-2654)

**The First Minister (Alex Salmond):** By 18 November, we will submit for parliamentary scrutiny and subsequent approval a balanced budget, as we must, for the Scottish Government as a whole for 2011-12. That will include the total funding allocation for local government and will be accompanied by an explanation of our priorities for future years.

It is clear that in future years the Treasury's block grant to Scotland will come nowhere close to providing the spending power that is needed to provide vital public services in the way in which they have been provided. As far as possible, we must protect users of services from those cuts in spending. Consequently, we are committed to reform across the Scottish public sector. As members know, recently I announced the establishment of a commission on the future delivery of public services, to be chaired by Campbell Christie, which will provide advice on the options and approaches. We expect the commission to report by next summer. If the present Administration is returned in May 2011, it will be our intention, in the light of the commission's report, to provide for parliamentary scrutiny in September 2011 detailed spending plans for the years 2012-13 to 2014-15.

**Michael McMahon:** I thank the First Minister for confirming that that will be the case. Is he aware that today's edition of *The Herald* includes a letter from the COSLA president, Councillor Watters, who has written in to express his frustration that the First Minister continues

"to tout the fallacy that"

he

"can deliver a council tax freeze",

because the fact is that he

"simply can't and it is outrageous that"

he continues

"to mislead the public."

Councillor Watters also says that the First Minister was being "disrespectful" to councillors and "ultimately ineffectual".

Does the First Minister agree that, given the level of cuts that local government faces, offering it a one-year budget is not good enough, especially when he sees fit to make two-year promises on its behalf? Why does his Government continue to refuse to come forward with budgets? Will he come forward with longer funding proposals, or will he persist in riding roughshod over local government and continue to tout his fallacies, his fibs and his falsehoods?

**The First Minister:** I remind Michael McMahon that this Administration has delivered a council tax freeze in Scotland over the past three years, which has resulted in an average saving of £200 for every household in East Lothian, to take an area of Scotland at random.

I know that the Labour Party has not fully decided what its attitude to the council tax freeze is. I draw Michael McMahon's attention to two developments. On 17 August, the *Daily Record*, which usually has a reasonable idea of the Labour Party's approach, stated:

"Labour leader Iain Gray demands end to council tax freeze".

On the "Politics Show" on 24 October, Iain Gray stated:

"Well, we've never been against freezing the council tax."

Before Michael McMahon tries to evaluate SNP policy, perhaps he should consult and find out which of the schizophrenic Iain Grays will decide on Labour's approach to the council tax.

Finally, I hope that Michael McMahon has seen the document that is before me, which states on page 22:

"Scottish Labour believes that the fairest approach is to have a basket of taxes."

There will not just be big increases in council taxes—there will be a basket of taxes. We look forward to hearing the member explain to the people of Scotland the range of that basket case of Labour taxes.

**The Presiding Officer:** I will wish to study the *Official Report* of the final part of Mr McMahon's question. Members should be very careful about how they address one another in the chamber. Words such as "falsehoods" and "fibs" need to be

very carefully put in context—as do descriptions of other members as being possibly “schizophrenic”.

### **Obesity and Diabetes**

**6. Ross Finnie (West of Scotland) (LD):** To ask the First Minister what preventative action the Scottish Government is taking to tackle obesity and address increasing rates of diabetes. (S3F-2647)

**The First Minister (Alex Salmond):** Scotland has experienced a rise in obesity and diabetes. Reversing that trend is probably the single most effective way of reducing the incidence of diabetes. We have set out how we intend to tackle that over the longer term, and the route map was published in February. More recently, we have also published our diabetes action plan, which aims, among other things, to minimise the impact of the disease on those who already suffer from it.

**Ross Finnie:** I am grateful to the First Minister for that reply. I sit on the Health and Sport Committee, and I am well aware of the plan to reduce the impact of diabetes. My question was more directly about the specific steps that the Government wants to take to try and stop the onset of type 2 diabetes. I wish to press the First Minister on that aspect.

**The First Minister:** As I have said, plans were published over the past few months on coping with the effects of diabetes, and there is also the action plan to tackle the onset of diabetes. We have invested £12 million in a range of programmes over the past three years to tackle obesity, including the counterweight weight management programme, child healthy weight intervention and support for the national health service targets. The action plan has been spread out in eight healthy weight pathfinder communities.

As Ross Finnie will well appreciate, we are dealing with something that will take a considerable time to tackle, and with trends that will take a considerable time to reverse. He will welcome, as I do, the most recent evidence, which shows a substantial change for the better in dietary attitudes among children in Scotland, as well as the activity figures for seven-year-olds in Scotland, which show a substantial rise—and they are better than those in any other country of the United Kingdom.

As regards the long term and the future, I am sure that Ross Finnie would be the first to acknowledge that we can at last see some significant signs that give us hope.

**Hugh O'Donnell (Central Scotland) (LD):** On a point of order, Presiding Officer. In the course of your deliberations with regard to the *Official Report*, will you consider the abusive use of medical terms and disparaging terms in relation to

people with mental health issues, which are bandied about in the chamber as a means of disparaging colleagues?

**The Presiding Officer:** I have already intimated that that will be the case.

12:32

*Meeting suspended until 14:15.*

14:15

*On resuming—*

## Scottish Executive Question Time

### Europe, External Affairs and Culture

#### Gaelic (Adult Learning)

**1. Dave Thompson (Highlands and Islands) (SNP):** To ask the Scottish Government what progress is being made in assisting adults to learn Gaelic. (S3O-11698)

**The Minister for Culture and External Affairs (Fiona Hyslop):** As the member is aware, adult Gaelic learning is central to Bòrd na Gàidhlig's action plan to increase the number of Gaelic speakers, which was prepared for the bòrd at the request of the Scottish Government. We are working with the bòrd to ensure that there is a wide range of effective support in place for adult learners of Gaelic. The bòrd announced on 13 October additional support for the ulpan method of learning. The bòrd is now providing an additional £112,000 for Deiseal in 2010-11, taking the level of support to £202,000 in total, so that the rate of provision can be accelerated. In addition, the bòrd has also approved in principle support of £250,000 for each of the two years after that.

**Dave Thompson:** Perhaps even more important than adult learners are our children. Will the minister update us on the progress that Bòrd na Gàidhlig is making on provision for pre-school children when Taic's contract ends after March next year?

**Fiona Hyslop:** It is important to stress that Taic's funding is in place until the end of this financial year and support from that organisation to local Gaelic pre-school groups should remain in place until then under the terms of Taic's agreement with Bòrd na Gàidhlig.

We also agree with the bòrd about the need, which it identifies in the action plan, to ensure that there is a comprehensive service for Gaelic early-years provision, including funding and support for volunteers, disclosure checking, insurance, payroll services and compliance with the Office of the Scottish Charity Regulator and the Scottish Commission for the Regulation of Care. Training for leaders and improved teaching resources are also a feature.

The bòrd is currently in dialogue with local groups to assess their needs. Improvement in provision should increase parental confidence, leading to increasing numbers entering Gaelic education. We expect the bòrd to have its support

mechanisms fully in place in December, so that Gaelic early-years groups will continue to be supported beyond the end of March 2011, when the Taic funding agreement with the bòrd is due to cease.

#### Scots Language

**2. Linda Fabiani (Central Scotland) (SNP):** To ask the Scottish Government how it supports the Scots language. (S3O-11683)

**The Minister for Culture and External Affairs (Fiona Hyslop):** The Scottish Government has put in place a range of measures to support the Scots language. That includes an audit of Scots language provision, a survey of attitudes to Scots, funding of two Scots language bodies, the introduction of a census question and the establishment of a Scots language working group. Those actions are based on the pre-election commitments that we made in respect of the Scots language. I acknowledge the member's personal contribution to many of those actions.

**Linda Fabiani:** I thank the minister for that. Is she aware that in the early 16<sup>th</sup> century Gavin Douglas translated Virgil's "The Aeneid" into Scots and that that was the first translation of such a major Latin work into any of the languages of these isles? Will she join me in welcoming the further edition of that great work, launched by Scottish Language Dictionaries and now online, which was started by John Law and finished by Caroline Macafee following John's untimely passing earlier this year? Will she encourage as far as possible recognition of the value of our historical and current Scots tongue?

**Fiona Hyslop:** I am indeed aware of the launch of the book, and although I was unable to attend the official launch on 21 October, I have heard that the event went well. I look forward to reading the book in the near future, having translated parts of "The Aeneid" from the original when I studied Latin at school.

John Law's untimely passing earlier this year is a great loss to those who are involved in promotion of the Scots language. I am sure that we all agree that he made a great contribution with enormous passion to a cause that was close to his heart.

#### Roman Heritage (Economic Benefits)

**3. Murdo Fraser (Mid Scotland and Fife) (Con):** To ask the Scottish Executive how the economic benefits from Scotland's Roman heritage are maximised. (S3O-11758)

**The Minister for Culture and External Affairs (Fiona Hyslop):** I note the member's interest and support for the promotion of our Roman heritage in general, and in Perthshire in particular.

The Scottish Government has demonstrated its commitment to our Roman heritage through its support for the inscription of the Antonine wall as part of the frontiers of the Roman empire world heritage site in 2008. That has been the springboard for partnership working with local authorities, heritage bodies, museums and local community groups to promote the heritage of the area. The positive work coming from this transnational world heritage site will help to raise awareness of our Roman heritage across Scotland and Europe, which will help to boost the heritage tourism industry and, therefore, the economy across Scotland.

**Murdo Fraser:** I welcome the minister's response. Along with members of the Antonine Guard, I visited Ardoch fort at Braco in Perthshire on Monday. It is the best-preserved Roman site in Scotland, if not the whole United Kingdom, yet people could drive past Ardoch and not know that it is there. As a result, we are missing a great economic opportunity.

Does the minister agree that much more needs to be done to capitalise on great Roman sites such as Ardoch? Will she look again at the case for a Roman heritage centre in Scotland, which would be a focus for the economic and educational opportunities that that important part of our heritage presents?

**Fiona Hyslop:** Some might ask,

"What have the Romans ever done for us?"

but I am not one such person. Bringing together Scotland's Roman heritage is an interesting idea. It is clear that much work is being done around the Antonine wall, but I am sure that several people—not least Roseanna Cunningham—would want such a centre to be located in Perthshire. I understand that the Ardoch fort site is privately owned, so that raises issues of bringing together sectors.

I cautiously remind Murdo Fraser that the degree of capital cuts in the Scottish budget means that creating a new centre would be extremely problematic, unless he could persuade his colleagues at the Westminster Treasury of the merits of improving our capital situation. I fully support the concept of capitalising on our Roman heritage, but we must be realistic about what we can do. At this time, we should have our initial focus on the Antonine wall.

**Jamie Hepburn (Central Scotland) (SNP):** Notwithstanding the current economic situation and Murdo Fraser's campaign to have a heritage centre for Scotland's Roman history located in Perthshire, does the minister agree that a far more sensible location for such a centre would be in the vicinity of the Antonine wall, which is in my region of Central Scotland?

**Fiona Hyslop:** Instead of Scots—or perhaps Picts and Celts—fighting Romans, as happened in ancient times, we have Scots fighting over the Romans. The concept is there. Great resources are available, such as the Scotland's history initiative from Learning and Teaching Scotland, which makes a fantastic array of Roman heritage items from all our collections and museums available to our young people.

We need to show what we can do with the Antonine wall. That means that all five local authorities that are involved must capitalise on that. However, interesting aspects of the Roman impact and Roman history go across Scotland. In Perthshire, Doune primary school was involved in the recent excavation of a fort near it, so Roman history is not exclusive to the central belt.

We must marshal our limited resources effectively by being productive and successful around the Antonine wall. However, that should not limit our horizons on what can be done elsewhere in the country.

### Creative Scotland

**4. Des McNulty (Clydebank and Milngavie) (Lab):** To ask the Scottish Executive whether plans for the relocation of Creative Scotland will be carried forward or reassessed in light of funding constraints. (S3O-11746)

**The Minister for Culture and External Affairs (Fiona Hyslop):** Plans to relocate Creative Scotland will be carried forward as announced by Creative Scotland on 19 October 2010.

**Des McNulty:** Will the minister give us a timetable for the relocation and the estimated costs of relocation?

**Fiona Hyslop:** As I said in an answer to a parliamentary question from Pauline McNeill, relocation will take place around mid-January 2011. The relocation costs are less than those in the business plan that was produced earlier this year. We understand that they will not exceed £70,000 from the funds that are earmarked for the purpose in 2010-11.

### Theatre

**5. Iain Smith (North East Fife) (LD):** I draw members' attention to my entry in the register of members' interests, which says that I am a member of the friends of the Dundee Rep and the Friends of the Byre Theatre in St Andrews.

To ask the Scottish Executive how it supports and promotes theatre in Scotland. (S3O-11671)

**The Minister for Culture and External Affairs (Fiona Hyslop):** The Scottish Government supports and promotes theatre through our partner

Creative Scotland, through our direct funding relationship with the National Theatre of Scotland and through our Edinburgh festivals expo fund.

On Iain Smith's interest, I put it on record that I have attended a positive and successful performance by Dundee Rep of "Sunshine on Leith" in Edinburgh in recent weeks.

**Iain Smith:** The minister knows that the Byre theatre in St Andrews is an important venue for touring theatre companies in Scotland, and that it provides significant partnership working that benefits the community of St Andrews and Fife as a whole. She also knows that the theatre lost its flexible funding in the last funding round from the Scottish Arts Council. Will she assure me that Creative Scotland will work with the Byre theatre and Fife Council to try to ensure that the theatre has a sustainable future as a cultural provider and creative catalyst for artists in Fife and beyond?

**Fiona Hyslop:** The short answer is yes. We need to value the importance of the Byre. I know that there will be disappointment at the two-year flexible funding, which is neither core funding nor five-year funding. However, it is important that we look across Scotland to see how we all within culture and the arts can support different institutions. I am very pleased that both Scottish Opera and Scottish Ballet have visited the Byre over the past month and that the Scottish Chamber Orchestra is due to collaborate with the Byre.

Creative Scotland had been due to meet representatives of the Byre. Clearly, the meeting did not take place, pending the appeal, but I am under the impression that it will happen very soon. I encourage Creative Scotland, Fife Council and all those who are interested to come together to look at a collective and sustainable solution that will help the Byre theatre.

**Ted Brocklebank (Mid Scotland and Fife) (Con):** Does the minister accept that, if community theatres such as the Byre are not to have some kind of continuity of funding, they are likely to go under? Indeed, that is a very real possibility for the Byre. Will she make representations to Creative Scotland that, in considering future grant applications from vulnerable small theatres such as the Byre, an element of roll-on funding should be awarded for an agreed production output over—let us say—a three-year minimum period?

**Fiona Hyslop:** I will relay the suggestion to Creative Scotland. However, we also have to recognise that in making funding decisions vulnerability itself has to be addressed. The organisation has to address vulnerability issues, whether of the business model, artistic interpretation, relationships or other matters. It has to address the issue and make improvements.

The member is absolutely correct in saying that the problem is one not only for the Byre theatre but for other theatres across Scotland—theatres that are very important to local communities. Scotland's sense of place in how we celebrate our culture has to be recognised. I am not convinced that flexible funding is the route to that; it is not a consistent funding model. The points that the member makes are properly made. Indeed, the Scotland's creative industry partnership that has been established is looking at the economic models of performing theatre. The member's points can be fed into that working group.

**Anne McLaughlin (Glasgow) (SNP):** Does the minister agree with me, as a graduate of dramatic studies—I refer to myself, not to the minister—that theatre has more to offer than simply entertainment? Does she agree that theatre can be an invaluable tool in empowering people and communities? If so, will she join me in welcoming Glasgow-based Theatre Nemo to the Parliament tonight for a reception to celebrate its 10<sup>th</sup> anniversary? Will she congratulate the company on the invaluable work that it does with prisoners, children of prisoners and people with mental health problems?

**Fiona Hyslop:** Indeed, I will. I am not sure that I have the opportunity this evening to attend the event, but I will do so if I can. I am travelling to Glasgow tonight for the Fairbridge film gala evening 2010. Fairbridge is using film and theatre to help to support young people. Indeed, the work that is happening across Scotland in relation to prisoners should be brought to the attention of the Parliament. I saw a very powerful women's production at Greenock prison in which empowerment and re-evaluation of lives was clearly visible. Seeing prisoners revisiting their previous lives in theatre form and asserting their desire not to repeat the problems of the past was one of the most dramatic performances that I have seen.

## Creative Scotland

**6. James Kelly (Glasgow Rutherglen) (Lab):** To ask the Scottish Executive what discussions have taken place with staff representatives since the establishment of Creative Scotland. (S3O-11735)

**The Minister for Culture and External Affairs (Fiona Hyslop):** Since the establishment of Creative Scotland on 1 July, there have been nine formal meetings with staff representatives from Unite and PCS. Topics covered at these meetings included job matching of existing staff, redeployment and recruitment, voluntary early severance arrangements and pay and grading issues.

**James Kelly:** The minister will be aware of concerns and uncertainty about the direction of Creative Scotland since its establishment; indeed, Robin Harper lodged a motion on the subject. What discussions has the minister had with Creative Scotland on its overall strategy and direction, and what action is she taking to oversee that? If such discussions have taken place, what comfort and assurance can she give Creative Scotland staff in terms of their future?

**Fiona Hyslop:** I am aware that concerns have been raised by some people and I think that discussions have been taking place with Robin Harper. James Kelly may wish to ask Robin Harper about that. As Minister for Culture and External Affairs, I have issued a letter of guidance to Creative Scotland, as part of which I said that I expect to see a clear strategic plan.

The organisation was established only on 1 July. The board met in August, and clear direction is quite evident in some of the activities that have already taken place. There were far more concerns in recent years, when some members of the Parliament were trying to thwart the development of Creative Scotland, than there has been since its establishment on 1 July. However, I reassure the member that there will be clear direction and it will be shared with not only the staff but the rest of the cultural organisations in Scotland.

### Edinburgh Sculpture Workshop

**7. Malcolm Chisholm (Edinburgh North and Leith) (Lab):** To ask the Scottish Executive what consideration has been given by it and Creative Scotland to the future of the Edinburgh Sculpture Workshop. (S3O-11725)

**The Minister for Culture and External Affairs (Fiona Hyslop):** First, I offer my congratulations to the Edinburgh Sculpture Workshop for winning the arts funding prize for Edinburgh. Its ambitious project will create a centre of excellence for visual arts for Scotland with a local, national and international impact. We have supported the now fully funded phase 1 of the redevelopment through our partners Creative Scotland with lottery funding and recent grant in aid, and I understand that work is due to begin on this exciting development in early 2011.

**Malcolm Chisholm:** I thank the minister for her answer and her congratulations to the workshop. I also thank her for the helpful letter that she sent me when I wrote to her about the matter some weeks ago. I join her in congratulating the Edinburgh Sculpture Workshop—which, as it happens, is based in my constituency—first because this week it won the prestigious arts funding prize for Edinburgh, as the minister said, and secondly because it has almost completed the

long process of fundraising that will enable it to build a new sculpture workshop to replace the existing one on the same site. Does the minister agree that the new centre, enhanced by the creative laboratories to be funded by the arts funding prize, will make the Edinburgh Sculpture Workshop an international destination for culture?

**Fiona Hyslop:** Indeed. I think that it will do that, which is why I mentioned in my first answer that it will have an international perspective. I recognise Malcolm Chisholm's support for the project. I am looking forward to visiting it to see the work as it progresses.

When times are difficult for many other areas, it is important that we celebrate and note our successes. The establishment of the Edinburgh Sculpture Workshop's new premises and its winning of the arts funding prize are things that we should celebrate. We should give recognition to all those who have had a perhaps long and difficult journey in trying to establish the new project and we should support those who are supporting it.

**The Deputy Presiding Officer (Trish Godman):** Question 8 was not lodged.

### Museums

**9. Charlie Gordon (Glasgow Cathcart) (Lab):** To ask the Scottish Executive whether it has plans to help Scotland's museums to survive difficult economic conditions. (S3O-11732)

**The Minister for Culture and External Affairs (Fiona Hyslop):** The Scottish Government recognises the significant contribution of Scotland's museums to education, health and wellbeing, and cultural tourism. We will continue to work with the museums sector in the difficult economic climate ahead.

**Charlie Gordon:** Visitor numbers to Scotland's museums and galleries in the first four months of the calendar year were down by some 6.2 per cent compared with the similar period in 2009. The reduced visitor numbers at paid admission venues were down by a greater extent than those at free admission venues, yet in the past year visitor numbers at one paid admission venue, the Scottish football museum, increased by 6 per cent. Does that outstanding performance persuade the minister of the view, which is shared by the 33 MSPs of all parties who signed my motion earlier this year, that she should consider funding free admission to the best national football museum in the world?

**Fiona Hyslop:** I am aware of the member's passionate support for the football museum. I will write to him about the figures that he quoted, but I think that he is quoting United Kingdom figures and not Scotland's figures, because Scotland's museums have seen very good progress. Indeed,

Edinburgh castle had almost its best performance for seven years—it was only a couple of hundred thousand off that—and one of the most successful Augusts for some time. I think that Scotland has been bucking the trend of the rest of the UK in terms of museum attendance. However, that is not to belie the very successful work of the football museum.

The member must respect the fact that about 120 of the 340 museums that are members of Museums Galleries Scotland do charge. As an independent organisation, it is up to the Scottish football museum to consider whether it wants to charge or not. It has been well supported by the Government, with £70,000 allocated to it for its lighting area and £20,000 for its very good Alzheimer project, which helps people in the community through football. However, if the member wishes to make representations, I suggest that he do so to the museum itself.

**The Deputy Presiding Officer:** I want to get in all members who have a question, so I would appreciate brief questions and answers.

**Patricia Ferguson (Glasgow Maryhill) (Lab):** Will the cabinet secretary undertake to maintain the principle of free admission to the national museum and to the national galleries of Scotland?

**Fiona Hyslop:** I am a supporter of free admission. However, the member will be aware of the funding problems that we are experiencing, some of which are the responsibility of the previous Labour Government. Once we see the opportunities in the budget, we will have to make assessments. One of the successes of Scotland's museums is the free access to the museums that currently have that.

### Built Heritage

**10. Jamie Hepburn (Central Scotland) (SNP):** To ask the Scottish Government what steps it is taking to protect Scotland's built heritage. (S3O-11688)

**The Minister for Culture and External Affairs (Fiona Hyslop):** The Scottish Government recognises the importance of supporting the nation's built heritage. Our commitment this year is an investment of £12 million. We have also introduced the Historic Environment (Amendment) (Scotland) Bill to the Parliament.

**Jamie Hepburn:** Is the minister aware of the situation at Cumbernauld house, which is an important building that was designed by William Adam in the 18<sup>th</sup> century, and where there are plans for luxury flats to be developed? Will the minister send her best wishes to the Cumbernauld House Trust, which is campaigning for a public use for the building, perhaps as a national Roman heritage centre?

**Fiona Hyslop:** I understand and appreciate the trust's concerns. I also appreciate and am encouraged by the trust's attempts to protect part of the community's built heritage. However, I hope that the member appreciates that the Scottish ministers cannot get involved in specific cases at that stage and that his concerns should, for the moment, be addressed through the planning system. I am appreciative of the trust's commitment.

## Education and Lifelong Learning

### Scottish Education Quality and Improvement Agency

**1. Ross Finnie (West of Scotland) (LD):** To ask the Scottish Executive how much net saving per annum it expects to make through the replacement of Learning and Teaching Scotland and HM Inspectorate of Education with the new Scottish education quality and improvement agency. (S3O-11662)

**The Cabinet Secretary for Education and Lifelong Learning (Michael Russell):** There will be savings, but savings are not the main driver. The prime reason for establishing the new agency is to ensure that we have the best possible national structure in place to support and challenge our education system. Nonetheless, the creation of the new organisation provides an excellent opportunity to ensure that it will deliver its services as efficiently as possible, making savings whenever it can.

**Ross Finnie:** If the purpose is not to effect savings but to create the best possible structure, will the minister concede that it is an inherent conflict of interest to combine a body that has the task of appraising policy with one that has the purpose of developing and promoting policy?

**Michael Russell:** No, I do not agree with that, because that is not what will happen in the organisation.

**Des McNulty (Clydebank and Milngavie) (Lab):** Will the cabinet secretary publish the business case for the merger and a record of the consultation that took place prior to the merger being announced?

**Michael Russell:** I hope that the member will welcome the changes in Scottish education that are dictated and driven by the introduction of the curriculum for excellence. I hope that, as we develop the merger, he will not nit-pick or try to destroy the opportunities that it presents. I hope that he will support whole-heartedly the idea that, when we have bodies that support, encourage and develop Scottish education and allow Scottish education to reflect on and judge itself, the merger is the right thing to do. I will publish the information



that it is necessary for us to publish to take forward the process. It will be an open and transparent process. It would be nice if members of the Labour Opposition supported Scottish education, rather than constantly wishing it worse than it is so that they can warm themselves on that possible view—a view that turns out not to be true.

### **Curriculum for Excellence (Implementation)**

**2. Michael McMahon (Hamilton North and Bellshill) (Lab):** To ask the Scottish Executive what progress is being made towards implementation of the curriculum for excellence. (S3O-11743)

**The Cabinet Secretary for Education and Lifelong Learning (Michael Russell):** As a result of the commitment of teachers and other professionals to raising the standard of education and learning in Scotland, the curriculum for excellence is now a reality in our nurseries, schools and colleges across Scotland.

The curriculum for excellence management board, which met today, is using a range of evidence from partners to monitor and advise on implementation matters. I believe, as I think most people do, that it is going well.

**Michael McMahon:** Although everyone remains committed to the curriculum for excellence and wishes to see its effective implementation as the cabinet secretary said, does he not agree that when major concerns are still being expressed by the very teachers who have to deliver it, he should listen to them rather than acting like the school bully and kicking them off the management board? Will he tell Parliament just what it was that the Scottish Secondary Teachers Association did or said that was so bad that it led him to discontinue its involvement in the management of the implementation of the curriculum for excellence?

**Michael Russell:** There is a basic incompatibility between being involved in developing the curriculum for excellence, advising, assisting and challenging—that is what members of the management board do—and calling for strike action in those local authorities that continue to implement the curriculum for excellence. It is impossible for one body to do both. I have made it clear that I value the SSTA's contribution to the process and I would like it on the management board, but it must choose whether it wishes to challenge, support and take part in the process or to wreck it. That is its decision, and it must make it.

I am pleased to be able to announce that the National Association of Schoolmasters Union of Women Teachers, which styles itself as the fastest growing teachers union in Scotland, has agreed to serve on the management board, and I welcome

its contribution, which it made today for the first time.

### **Further Education Colleges (Funding)**

**3. Andrew Welsh (Angus) (SNP):** To ask the Scottish Government what action it is taking to assist and fund further education colleges to meet the challenge of strengthening Scotland's economy during the current financial crisis. (S3O-11700)

**The Minister for Skills and Lifelong Learning (Keith Brown):** This Government has provided record levels of funding for colleges to help them address the pressures brought by the recession. Our 6.9 per cent increase this year, compared with last year, recognises the additional demand for places and the role of further education in building skills for the future.

**The Deputy Presiding Officer:** Mr Welsh, I know that your supplementary will be rather long and I will be listening very carefully. I want you to be quick because two other members wish to ask questions.

**Andrew Welsh:** I will be fast. I commend to the minister the tremendous work being done by Angus College, which is the second-biggest east of Scotland provider of engineering modern apprenticeships. It is designing new, revolutionary qualifications for North Sea oil and gas industries and has increased student numbers by 6 per cent this year. In addition, its total student activity is 19 per cent above the Scottish Further and Higher Education Funding Council level and is funded from its own resources, allowing 2,400 Angus students a springboard to the future and an opportunity that otherwise would be denied to them.

Does the minister recognise Scotland's further education colleges as an immediate and effective resource in getting people into work and driving Scotland's economy and as a positive way to navigate through the present economic crisis?

**Members:** Just say yes!

**Keith Brown:** I am being encouraged just to say yes, but I will forgo the opportunity. I visited Angus College recently and was able to sit in on one of its skills classes—an award-winning class that helps to develop the soft skills of those who are furthest from the labour market. The project has been recognised by Her Majesty's Inspectorate of Education as providing a sector-leading innovative practice, and the more choices, more chances work that is done by Angus College is truly remarkable. I do not disagree with anything else that Andrew Welsh said.

**David Whitton (Strathkelvin and Bearsden) (Lab):** As the minister is aware, there are plans to

merge three Glasgow colleges. If he can give me a yes to this, I will say thank you to him. Will he give me an assurance today that the capital budget is secure to make the merger plan a reality?

**Keith Brown:** I have to say to the member that, as yet, the process has not begun because the business case has not been lodged with the funding council. That has to happen first. It is only at that stage, and if, as seems likely, the prospective cost is in excess of £50 million, that the case will come to ministers. We will have to wait and see what is brought about by that process as well as by the spending review and the spending decisions that will be taken by the Government over the coming weeks.

#### **Clackmannanshire Council (Meetings)**

**4. Dr Richard Simpson (Mid Scotland and Fife) (Lab):** To ask the Scottish Executive when the Minister for Skills and Lifelong Learning last met officials or councillors from Clackmannanshire Council and what issues were discussed. (S3O-11753)

**The Minister for Skills and Lifelong Learning (Keith Brown):** I met Clackmannanshire Council on 16 July 2009 to discuss a number of key issues relating to education and children and young people. At that meeting we signed the single outcome agreement.

I will be attending the Clackmannanshire tenants and residents federation annual general meeting on 2 November 2010 and council representatives are expected to attend.

**Dr Simpson:** Has the minister had discussions with the council about the maintenance of the primary and special school estate in Clackmannanshire, where only one of the 19 primary schools and one of the four special schools are A grade, two primary schools are C grade and one is D grade, and one special school is C grade? Can he assure us that he is taking steps to protect the maintenance budgets so that those schools do not deteriorate, to the detriment of our children's education? Will he confirm that the funds to build one new primary school in Clackmannanshire are still guaranteed to be in place, if the current consultation on a merged school campus is successful?

**Keith Brown:** I will take Richard Simpson's last question first. The money for a new primary school is secure. A decision on what will happen to the two existing schools will be reached after we have received the council's proposals, which we still await. For that reason, I have not had specific discussions with the council about the primary school estate; I am not able to get involved in such discussions when there is likely to be a proposal to

close a school, which may ultimately be referred to ministers. However, I have spoken to the council previously on many occasions. Over a number of years, I have pointed out to it the folly of its public-private partnership burdens, which will put pressure on the maintenance budgets for all schools.

#### **Newly Qualified Teachers (Employment)**

**5. Patricia Ferguson (Glasgow Maryhill) (Lab):** To ask the Scottish Executive how many newly qualified teachers not employed at the beginning of the new school year it expects will find employment in the course of the remainder of the school year. (S3O-11728)

**The Cabinet Secretary for Education and Lifelong Learning (Michael Russell):** As I said in committee yesterday, the General Teaching Council for Scotland's surveys of post-probation teachers show that a significant number of teachers gain employment in the course of the school year. However, the employment of teachers is a matter for local authorities, and the extent to which new teachers find posts is greatly dependent on local authority recruitment decisions.

**Patricia Ferguson:** The cabinet secretary has alluded to the fact that this week he has apologised on record for the high number of teachers who are unable to find jobs, while blaming local authorities and universities. However, in August he wrote to me stating that the situation had arisen as a result of his Government's workforce planning for teachers and that it was necessary to ensure that sufficient teachers remain available throughout the school year. Given that he seems to be claiming that he planned that so many newly qualified teachers would be unable to find work, will he now take full responsibility for the situation, apologise to unemployed teachers and mean it this time?

**Michael Russell:** I hesitate to accuse the member of shedding crocodile tears, but I am close to doing so. Labour's attitude on this matter has been shameful. There is a real problem in teacher employment, the roots of which lie in many different places. One of the most significant and strongest roots is the foolish, unjustifiable decisions that were made by the previous Administration. Another difficulty that has arisen is in the employment policies of local authorities, especially Labour local authorities.

However, on every occasion that I have addressed the issue—whether facing the crocodile tears of Opposition politicians or the real concerns of unemployed teachers and parents—I have made clear that I find it a very difficult and intractable problem that can be addressed only by the expenditure of very large sums of money by

local authorities whose decisions make clear that they do not wish to employ more teachers. Perhaps we could have across the chamber a recognition that not everything can be reduced to the simple, aggressive soundbite of opposition. Everything requires serious consideration—

**Michael McMahon:** That was an aggressive soundbite right there.

**Michael Russell:** My point has been made for me by the shouting member who has just contributed. Not everything can be solved by the shouts of the Opposition. Problems must be solved by intensive work and a realisation that the Labour members who made the mistakes should take some responsibility for them.

### **City of Glasgow College Merger (Engineering)**

**6. Robert Brown (Glasgow) (LD):** To ask the Scottish Executive where engineering provision will be provided in the college sector in Glasgow following its decision to approve the city of Glasgow college merger. (S3O-11661)

**The Minister for Skills and Lifelong Learning (Keith Brown):** Responsibility to fund a coherent system of high-quality college education lies with the Scottish Further and Higher Education Funding Council, rather than with ministers. I have asked the chief executive of the funding council to write to the member to outline its approach to the future funding of colleges in Glasgow, including the new city of Glasgow college.

**Robert Brown:** The minister will be aware that the city of Glasgow college merger went through substantially on promises from the Scottish funding council of £300 million of capital support for development of the college infrastructure, including a brand new engineering facility. He will also be aware that the proposal implied the snatching away of Stow College's highly regarded specialism in engineering.

Can the minister confirm my information, which is that the capital funding that is now available to the city of Glasgow college will not exceed £100 million at best, and that that is enough only to fund the necessary refurbishment?

Does the minister agree that the unfulfilled funding carrots that have been offered by the funding council have substantially distorted the decision-making process, not least on the future provision of engineering in Glasgow colleges? Can he give me any reassurance on the future of engineering at Stow College?

**Keith Brown:** It is hard to give the reassurances that are sought, given that they are built upon false premises. On the point about the merger being agreed—I think the member said “promised” by the funding council—on the basis of

a £300 million contribution towards the capital development of the new college's estate, that was not the case. The colleges asked for the merger based on educational grounds, and the merger was supported by the funding council based on those same grounds. Subsequently, it was also supported by ministers on those grounds.

I have made some information available to a previous questioner about the process of reaching a decision on any future capital investment, and that should have alerted Robert Brown to the fact that we cannot say—I do not know how he can say it—that £100 million has been set aside or a limit of £100 million has been set under the process. Ministers have not yet received a business case from the city of Glasgow college, and nor has the funding council.

In the discussions that the cabinet secretary and I have had with representatives of the colleges, we made it very clear that the position of Stow College was to be taken into account in their future actions, and that Stow College should be accorded every possibility of being involved in the process at whatever level it seeks. We expect the colleges to observe the promise that they made.

### **Further and Higher Education (Range, Quality and Relevance)**

**7. Margo MacDonald (Lothians) (Ind):** To ask the Scottish Executive whether it plans to conduct a review of the range, quality and relevance of courses on offer in further and higher education institutions. (S3O-11706)

**The Cabinet Secretary for Education and Lifelong Learning (Michael Russell):** We expect institutions to work closely with one other and with the Scottish Further and Higher Education Funding Council to ensure that further and higher education provision across Scotland is coherent, relevant and of high quality.

Moreover, we announced in August that there would be a review of post-16 education and vocational training. That review will explore options for more effective approaches to workforce development, support for young people seeking work for the first time and support for the unemployed. College provision is included in the scope of the review, which will report to ministers by March 2011. We shall consider then what further steps to take.

**Margo MacDonald:** I confess to being slightly puzzled. Speaking as someone who does not think that the attainment of 50 per cent of school leavers going to university is a holy grail, I am interested in the quality and content of courses. In chapter 2 of the position paper that was published by the cabinet secretary's department today, he says:

"There are also opportunities for further development of articulation arrangements with colleges to encourage entry to the later years of degree study".

Why? We first have to work out whether or not the college can deliver a preferable product. As regards all the physical activity and sports educational courses that are now on offer, I put it to the cabinet secretary that the colleges do a very good job, whereas the universities are still working out how they should be doing it.

**Michael Russell:** I am sorry that the member is confused. She clearly does not know that 20 per cent of higher education is already delivered by the college sector. She clearly does not know that articulation from college to university is a major factor of college development. I am sorry that the member has fallen into the trap, but that in no sense judges or invalidates the very strong vocational and skills education activities of the colleges. Those activities sit happily side by side.

The question was about

"the range, quality and relevance of courses on offer".

That is of course of great importance, and it is being reviewed. I hope that the SFC will be involved in a mapping exercise to ensure that we know what is taught where. To try and invent a conflict between the higher education role of colleges and their vocational role is wrong, in my view.

**Elizabeth Smith (Mid Scotland and Fife) (Con):** On that note, is the Scottish Government pursuing any objectives to review the range and quality of examinations, and not just Scottish Qualifications Authority examinations? That might answer some of Margo MacDonald's queries.

**Michael Russell:** There is a good and constant question about assessment and examinations in the college sector. There is always keenness to ensure that the system works. The Scottish qualifications framework is well established, and it is a good template against which all examination activity should be measured. Review of the whole system is not necessary, but it is important to ensure that examinations speak to employers, in particular, about the quality and extent of achievement.

## Carers and Young Carers Strategy

**The Deputy Presiding Officer (Trish Godman):** The next item of business is a debate on motion S3M-7272, in the name of Shona Robison, on the carers and young carers strategy.

14:56

**The Minister for Public Health and Sport (Shona Robison):** We came into government with a strong commitment to develop a new carers strategy for Scotland. The aim was to build on the considerable progress that had been made since the publication in 2005 of the landmark care 21 report, "The Future of Unpaid Care in Scotland". I am pleased to open this debate on the new carers and young carers strategy for Scotland, which we produced jointly with the Convention of Scottish Local Authorities and launched on 26 July.

COSLA and the Scottish Government did not produce the strategy on our own. That would have been to do a huge disservice to the thousands of carers and young carers who selflessly care for family and friends. The strategy was very much informed by many people in the statutory and voluntary sectors and by carers and young carers—I welcome many of those people to the gallery. Their significant input has ensured that the strategy reflects the needs and interests of Scotland's unpaid carers and young carers, which is important, given the significant contribution of carers and young carers to their families, communities and society. As we know, unpaid carers in Scotland save the statutory services as much as £7.6 billion each year.

The publication of the strategy is evidence of our commitment to address the adverse impact of caring that there can sometimes be, when carers' physical and mental health and wellbeing and financial situation are compromised. The approach builds on the £9 million that we invested in health boards to enable them to develop carer information strategies. The information strategies are having a positive impact at local level. There is a sense that the profile of carers has been raised, and support has been provided in many different ways.

A significant part of the funding is going to carers centres and young carers projects, for essential work with carers. I stress that we regard the continuation of the funding—£5 million a year from April 2011—as a priority in the spending review. If we are successful, I will discuss with the national carers organisations and health boards the priority for use of those resources. Of course, local authorities will continue to have an important

role in providing core funding to local carers services.

The strategy builds on the £4 million that we allocated to enable local authorities to make progress in delivering our concordat commitment to provide an additional 10,000 weeks of respite care by 2011. Figures that were published in September showed that overall respite provision increased by nearly 9,000 weeks between 2007-08 and 2009-10, against a target of 6,000 weeks. That is good news, which shows that our investment in respite is delivering real progress.

The strategy also builds on the considerable resources that we allocated to the national carers organisations to fund carers training programmes, stabilise young carers projects, provide national young carers festivals and do much more. It complements investment from elsewhere, including the Big Lottery Fund, which has said that it will invest £50 million in a programme that will support people with dementia and their carers. We welcome that investment. Other investment, such as the £20 million investment in telecare, benefits carers, who tell us that such funding is important.

The strategy provides clear direction and gives impetus to the progress that the Government wants to see during the next five years. However, because of the challenging economic situation, we have to acknowledge and accept that there will not be a change overnight. Change will be incremental.

We should note that there is a strong economic argument for supporting carers, as set out robustly in the strategy: with timely and appropriate support, carers can continue to care for longer and in much better health, diverting significant demands away from health and social care services. In the current economic climate, it is even more important that health and social services, as well as the third sector, make the best use of existing resources. There is a clear spend-to-save argument for supporting carers through earlier, preventive interventions.

Carers have a crucial role to play in our work around reshaping care for older people, and we are determined that they will not be further burdened by the shift from institutional care to care at home. Indeed, when local partnerships submit their local delivery plans under the reshaping care programme, they will have to demonstrate how the third sector—including carers organisations and carers themselves—will be involved. I am clear that carers should be around the table when the local plans are being developed. We are in discussion with COSLA about making significant resources available to be used in pooled budgets jointly across statutory bodies and involving the third sector. That presents a major opportunity to

transform services locally, which can better support carers.

The strategy highlights the fact that many of the improvements that carers look for do not require significant additional investment. Carers tell us that it is often the small things that make a difference—for example, when a general practitioner gives time to the carer and is sensitive to the impact that caring can have. Young carers tell us that having a supportive teacher who gives them extra time for homework makes a difference.

The carers and young carers strategy is one strategy, but with two significant parts. That approach recognises that adult and young carers have different needs and require different approaches to meet those needs and achieve improved outcomes. However, it also acknowledges that some issues are common to carers and young carers, particularly for young carers in their transition into adulthood.

Both parts of the strategy have common features. For example, they both include many recent quotations from carers and young carers to show what it is like to be a carer or young carer and to tell both positive and negative stories. Those real-life situations will help to pave the way for good service development and show what to avoid. The Equal Opportunities Committee and many others welcomed that approach, and I put on record the committee's good work.

Both parts of the strategy also have a strong evidence base for support to carers and young carers. They both have a strong equalities dimension, with a focus on hard-to-reach carers and young carers. They both show the importance of a pathway approach from carer and young carer identification, through assessment to different types of support at crucial times. They both recognise the diversity of carers and young carers and acknowledge that every caring situation is unique.

There will be priorities for support to carers and young carers, whether that is older carers, the parent carer who cares for a disabled child or carers living in the most deprived areas with little income.

Specifically on adult carers, "Caring Together: The Carers Strategy for Scotland 2010-2015" recognises carers as "equal partners in care" who make a significant contribution to the delivery of health and social care services. It identifies a suite of action points, the delivery of which will help to support and sustain unpaid carers and enable them to enjoy a quality of life outwith caring.

Both parts of the strategy are based on an outcomes approach and are set within a wider framework for action, such as our programme for reshaping care for older people. With young

carers, there are clear links to the getting it right for every child programme, which provides a catalyst for outcome-focused assessment and multi-agency working. It will benefit young carers and help to ensure that they are supported. Of course, there are also strong links to curriculum for excellence and to the more choices, more chances agenda.

“Getting it Right for Young Carers: The Young Carers Strategy for Scotland: 2010-2015” recognises that young carers can benefit from providing care. However, it is essential that they are relieved of inappropriate caring roles and supported to be children and young people first. It highlights the crucial role that social workers and national health service staff have, as they can ensure that the cared-for person’s care package never relies on a child or young person’s contribution. Further, the strategy recognises the key contribution that teachers can make in supporting young carers in school and responding sensitively when their caring role impacts on their attendance, attainment or behaviour.

We are giving the Princess Royal Trust for Carers £150,000 for a fourth young carers festival next year. We will be able to get feedback from 500 or so young carers on what impact they think the strategy has had one year on from publication. It is worth noting the very good support that there has been for the young carers festival from across the chamber. I know that that support is welcomed.

In recognising the voluntary sector’s hugely important role in supporting carers, I was pleased to be able to commit £1 million in new investment this year to support the implementation of the strategy, and subsequently to extend that funding to cover each of the five years of the strategy, making £5 million in total. In the current economic climate, that funding is meaningful and will deliver change for carers and young carers. We have awarded the funding to the national carers organisations to enable them to develop innovative, flexible and personalised short breaks for carers and young carers. With our approval, they propose to use it in two ways: to invite bids from stakeholder organisations with service development ideas that aim to increase the choice, availability and quality of short-break opportunities; and to help carers directly and quickly by giving them access to a fund that can help them to purchase a break of their choosing. The national carers organisations are working up the details and will publicise the scheme as soon as possible.

**Jamie Stone (Caithness, Sutherland and Easter Ross) (LD):** Obviously, the Liberal Democrats welcome what the minister has just said, but how does she intend to audit the

outcomes once the process that she describes has been gone through?

**Shona Robison:** There will be a robust auditing process, as there always is with the third sector. The third sector is well placed to be able to deliver innovative thinking. That is what it is best at, and I am confident that it will do so in this case.

To be effective, the strategy needs to be implemented at the local level by local authorities, health boards, the third sector and others. The aim is to achieve practical support on a consistent and uniform basis. I will talk further about implementation in my closing remarks.

In conclusion, I am not complacent about the challenges that carers and young carers face daily nor about the scale of the task in implementation, but ministers will wish to know—I mean members; ministers already know—that the strategy has attracted international attention. The getting it right for young carers strategy is believed to be the first young carers strategy in Europe. It is good that Scotland has a first once again. We can and should learn from others as we face up to the challenges ahead, but it is nice to know that people are also learning from us.

I move,

That the Parliament welcomes the publication, in July 2010, of the carers and young carers strategy for Scotland for 2010 to 2015, *Caring Together and Getting It Right For Young Carers*; notes that this strategy has been produced jointly with COSLA and informed by a wide range of stakeholders; recognises the importance of providing effective and timely support to Scotland’s estimated 657,000 unpaid carers in order to sustain them in their vital role in caring for relatives or friends affected by disability, illness or substance misuse, a role that benefits their families, local communities, Scottish society and the economy, and agrees that young carers should be relieved of inappropriate caring roles and supported to be children and young people first and foremost.

15:07

**Jackie Baillie (Dumbarton) (Lab):** Like the minister, I welcome this debate on carers and the publication of the carers and young carers strategy.

As the minister pointed out, some 657,000 people are carers, and 100,000 are young carers. That is a significant part of the population. They make a huge contribution to their families and to society as a whole. As the minister said, the value that they give is around £7.68 billion each year. That is a truly staggering figure.

The Government and COSLA are to be commended for producing the strategy, and Labour members agree with the main actions that have been outlined. It is essential that we improve information and advice, properly establish the number of carers that there are so that we can

identify and assess their needs, and, of course, ensure that the assistance that they need to support their caring is in place.

The strategy is right, but we need clarity about how it will be implemented. I am delighted that the minister will cover that in her closing speech. The strategy will be deemed a success only if it actually makes a difference to people's experiences on the ground in their communities. Therefore, will the minister tell us how local authorities and health boards will be held to account, how the implementation of the strategy will be monitored, and whether she intends that there will be annual reports to the Parliament on progress? That would strengthen the importance that we attach to the strategy and its implementation.

The funding that has been put in place for carers information strategies has, of course, been welcomed on the ground, but it will come to an end in March 2011. It would be helpful to know whether the minister is confident that that funding will continue at the same level that it has been at previously. Labour members will certainly support all her efforts in government to secure that funding for the future. Such funding has undoubtedly helped carers with training on how to manage their caring role, deal with the stress and take care of their own health and wellbeing, and it has had substantial local benefits. Carers have been identified, new partnerships have been forged with primary and acute care services, and advice and information has been provided. For that to be sustained, certainty over future funding of carer information strategies is desirable.

Secondly, I welcome the funding that has been provided for carer training—national carer organisations have been awarded some £281,000. Although that is helpful, the way forward is undoubtedly a national consortium to develop carer training across the board, and there is concern about what will happen to that money in the future. I note, too, that NHS Education for Scotland has an annual budget of some £389 million for training for health professionals. I invite the minister to try to squeeze out a little bit more money for carer training, which I think would have great value.

I turn to short breaks and respite care. Despite the welcome progress on increasing the number of respite weeks that are provided for adults, the figures on respite breaks for children are going in the wrong direction. More worryingly, cuts are beginning to be made at a local level. Local authorities are reducing the budget for respite care, some are changing their eligibility criteria and others are providing respite only when there is a crisis.

I know that Shared Care Scotland has been funded by the Scottish Government to undertake research on current respite planning and delivery, which will help to inform future action. I suspect that it will show the problems that I have described: the tightening of eligibility criteria to save resources and a lack of recognition that providing respite is a positive preventive measure that enables a carer to carry on caring for their loved ones. The real progress that has been made on that is being put at risk. Respite provision is beginning to be seen as a measure that should be deployed only in a crisis, rather than as a preventive measure. What action can the minister take to prevent the welcome progress that has been made on the number of respite weeks that are provided from unravelling and going backwards?

As well as promising an increase in the number of respite weeks, the Scottish National Party promised to ensure that

"By 2011 carers in greatest need will have a guaranteed annual entitlement to breaks from caring."

I have searched, but I have not found evidence of that commitment being taken forward. I can see no progress on meeting that guarantee, which would be welcomed by carers and Labour members alike.

**Shona Robison:** I have been quite up front in saying to carer organisations that in the current economic climate, funding such an entitlement is extremely challenging. We would not want resources to be diverted from one set of carers to another, and the economic challenges that we face mean that there is a real danger of that happening. However, we would like to see that commitment being met in the longer term; it is just that it is very challenging in the current economic climate.

**Jackie Baillie:** I thank the minister for her honesty. In the context of the economic climate, perhaps we could discuss self-directed support. A commitment was made to extend direct payments to carers and to provide additional funding for young carers. That has been done, but the fact that the Government did not proceed with its legislation on self-directed support, which the Labour Party would have fully supported because we think that it is the right direction of travel, represents a real lost opportunity.

I understand that there was an argument—or a discussion—between COSLA and the Government about funding. My difficulty is that given that we know that there might be insufficient funding next year, as the financial circumstances will be extremely tight in 2011-12, an opportunity existed to bring forward such legislation this year, but that opportunity has been lost. I would like the

minister to comment on that, too, because self-directed support has been cried out for at local level but, unfortunately, it has not been delivered.

I want to mention older carers, particularly older carers of people with learning disabilities. I very much welcome the fact that the carers strategy acknowledges that, for the first time, there is a generation of people with learning disabilities who will outlive their parents. When those babies were born, the parents were told to take them home and love them or to put them into hospitals. Many of those who chose to take them home have had the joy and the privilege of caring for their son or daughter for the past 40, 50 or even 60 years; they never expected to be able to do so.

However, they are worried about the future. Older family carers in particular are worried about peace of mind. They want to know what will happen to their son or daughter when they are no longer able to care for them, because of either infirmity or death. Will the minister give us information on emergency planning that can be put in place; long-term planning for carers who are worried that there will be no one to advocate for their son or daughter when they are gone; and transition planning, which needs to be done sensitively and put in place well in advance?

Carers make the point that respite breaks from care are often too inflexible and not available at short notice. Their fear is that the definition used by the Scottish Government and COSLA means that some forms of day services can also be seen as short breaks, which has led to a substitution that I do not think the minister desires, and which we certainly do not. By creating a definition of respite breaks we would get a true figure, rather than one that has been inflated by some forms of day services.

The key point is that we all want to see successful implementation of the carers and young carers strategy. We fear that it might be at risk, and that momentum could be lost, partly because we are moving into an unsettling financial period. We are asking that funding for carer support, which we all acknowledge is critical, be protected because more and more is being asked of unpaid carers and our society relies heavily on them. As part of that, we ask that carer centres, which are a critical part of that infrastructure, and which enable unpaid carers and young carers to continue, enjoy our support.

We support the Scottish Government in implementing the strategy. The minister will enjoy our complete support in arguing to secure the funds to ensure the continuation of carer strategies, and to implement them across Scotland.

15:17

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

The previous Scottish Executive introduced a strategy for carers in 1999 to improve the information on help and support for carers; to improve local services; to propose consistent national standards for carers short breaks; and to check that carers got the help that they needed. The plight of carers has undoubtedly been on the Parliament's agenda since 1999, although progress can be difficult to measure on all issues and for all carers; that is why the point that was raised by Jamie Stone and Jackie Baillie on monitoring the strategy is so important.

It is, therefore, right to publish another carers strategy for Scotland to 2015 to examine and address the needs of carers in 2010. More work needs to be done to support carers. I welcome the strategy, particularly the investment in telecare and telehealth, where appropriate.

Yesterday I attended a meeting of the cross-party group on carers, which was ably chaired by Cathy Peattie, to launch its carers manifesto. We heard about the different experiences of three carers and the effect that being a carer has on their lives, opportunities and careers. One carer just wanted to go to the park with her family, but faced huge obstacles to doing so. Her family was refused help with certain aids and adaptations because they are homeowners. The father is in full-time employment, but the mother told us that he does not earn a huge amount—certainly not enough to make the necessary changes to their home to accommodate their child's needs.

The second carer highlighted the language problems that her mother faced in receiving care, and her mother's lack of confidence in receiving care. That led to the carer giving up her civil service career. The third carer spoke of the wonderful help, understanding and support that she received at her local carers group.

The experiences of those three carers confirm the need, if we need it to be confirmed, for a carers strategy, particularly the carers rights charter and the need to improve the quality and uptake of carers assessments and support plans, as well as other measures. A local carer who is well known to me has allowed me to use her name. Bunt Macdonald from Carrbridge asked me to highlight the fact that the biggest challenge she faced was the move from children's to adult services. She asked that the minister take that on board.

Chapter 17 of the carers strategy sets out the benefits of advocacy support to carers. It is shocking that only three carer advocacy organisations exist in Scotland. As others have said, the carers manifesto also states that breaks



are increasingly offered only as emergency relief, rather than as the on-going support that, as Jackie Baillie said, helps to prevent crisis situations.

In these difficult financial times, surely we need to focus on investing in services that save money elsewhere in the public sector. Research on specialist support for young carers illustrates that for every £1 invested in it, there can be a saving of more than £6 to the public purse as a result of better educational outcomes and fewer young people going into care.

The issue of kinship carers is regularly championed by my colleague Nanette Milne. The Citizens Advice Scotland briefing, which talks about the information and experience of kinship carers, is very helpful on that issue. The need for kinship care arises generally as a result of upsetting and stressful situations for both the child and the carer: 36 per cent of kinship care situations are a result of addiction problems, 24 per cent are due to bereavement and 15 per cent are related to neglect. Around three quarters of kinship carers are grandparents, and many give up employment to meet their responsibilities.

I was shocked when I read about the kinship care allowance in the Citizens Advice Scotland report. The allowance is paid by some local authorities but not all, and the rates vary from £23 a week to £148 a week for a child under four—the highest payment is six times greater than the lowest. As the CAS briefing states, 62 per cent of kinship carers are eligible for the allowance, but whether it is paid depends on where someone lives in Scotland. Although the payments are considerable, there is no doubt that they are less than the amount that would be required to pay for residential care. In the new strategy, I could find only one paragraph on kinship carers; I refer to paragraph 3.18, which states:

“They should receive a kinship care allowance from the local authority.”

Will the minister respond to that in winding up?

**The Deputy Presiding Officer (Alasdair Morgan):** The member should conclude.

**Mary Scanlon:** Finally, I hope that the Government will continue to support direct payments.

15:23

**Ross Finnie (West of Scotland) (LD):** This is one among a number of the issues that are debated in this chamber for which it is self-evident that there is a broad measure of cross-party support, and so there should be. As a consequence, progress has been made during this session of Parliament. I am not going to suggest that we have either made progress at the right

pace or covered every issue—I would certainly not suggest that to the large number of people in the public gallery who are much closer to the issue than any of us—but we know that there was initial progress through the first Government, and we know that even the current strategy saw its origins in the care 21 recommendations. We do make progress.

I must say to the minister that from the Liberal Democrat point of view there is very little in either of the strategies with which we will or would take great issue. We believe that the assessment has a great deal of rationale, and it highlights some of the major issues. However, now that we have done all the excellent work in analysing, becoming more familiar with and getting a better understanding of what is an enormously important aspect of our society, we ought perhaps to focus our attention on the implementation of the strategy that has been outlined.

There are one or two issues that are either not explicitly referred to or not teased out. Jackie Baillie talked about the accountability mechanisms for delivery through health boards and local authorities. However, the Liberal Democrats have a concern before we even get to accountability. We are increasingly concerned that, although the theory of community health and care partnerships and community health partnerships remains sound, it is becoming very difficult to get the kind of consensus that is required on the delivery of care in the community, whether it is care for carers or whatever. Indeed, in many of those partnerships, not all of the participants take part.

The minister will be more acutely aware than any of us of the collapse of the whole project in and around the Glasgow area, which I regard as deeply sad. We are concerned that it is increasingly obvious—the carers strategy points it out—that there must be a level of co-operation between the local authorities and the health boards if the strategy, among other things, is to be delivered effectively. The Scottish carers manifesto contains aspirations to realign resources and to prioritise within the primary care and purchasing services. I agree with those aspirations, but they point a finger at those by whom and through whom those changes are to be achieved.

**Shona Robison:** I take it from that that the member supports pooled budgets, the level of which we are negotiating at the moment. I take it that the member supports that direction of travel.

**Ross Finnie:** I will be happy to support it provided that I can see the mechanisms that will support it. Allocating sums of money is helpful, and it would be churlish to suggest that that is not a way of providing assistance, but I would like to see a little more flesh on how we are to resolve

the seemingly intractable problem—which is not a creation of the Government—of turning the theory of those community groups into a delivery mechanism in which we could repose confidence. That will be critical in the context of care and carers.

On the question of who cares for the carers, the Government has directed its money largely through the health boards, and many of the groups associated with carers have been hugely appreciative of that. They believe that that has had the effect almost of ring fencing, as it has been much more transparent how the money is channelled to individual care organisations in contrast with people's experience of the difficulties with some local authorities.

I do not want to be overcritical but, on the delivery mechanism, I cannot find anywhere in the single outcome agreements any explicit reference to carers. That is an interesting commentary on where we are. If we are to turn the theory in these two excellent documents into a reality, we must address the delivery mechanism.

The Liberal Democrats also share the concern that has been expressed from the Labour front bench about respite breaks. I have not been able to discern the precise source of the drift away from the provision, but it appears that there is difficulty in securing it and I ask the minister to take that concern seriously. I hope that, in looking across the board at care and caring provision, we do not suddenly regard the respite bit as the bit that is too difficult and which gets chopped off first.

15:29

**Bob Doris (Glasgow) (SNP):** Over the years, we have gradually continued to get a better picture of the job that unpaid carers do in Scotland, and of the scale of that job, and we continue to increase the recognition that we give them. That is something on which there has been cross-party support over the years—even though I joined the Parliament only in 2007, I am conscious that that has been the case since 1999, and I am glad that it continues today.

With pressures on the public purse like never before, we must be careful not to allow short-term thinking to intrude on our political decisions in relation to care. We need a long-term strategy that will support those remarkable people now and in the future. Estimates suggest that as many as one in eight of the population care for someone on a voluntary basis and that there are more than 66,000 unpaid carers in Glasgow, the area that I represent. Those figures are likely to rocket in the years ahead, and it is predicted that as many as 1 million people in Scotland will be performing a

caring role by 2037. Such statistics show why it is important that we get this right for the long term.

There is little dispute that we have an aging population, and I have already given an idea of the projections associated with that. A further projection is that there will be a 144 per cent increase by 2031 in the number of people who are aged 85 or over. Where possible, we want to keep people at home and in the community, and we will need unpaid carers to help in that regard. That means that we have to take action now, and the strategy that is set out in the "Caring Together" document outlines the thinking and plans in that regard of the Scottish Government and COSLA up to 2015. I think that we are on the right track and are moving forward in relation to that.

I also hope that we will gain cross-party support in opposing some of the more harmful aspects of the UK Government's cuts, which could jeopardise carers. I say that not to make a party-political point. If we are to support carers, we have to consider all the aspects that affect them. Earlier this month, even before the spending review was announced, the think tank, Demos, claimed that disabled people and carers could lose up to £9.2 billion by 2015 due to the Conservative and Liberal Democrat UK Government linking benefits to the consumer prices index rather than the retail prices index. It also said that families with disabled children in which one of the adults is also disabled and is cared for by their partner could lose up to £3,000. There are hidden dangers in such proposals, and the Scottish Parliament does not necessarily have the power to protect carers in that regard.

I will not say more about the UK situation, as I want to forge cross-party support, but we have to be aware of where all of the balls are on the pool table when we take a shot to help carers. We cannot miss that out.

I want to spend the rest of my speech talking about kinship carers, which is a subject that is close to my heart. I am sure that Mary Scanlon will gladly recognise that kinship carers got no structured formal payments before May 2007 and will come on board with the structure that is now in place. That structure has to be improved and made more sophisticated. I am delighted to say to Ms Scanlon that the Labour Party is moving forward in a spirit of consensus in relation to kinship care. At lunch time, I was at an event with Johann Lamont and neither of us was trying to blame the other for having a worse record in relation to kinship care. Instead, we were trying to find solutions that can be used to take forward the situation. One such solution was getting the UK Government on board in relation to kinship care.

**Cathy Jamieson (Carrick, Cumnock and Doon Valley) (Lab):** I welcome the comments that

Bob Doris has made and I think that it is important that we get some consensus around this issue. Does he agree that one of the ways in which we could improve the position of kinship carers would be to do something about the situation in which some of them are able to get financial support only when the children have been placed under a children's hearings order? Does he agree that, in some cases, early intervention by grandparents and others means that the carers and the children are disadvantaged?

**Bob Doris:** I thank Cathy Jamieson for her comment but, although that is the outcome at the local level, the premise is completely inaccurate. Way before the kinship care commitment that the Scottish National Party Government made in May 2007, local authorities could use their discretion to pay any kinship carer a sum up to the foster carers allowance. They did so, and some continue to do so. It is important to get more sophisticated in our approach to the issue of formal and informal kinship care payments.

New permanence orders are now in place in relation to kinship care, which have helped. I know that Adam Ingram, the Minister for Children and Early Years, has pushed that forward. The orders are a useful intervention, which shows how we are working together on all aspects of care.

The strategy talks about young carers. A lot of the kids who receive kinship care used to be young carers of drug addicts, alcoholics or parents who were in and out of prison. The kinship care commitment is about taking those kids away from situations where they are the carers to a safe environment where they are cared for, so that they can enjoy their younger years.

I am glad that we have cross-party support for the strategy.

15:35

**Mary Mulligan (Linlithgow) (Lab):** I welcome the opportunity to debate carers issues. I fully support the motion in the name of the Minister for Public Health and Sport, particularly the closing line, which acknowledges that young carers should be

"supported to be children and young people first and foremost."

I commend the two reports that were published in July 2010: "Caring Together" and "Getting it Right for Young Carers". Both deal effectively with the core issues of being a carer. I believe that that is down to the involvement of carers and carers organisations in drafting the reports. However, I recognise that the minister listened to carers and carers organisations, for which she, too, is to be commended.

Now comes the challenge of delivering on the strategy. Like others before me—and, no doubt many others after me—I put on record my admiration for the role that carers play. Jackie Baillie quoted the £7.68 billion that carers save our communities. More than that, carers provide the personal care that it would be very difficult for anyone else to replicate. Sometimes it might be difficult for the cared-for person to show their gratitude, so the community around carers should ensure that carers know how valued they really are.

There is a lot of agreement in today's debate, so I will use my time to highlight the carer's life journey. Before I stop handing out the plaudits, I commend the work of my local carers organisation, Carers of West Lothian—not least because members of it, Mary-Denise McKernan, Paul Weddell and Gill Burns, are here in the gallery—which does an excellent job in offering services to carers throughout West Lothian. In outlining the carer's journey, I will refer to some of the projects with which Carers of West Lothian is involved, to show how carers can be better supported.

The first thing that we must do to support carers is to identify them. It has often been said that the last people to recognise carers are carers themselves. We have to use others with whom they are involved to identify them as carers. In West Lothian, the Moffat Charitable Trust project has been providing a carers support service at local hospitals since June 2008. Keith Lugton, who runs the project, has been able to offer various forms of support to existing carers, such as a carers assessment, but, crucially, he has also been able to identify and support new carers by working with NHS staff and social workers. However, when I spoke to him recently, he told me that that is not always as easy as it sounds. Some professionals still have reservations about confidentiality for patients. I understand their concerns, but they must also consider their patient as a person who will have on-going needs throughout their care, many of which will be met by a carer who needs support. Keith Lugton is managing to overcome some of that reticence and has clearly identified a number of carers.

I highlight that project for two reasons. First, there are still practices in the NHS and in social work that need to be addressed to ensure that considerations such as confidentiality are not used to the detriment of the carer and the cared-for person. Secondly, Keith Lugton's post was funded by the Moffat Charitable Trust. I say "was", because the funding ended in March 2010. NHS Lothian stepped in to provide a further year's funding, but that will take it only to March 2011. What will happen then?

Such uncertainty becomes a problem for many carers and the organisations that support them. Once we have identified carers, they might need several forms of support, which could include information, training or respite care, as we have heard. In West Lothian, a carer training development worker offers support. In February 2010, Carers of West Lothian successfully secured more than £37,000 from the Long Term Conditions Alliance Scotland. That funding has allowed a programme of work with people who have long-term progressive neurological conditions, such as multiple sclerosis, Parkinson's disease or motor neurone disease, and with their carers. That will give them the knowledge that they need to prevent falling and about what to do in the event of a fall. The funding for Sharan Glendinning's post comes partly from the Long Term Conditions Alliance and partly from funding for the carer information strategy.

Here is the challenge, minister. Many carers organisations that do a great job in supporting carers and which will be crucial in delivering the strategy spend much of their time looking for funding options. "Caring Together" has been commended, but it provides little in additional resources. "Getting it Right For Young Carers" has been equally commended, but much of the work to deliver on it is funded through the carer information strategy, and guarantees for that have yet to be made.

We have said that we value carers. They will believe us only if the resources are provided to support them and the carers organisations that support them. We know that funding is difficult, but we have a duty to follow good intentions with adequate and more reliable funding.

15:41

**Hugh O'Donnell (Central Scotland) (LD):** As always, it is a privilege to speak in a debate about carers, because they are the unsung heroes of the society in which we live. It might not sit comfortably with the Parliament, and I do not ignore the progress that we have made, but I think that we have made progress too slowly since 1999—otherwise, we would not have to have a brand-new shiny document. The publication is useful, interesting and full of nice words but, as Jackie Baillie and Ross Finnie said, what matters is not the rhetoric that we speak in this place but the implementation and delivery of services and resources to the people who need them. Notwithstanding what other members have said, my personal opinion is that progress has been too slow and inadequate.

I recognise that we sit in an unpleasant economic environment, as Bob Doris said, but I am disappointed when I reach only page 25 of the

strategy document and find that paragraph 2.44 puts in place a defence—we havenae got the money to do this. That concerns me and I am sure that it concerns the people who are listening in the public gallery.

From my casework and from going around organisations such as the young carers project in Motherwell, which Action for Children runs, the sad fact strikes me that, all too often—regardless of the resources, which are not infinite, that this place, or whichever Government, allocates—people in other organisations seek to circumvent the intention of funds as quickly and as easily as they can. We must find a mechanism that obliges people to follow "Caring Together" and its predecessors and to put them into action. Thus far, we have not done that. We have only to look at the variability of service and resource to recognise that. I understand that there is no question but that such negotiations are difficult for whichever minister happens to be in the place that is Ms Robison's, but that is no consolation to the people who expect to receive the services and the resources. The situation is unacceptable.

It is not acceptable that, at 48 hours' notice, one of my constituents discovered that the respite care that they were promised had been pulled. The decision to do that affected not only my constituent and the cared-for person but the rest of the family, who also needed respite. There are implications in not tackling those who say that they do not have the money without realising that other elements of our public service must pick up the bill. We must address the silo thinking that operates across the public service.

**Bob Doris:** The member is quite right in what he says about resources and, of course, we always need more, but are the resources that are spent at the local level always being spent wisely? Surely putting carers at the heart of how we structure services, including respite care, would be a step forward in ensuring that we get the right services at the local level? Irrespective of the cash input—and we want more—we must ensure that services are designed with the carer and not the civil servant in mind.

**Hugh O'Donnell:** I have some sympathy with the member's point. All too often, and despite the person-centred planning approach, which many members in the chamber will know about from experience, professionals present plans to service users as a *fait accompli*. It is a case of, "This is what we can offer," or, "This is what we are prepared to offer." There has to be a mechanism to get round that, notwithstanding the financial challenges that we face. If that has to be the situation, plans must be set out well in advance so that people have the opportunity to plan their lives and organise their care or caring.

The minister was with me and others in West Linton during the summer at a fabulous festival for young carers. However, many of the young people told me that it was the first planned day that they had been able to get away—in some cases, it was the first for two years. That is because those who are responsible for delivering respite and support packages were not doing it, except at the last minute. There has to be a mechanism for addressing that. Notwithstanding the well-intentioned words in this and other strategy documents, a mechanism has to be found to ensure that a strategy for carers is implemented and that it is not impeded by those whose agendas do not include carers.

15:47

**Linda Fabiani (Central Scotland) (SNP):** I want to talk about a specific element of caring that Jackie Baillie touched on in her contribution: the thousands of older people who continue to care in their own homes for adult sons and daughters with a learning disability. The figures suggest that approximately 20 per cent of people with learning disabilities live in the family home and are cared for by family members over the age of 65. In the document that we are debating today, the profile of carers section notes that

“For those undertaking a caring role within the household, over 70% of carers have been providing care for over 5 years”.

The reality is that, within that 70 per cent, some will have been caring for those they love with learning difficulties for between 30 and 50 years—indeed, in some cases, towards 60 years. That is a lifetime of devotion, commitment and hard work.

In my area, the Murray Owen Carers Group includes such carers with a lifetime's experience of all these issues. Two of the members are, of course, Madge Clark and Jeanette Kelly, who many members know for their work with Enable Scotland and their awareness-raising petition to the Parliament's Public Petitions Committee in 2004.

That work has made it clear that this group of parent carers has specific and unique needs that are being neither recognised nor supported properly at present. As Enable Scotland noted:

“This is a generation of older carers who have a lifelong responsibility for looking after sons and daughters.”

Great physical and mental pressure is involved in doing that. Enable Scotland goes on to say that

“This is the first generation of parents of people who have learning disabilities whose sons and daughters will outlive them.”

Those words describe the fear and anxiety about what will happen in future. Older family carers

have little peace of mind as they continue to care for their adult relatives.

I draw members' attention to motion S3M-7086, which I drew up a couple of months ago. Although it is in my name, it was jointly developed by me, Johann Lamont and Hugh O'Donnell. The motion

“welcomes the Older Families Charter launched by Enable Scotland, Quarriers, Edinburgh Development Group and the Learning Disability Alliance Scotland”.

The charter for change

“outlines 5 simple steps that can be taken to make life easier for this group of people and to plan for the long term needs of older carers and the needs of those that they care for.”

First, the charter states:

“Local government should collect accurate information on the numbers, needs and location of older carers and adults with learning disabilities living in the family home”.

That is the way to get good planning. Secondly,

“Every adult with a learning disability living with an older carer should be able to have a person-centred plan that supports them in leading full lives, making and keeping friends and keeping in touch with their families if they leave home.”

Thirdly,

“In each local authority area there should be a dedicated officer for older families to provide local information, support access to services, identify their needs and plan for how they will change over time.”

Fourthly,

“Every adult with a learning disability living with an older carer should be able to have an Individual Emergency Plan which identifies what could be done in specific crisis situations.”

Fifthly, on the subject of advocacy services, which Mary Scanlon mentioned earlier, the charter states:

“Every family with older carers across Scotland should have the opportunity to access independent advocacy services.”

Some local authorities are already taking some of those steps. In fact, thanks to the work of the Murray Owen centre and groups such as that across South Lanarkshire, and of course the commitment of many officers in South Lanarkshire Council, it is already meeting the charter in theory, but it is continuously striving to improve its practice. I mention the difference between theory and practice deliberately. Often, the theories are good and we can tick the boxes and say, “Yes, we are doing fine,” but it is the practice that matters. It is the quality underneath the theory that is important, so it should be continually monitored and assessed, and people should be listened to. The strategy states that carers should be

“equal partners in the planning ... of ... support.”

That is essential, as is carers being supported “in a personalised way”.

It seems to me that the charter for change is little to ask. I hope that all local authorities will sign up to it and that our Government will endorse it as part of its own carers charter.

15:53

**Cathy Peattie (Falkirk East) (Lab):** I welcome the carers and young carers strategy, the partnership approach to developing the strategy, and indeed the minister's commitment to make it work. It is worth repeating the statistics. Scotland has 660,000 carers. That is about one person in nine. It is more than the number of people who work in our health and social services. The oldest carer is over 100 years old and the youngest is just three years old—one of perhaps 100,000 young carers. Young carers often struggle. They do not have an opportunity to experience childhood. Sometimes, schools are not aware that pupils are young carers and do not understand the difficulties that they face.

Some people give their lives to caring. One in five give up jobs and career opportunities to look after loved ones. On average, carers lose £11,000 a year through having to give up their work and some 75 per cent are in fuel poverty. Yet, at the expense of their hardship and loss, their caring is of course a great benefit for our society. Paying for the care that they would provide would cost billions, but what support do they get? This year, the Scottish Government will spend £281,000 on carer training. NHS training, by comparison, receives well over a thousand times that amount.

Many carers devote long hours to caring—115,000 carers devote more than 50 hours a week and 21 per cent of young carers devote more than 30 hours a week. Many carers struggle to maintain their caring role while holding down a job. They need support to do both and the economy needs them. Eighty per cent of carers have been forced to give up leisure activities because of their caring and three quarters have lost touch with members of their family and friends. Half of those who provide intensive care have been treated for anxiety, depression or mental health issues.

Carers need support to carry on caring. Carers organisations and support centres are crucial to that support, yet what is already an underfunded sector is subject to more pressure in the current financial climate. I am talking about organisations such as the Princess Royal Trust for Carers, which supports 50,000 carers and young carers through a network of carers centres and young carers projects. There is also the coalition of carers in Scotland, which is an alliance of more than 80 local carer-led groups, centres and projects.

Carers Scotland is the Scottish office of Carers UK. It is a carer-led organisation that provides information and advice and that campaigns on carers' rights. Shared Care Scotland offers a range of services to improve knowledge and understanding of short-break services and the needs of people who use the services. Crossroads Caring Scotland is a national charity that is dedicated to providing short breaks for carers in their homes. I have experience of the support that it can give families. The Scottish young carers services alliance represents and supports more than 50 young carers projects and services throughout Scotland.

Yesterday, carers organisations delivered their manifesto to the cross-party group in the Scottish Parliament on carers. I will wave it about and encourage every member who is here to get a hold of it and read it. They say that just over £11 million would ensure continued support to enable centres to continue caring, which is just over £14.66 per carer for a year, yet funding for all the essential activities is now under threat from cuts. I do not just mean the cuts that are to come, because cuts are already biting. Carers centres have had their budgets cut or frozen and sometimes that has been going on for several years. They are forced to devote precious time to preparing contract tenders for services that they provide, which squeezes what they can do and creates uncertainty and causes disruption.

I thank Margaret Mitchell for lodging a question on carer information strategies. The £9 million funding over three years comes to an end in March. As Mary Mulligan said, that creates uncertainty. Questions remain about how that money has been allocated, and a big question remains about what will fill the gap that will be left by its termination.

We must ask what the costs are of not supporting carers. One fifth of carers say that, if they had more support, the people whom they care for could be kept out of hospital. As I said, the health of carers suffers—two fifths have not had a break of longer than two days. Carers are aware of the economic difficulties that we face. They know that times are hard, but they also know that the failure to recognise their situation, contribution and needs will make it harder for all of us. Cutting back on support for carers will put pressure on health and other services and, in the longer term, will impede our economic recovery.

I welcome the carers manifesto, which outlines the importance of carers and actions that improve carers' lives. We need to implement the action points in the young carers strategy and ensure the sustainability of services that are dedicated to young carers. We need a carers' rights charter and we need to fund carers and their

organisations. Most of all, we need to listen to carers and provide them with the support that they are asking for on training, work, flexibility for those who work, regular breaks and an opportunity for life outside their caring.

**The Deputy Presiding Officer:** I call Cathy Jamieson. She has two minutes.

15:59

**Cathy Jamieson (Carrick, Cumnock and Doon Valley) (Lab):** I will be brief, as I have only two points to put on the record. The first is about young people who are in families where drugs and alcohol are being misused and who become carers. We have some way to go before we can say that we have a system for identifying them and providing support. Carers centres are a vital part of that.

I want to pick up on kinship care. Bob Doris rightly identified that local authorities have powers to support kinship carers, but the problem is that local authorities do not seem to be exercising those powers, except in a narrow range of circumstances. We need to look at that further where, for example, people take over the caring responsibility for grandchildren, who are often from homes where drugs and alcohol have been misused, or where elder brothers or sisters take on responsibility for younger children. They move in quickly where they see problems and then they discover that they are not eligible for support because of the narrow set of criteria. Before anyone says that we have moved on in that respect, I say that I recognise that but there is still some way to go.

In summing up, will the minister give a commitment to trying to set up a meeting with UK Government ministers to look at some of the wider issues around the benefits system, which does not assist carers? I am conscious that in some instances in which the Scottish Government would try to step in to help, it would cause a problem with the UK benefits system. To move forward on that we need to get people round the table to discuss it in more detail and to have some kinship carers involved in the process. I hope that I kept my speech within my two minutes.

16:01

**Jamie Stone (Caithness, Sutherland and Easter Ross) (LD):** I am not returning to this place next May and this debate is a good example of why I will miss it—we have heard thoughtful speeches from all sides of the chamber.

Shona Robison painted a picture for us and I was delighted to hear of her commitment to protecting funding for carers in the spending review that will be upon us shortly. She pointed

out the funding that is being directed towards carer training programmes. I liked her expression that it is the

“small things that make a difference”,

because that is absolutely true. I am sure that each and every one of us in our work as MSPs has discovered that that little bit of attention from a doctor—Shona Robison referred to that—or a teacher taking on board why homework has not been completed makes all the difference to the young carer.

Jackie Baillie numbered the 100,000 young carers. She said, as I did in my intervention on the minister, that it is about focusing on the outcomes, a point on which members touched again and again. It obviously struck a big chord with Linda Fabiani when Jackie Baillie mentioned the problem that others spoke about of older carers looking after people with learning difficulties. I have come to admire my constituents who take on that role. As others have said, those old people will die before the person for whom they are caring. Such people often live only with the person for whom they care and they have a peculiar form of courage that I am sure we all recognise. Jackie Baillie also asked a crucial question about what emergency planning is in place for when something happens.

Mary Scanlon welcomed the investment in telehealth. She was right to mention it and I have no doubt that more will be said about it in the future. She said that the move from children's to adults' services is a chasm that sometimes is not crossed as easily as we would like.

My colleague Ross Finnie was correct when he said that co-operation between health boards and local authorities is not always as we would like it to be. As members know, I have some experience of being a carer and I have come across that problem. It has got better, but there can sometimes be a gap between the health board and social work, particularly when a family member becomes a carer unexpectedly because of a medical intervention or something of that nature. When the person who has to be cared for leaves hospital, one is sometimes not too sure what happens next. Although we could fine-tune that situation, I do not decry in any way what has happened in the past.

Bob Doris was correct to warn us against short-term thinking. His exchange with Cathy Jamieson on kinship care was informative, not just to me, but I am sure to the whole chamber. It was an important point.

Mary Mulligan spoke of the involvement of carers and carers organisations in drafting the report, and that is to be welcomed. She was right when she said that it is about valuing carers. I am

sure that we all get frustrated by the fact that the many people who do good work in our society do not seem to get the recognition that they deserve. I am not talking about honours, but often people could do with recognition, which could make all the difference to carers. Whether it is an old person looking after someone with learning difficulties or a young carer looking after an alcoholic or drug-addicted parent, they need to be sung to the skies.

Mary Mulligan made an important point, which Cathy Peattie echoed in her speech a few minutes ago, about the stress that carers experience. If a person is caring for someone who is wetting the bed and that happens again, or if something goes wrong and they have to deal with it, that is the time they need a drink or a fag and their blood pressure goes up. That is what respite is all about.

In his impassioned plea for real delivery, Hugh O'Donnell correctly criticised silo thinking. The point is linked to what Ross Finnie, I and others are saying about the disconnect between various services that sometimes exists.

Members would expect me to mention the huge challenge that is presented by distance and rurality. Crossroads Care has been mentioned. Crossroads in east Sutherland in my constituency may deal with people who live in very remote locations. By necessity, those carers often have to deal with issues by themselves. I am sure that many members will remember the young children from east Sutherland who came here during the first session and put on a little play in one of our old committee rooms about what it is like to look after a parent and to be ticked off for not having done one's homework. Many of those kids live up straths and in very remote locations. I plead with the minister not to forget the challenges that rurality and distance present.

I conclude where I started. Recognition of carers and of what they can and do contribute is hugely important. I do not know whether we can encourage councils or others to do a trawl, by means of the experts on the ground, of people who are working hard; that may not cost much money. I am happy to take advice on the matter, but just giving people a certificate to say that they should be proud of what they are doing and that they are contributing to society, are doing something great and deserve the country's thanks would be helpful.

16:07

**Margaret Mitchell (Central Scotland) (Con):** I welcome what has been an extremely important debate on the Scottish Government's carers and young carers strategy, which follows on from a debate on the issue that the Equal Opportunities Committee secured in February 2009. As has

been the case today, in that debate there was cross-party support for the enormous contribution that carers of all ages make to Scottish society and recognition of the challenges that unpaid carers face. Those challenges involve fairness issues, so the Equal Opportunities Committee has had a long-standing interest in carers and has continued to play a key role in monitoring and scrutinising the progress that the Government has made in developing the strategy. I thank the minister for her comments recognising that work.

I consider it a matter of considerable regret—and one that should be revisited—that at present no formal mechanism is in place to guarantee a convener speaking time in such circumstances. For that reason, I make my comments today as a Conservative member and will refer only to some of the Equal Opportunities Committee's findings. I will also make observations that arise from liaising with carers organisations in my Central Scotland constituency such as North Lanarkshire Carers Together and the Princess Royal Trust for Carers.

When the subject was last debated, a number of key policy reforms were suggested. Members referred to the need for early identification of carers and to the fact that, although carers had a statutory right to assessment, they had no such right to services. Also highlighted was the desperate need for carers to access respite and to have annual health checks. I will address each of those points in turn, starting with the identification of carers.

The commitment on training and qualification accreditation bodies in action point 9.2 of the strategy is welcome, as it will help to ensure early identification. Also welcome is the consideration that is being given to the possible introduction of a Scottish carers helpline. However, although the strategy highlights the need for continued emphasis on carer identification in GP practices, hospitals and other settings, I understand that at present it is by no means clear that GPs have signed up to that. I invite the minister to address the point in her closing remarks. Furthermore, the statutory right to assessment remains in isolation, in so far as the strategy contains no corresponding statutory right to services. Instead, it appears that an outcome-based approach is on offer, whereby local authorities are asked to monitor the impact and outcomes of carers' assessments on an on-going basis.

**Hugh O'Donnell:** I note what the member says about statutory provision of services. Generally, does she agree that, if there is a strategy in any area of activity for which a Government is responsible, there should be a statutory obligation to ensure that the strategy is applied?

**Margaret Mitchell:** Absolutely—and other members have made that point. I ask the minister



to confirm how the outcome-based approach will help to address the current postcode lottery, which is due to the uneven distribution of resources dedicated to carer services between one local authority and another. In view of that, and taking into account her response to Jackie Baillie, can the minister provide any reassurance to carers that local authorities will be provided with appropriate resources to deliver the necessary services and support for carers and voluntary organisations, as outlined in the strategy, especially in the wake of the current budgetary constraints?

Respite care is crucial to enable carers to continue to perform their invaluable role, which, it should never be forgotten—and I make no apology for emphasising it again—saves the Scottish economy a staggering £7.68 billion every year. Although the £1 million that is allocated to the voluntary sector to provide that care is welcome, if we consider that Scotland has nearly 660,000 carers, that £1 million is spread very thinly indeed, considering what respite care that money could deliver to each individual.

Another key aspect of support for carers is the annual health check. It is disappointing that only a five-yearly check will be instigated under a programme that is available only for those aged 45 to 64—and only if the carer lives in one of the 15 per cent most deprived areas in Scotland. Although the strategy aims to lower the age of assessment to 40, the net result is that health check provision will not be universal, nor will checks be carried out annually.

Carers organisations in Central Scotland have highlighted the point that, although the strategy contains robust recommendations on advocacy, which are certainly welcome, the problem is often not a lack of advocacy—given that what is required is well known—but a lack of mediation in the frequent circumstances in which a dispute occurs over the delivery of what is required.

As Ross Finnie has pointed out, there is no doubt that the strategy document is potentially very good. However, the issues that have been outlined must be addressed if the strategy is to deliver what it was intended to do, for a group of people in Scottish society who could not be more deserving of our support.

16:13

**Karen Whitefield (Airdrie and Shotts) (Lab):** I am pleased to make Labour's final contribution to this debate on the carers and young carers strategies. It has been an excellent debate, with good contributions from all speakers. I apologise in advance if I do not refer to everyone's speeches individually, which is because of the pressures of

time—I do not want to give the Presiding Officer yet another opportunity to tick me off.

One of the first cross-party groups that I joined on becoming an MSP in 1999 was the CPG on carers. During my time as the convener of that CPG, its primary focus was on the development of a carers strategy. Back in 1999, the carers lobby took full advantage of the establishment of the new Parliament, seeing an opportunity to raise their issues and get them high up on the political agenda. I was pleased that the Government at that time launched a carers strategy in 1999, and the current Government has seen fit to do further work, developing the work that was undertaken by the Parliament in its first session.

It became clear to me back then that there was a particular problem in relation to young carers. There was and still is a tension between the understandable desire to relieve children and young people of onerous caring responsibilities and the pragmatic need to support them in their caring role. There was a feeling that to support young carers was somehow to condone their involvement in an activity that could be detrimental to their personal development and for which the state should ideally take greater responsibility.

That is why I am particularly pleased that the Scottish Government has published the first young carers strategy, which is important. It is estimated that more than 100,000 young people in Scotland have caring responsibilities. We need much more information about the number of young carers and the issues that they face, so I welcome Government plans to introduce a category on young carers in the 2011 school census. As the Princess Royal Trust for Carers said in its briefing for the debate, the inclusion of such a category can only raise awareness of young carers and result in identification of and support for a greater number of young people.

I welcome the Government's decision to commit £5 million to the voluntary sector, to provide respite and short breaks, and I welcome the provision of funds for the annual Scottish young carers festival.

It is vital that we listen to young carers as we formulate policy and prioritise spending. During their most recent conference, which took place in August, young carers expressed concern about a range of issues. They highlighted the impact that caring can have on a young person's mental health and they called for stronger support mechanisms in schools and greater consistency between local authorities. They expressed concern about the funding that is available for specialist young carers services, many of which have been funded through the fairer Scotland fund, which has come to an end, as all members know.

Among the issues that the Princess Royal Trust for Carers raised, it is important that we highlight the trust's concern about future funding and resources, because the issue underpins many of the trust's other concerns.

Jackie Baillie was right to say that the test for the carers and young carers strategies will be how they deliver on the ground and how health boards and local authorities are held to account on their implementation. There is no point in having an ambitious and well-meaning strategy in place if there are neither resources to implement the strategy nor meaningful commitments from all the partner agencies that are involved. Ross Finnie made a valid point when he described the challenges that exist in ensuring not only that the Scottish Government takes responsibility but that there is joint working between health boards and local authorities.

The trust expressed reasonable concern about the lack of additional investment that is attached to the carers and young carers strategy documents. The Government is good at publishing strategies, but it is not always as good at funding them. Investment is needed to ensure that increasing demand from unpaid carers and young carers can be met locally. That is particularly evident when we consider the plight of carers centres, many of which are experiencing greatly increased demand for their services just when their funding is under threat. Mary Mulligan was right to talk about the difficulties that many voluntary organisations face in trying to guarantee funding for the future. Funding for carer information strategies helps to sustain posts and projects in carers centres. I hope that the minister can offer reassurances about the future funding stream.

I welcomed the minister's honesty about the SNP's commitment to guarantee respite for carers who provide the most intensive care, but I gently point out that the commitment was to deliver the guaranteed entitlement prior to 2011. Was the policy that was set out in the 2007 manifesto not fully costed? What has been done since 2007?

Bob Doris, Mary Scanlon and Cathy Jamieson all mentioned the important issue of kinship care and the postcode lottery that was identified by the report that Citizens Advice Scotland published recently on kinship care. I am happy to recognise that there has been some progress on that, but it is not nearly enough. However, it is not only about money, as kinship carers have doggedly campaigned to point out. They want the needs of the children whom they look after to be addressed. They want educational support and access to psychological services to be improved, for example. It would be useful if, in her closing speech, the minister would commit to ensuring that there is better co-operation across all levels of

government for kinship carers and the children for whom they care.

I welcome the publication of both strategies. There is much in them to be commended, and I give credit to the Scottish Government. However, the Government must provide the resources that are required to implement the commitments that are made in the strategies. It must provide assurances that local authorities and health boards will remain committed to those policy commitments and not be tempted to cut services as budgets are squeezed.

16:21

**Shona Robison:** I thank all members who took part in the debate. There were a number of positive and constructive speeches. It is clear that all parties acknowledge the impact that caring can have on carers and young carers and that they appreciate the need to improve and extend much-needed support.

I will pick up on a number of the speeches that were made. If I do not pick up on them all, I will write to those members to whom I do not respond.

First, I will say a bit about implementation, because a number of members raised that issue. Our intention is to establish an implementation and monitoring group, which will meet for the first time next month. It will comprise key partners from a range of organisations who will build on the work of the earlier steering groups. Our partners in implementation will include the national carer organisations, whose services and support make a significant difference to the lives of many of Scotland's unpaid carers. That will ensure that they have clear oversight of the progress that is made as the strategy is implemented.

As I said at the outset, we produced the strategy jointly with COSLA, whose members recognise the key contribution that they can make to delivering many of its action points and outcomes, whether through teachers identifying and supporting young carers, schools adopting more young carer-friendly policies and practices, or social workers offering assessment and support to carers. COSLA's involvement in the implementation and monitoring group will be key.

The NHS will also be represented on the group. When I met NHS board chairs last month, I highlighted the important contribution that NHS boards can make to delivering improvements for unpaid carers and young carers.

I referred earlier to the fact that the development of the strategy was a joint effort. Members can be assured that its implementation and the delivery of the improved outcomes that it seeks to achieve will also very much be a joint effort.

I confirm to members that I am happy to report to Parliament on progress on both strategies. We can discuss further how often that should be, but I am happy to commit to that.

A number of members mentioned the carer information strategy moneys. As I said at the outset, that is a priority for the spending review. I recognise the importance of the CIS moneys for supporting carers centres and a number of other important initiatives to support carers in local settings. However, we should recognise that local authorities also support carers centres, and it is important that we make progress on that jointly, because I would not want one lot of public money to replace other public money that has been lost in the system. Those discussions will have to take place locally, but I get a sense that carers centres are recognised for the work that they do.

Jackie Baillie raised the specific issue of the self-directed support bill, which will be published in the very near future. I will correct what she said. The delay is not because of a tussle between the Scottish Government and COSLA over resources. I am sure that Jackie Baillie understands that the whole premise behind self-directed support is to use the existing resources in the system better. The test sites have shown that resources can be saved. As I have told Jackie Baillie before, the reason for the delay was that stakeholders had fundamental issues with the default position in the bill being self-directed support and unintended consequences of that. It is important that those issues are resolved should that remain one of the key planks of the bill. It was felt that more time was necessary to try to get agreement among stakeholders.

**Jackie Baillie:** The minister will not be surprised if I refer to correspondence and reports from local authorities and COSLA that suggest that they would oppose the bill, based on the likely costs that would arise from it. Will she confirm that, whether or not she publishes the bill, there will not be legislation on self-directed support in this session, as previously promised?

**Shona Robison:** I do not want to breach the consensus that exists, but it is the SNP that has driven self-directed support. I am glad that Labour now supports us on that. There will be legislation as quickly as it can be taken forward. Nineteen of the 32 local authorities support the principle behind the self-directed support bill, and I welcome that support.

I turn to other issues that members have raised.

Mary Scanlon raised the issue of the carers' rights charter, and rightly highlighted its importance for carers.

Ross Finnie talked again about delivery and accountability. I think that I reiterated in an

intervention in his speech that pooled budgets create an opportunity for us to move forward significantly on issues on which there is local agreement between councils and health boards. There is an opportunity to move forward on the changes that need to be made in the interaction between health and social care services. Many of those changes will directly benefit carers, which is why it is important that carers should be around the table when decisions are being made. They should not be an afterthought; rather, they should have a voice at the top table when local plans are being developed.

Bob Doris made important points about kinship care and the challenges in moving forward on that.

Mary Mulligan, Hugh O'Donnell, Cathy Peattie and Margaret Mitchell commented on resources. The coming pressures on Scottish budgets will not have escaped anyone. I wish that the situation were otherwise, but it is not. Those pressures will affect health board and council budgets, which will affect the pace of change that we can implement with strategies, whether that is the carers strategy or any other strategy. I wish that that were not so, but it is so.

However, I hope that what I have said reassures carers that we are taking practical steps forward through pooled budgets with a significant but yet to be determined resource behind them; the continuation, I hope, of CIS moneys; the respite commitment; delivering through the voluntary sector; and self-directed support, on which I say to Jackie Baillie that we will deliver legislation to move forward. All of those things are important in providing carers with tangible benefits. Such benefits will come from the carers strategy.

I hope that those who are listening in the public gallery have taken heart from the constructive comments that have been made throughout the chamber.

## Strategic Defence and Security Review

**The Presiding Officer (Alex Fergusson):** The next item of business is a statement by John Swinney on the economic and social impact of the strategic defence and security review. The cabinet secretary will take questions at the end of his statement, so there should be no interventions or interruptions.

16:30

**The Cabinet Secretary for Finance and Sustainable Growth (John Swinney):** Last week, the Prime Minister announced the results of the United Kingdom strategic defence and security review. The decisions that have been made will have a considerable impact in and for Scotland, and as a result we have taken a number of actions over the past week. I want to take the opportunity to outline to Parliament our initial analysis of that impact and the steps that we are taking.

Parliament will wish to join me in welcoming the decision that the £5 billion carrier project will continue, which will protect directly and indirectly the more than 5,500 jobs on and around the Clyde and at Rosyth that contribute heavily to the UK and Scottish economies. That reflects the record of excellence that is inherent in our shipbuilding tradition. There are aspects of the naval decisions on which we will seek clarification in due course.

The situation that the bases in Moray face, however, is an issue of national importance to Scotland, and that is how the Scottish Government intends to treat it. The Scottish Government has grave concerns about the threat to the people and community of Moray as a result of the UK Government's decision on RAF Kinloss and the uncertainty over the future of RAF Lossiemouth. Moray and the economy of the surrounding area are heavily reliant on the bases—indeed, Moray is the most Royal Air Force-dependent community in the UK—and the loss of both bases would be catastrophic. We welcome the commitment that the Prime Minister made in the House of Commons to engage with communities before final decisions are taken on their future, and the Scottish Government will continue to hold the UK Government to its promises in that respect.

On Tuesday, the First Minister and I, along with the MSP for Moray, Richard Lochhead, met the emergency task force and heard from it at first hand about the consequences that are already becoming a reality on the ground—contracts are being cancelled and jobs are being put at risk, which is creating uncertainty among businesses. The task force, which was convened last week, is made up of representatives of the local authority,

Highlands and Islands Enterprise, business leaders and the voluntary sector, and it has the full support of the Scottish Government. The task force is investigating the impact of the SDRS announcements on Moray and the surrounding areas as a matter of urgency. It was clear from our meeting on Tuesday that the people of Moray are determined to fight and to build on the strengths of their communities.

Approximately 5,700 jobs depend directly on RAF Kinloss and RAF Lossiemouth, which generate an estimated £150 million a year for the local economy. The loss of those jobs and that income would devastate communities that have provided decades of support to the personnel at the bases, who are an integral part of the county of Moray.

The Moray task force will shortly present to the Secretary of State for Defence a strong case for the future of RAF Lossiemouth, which will involve it being used as the home of the UK's Tornados. The community, businesses and the public sector in the area are united in making the strongest representations possible to the Ministry of Defence in advance of the decision about the future of the base. They will also make the case for responsible withdrawal from RAF Kinloss.

I highlight the fact that the recent SDRS announcement failed to address a number of important matters relating to the future of the bases, particularly around timescales and support for personnel. For the people of Moray, who have arguably been hit harder by the announcement than any other community in the UK, that lack of clarity only serves to heighten the anxiety and distress that are felt at local level. With that in mind, I would like to make particular points on the consequences of the decisions.

The Scottish Government is dismayed at the decision to close RAF Kinloss as an RAF base. Kinloss celebrated its 70<sup>th</sup> anniversary as a home to the armed forces in July last year, and the reaction in Moray demonstrates that the announcement has dealt a huge emotional blow to the community. If the UK Government intends to take that decision, it must accept that there are far-reaching implications for the people of Moray and for Scotland, and must be prepared to step up and deal with the consequences as a matter of urgency.

The Government has strong concerns about how the announcement has been handled by the UK Government. Moray has given a great deal of support to the armed forces over the years, and although we have supplied the MOD with substantial data on the socioeconomic implications, there has been a marked absence of transitional support from the UK Government for the community in Moray.

In his letter to the defence secretary this week, the First Minister made it clear that he would like to be given an indication of what practical assistance and package of support the UK Government intends to provide to handle the aftermath of the announcement. The Government advocates a substantial increase to the UK rapid response fund, which would increase Scotland's share of that pot to assist those who will be facing redundancy. I hope that the Parliament will join the Government in advocating that.

There is evidence that the consequences of the potential RAF withdrawal are already being felt within the local economy. Our initial analysis suggests that withdrawal of the bases would remove at least £0.5 million pounds from the Moray economy for every week that the bases are inactive. The knock-on costs to the taxpayer of benefits payments and the indirect impacts on housing, health, education and mental health also need to be considered. Those economic considerations should be factored into any decisions by the UK Government on the future of RAF Kinloss and RAF Lossiemouth.

Given the devastating decisions about RAF Kinloss, the Scottish Government firmly believes that the Tornados should be based at RAF Lossiemouth. The sense of loss in Moray is dramatic, and it is worth noting that local community and business leaders powerfully describe the possibility of losing both RAF bases as "unthinkable". A decision to base the Tornados at RAF Lossiemouth would give the community hope and help to limit the social and economic damage that will be inflicted by changes at RAF Kinloss. It would also make good economic sense, given the facilities that are already there and the record of excellence that both bases can boast. We are working with the Moray task force to examine the economic case and we will present our case in the strongest possible terms in the coming weeks.

Although it is clear that communities in Moray will bear the brunt of the impact of the SDSR, there are significant implications for the rest of Scotland. Although our primary focus is on pressing for the future of the base, officials in the Scottish Government, HIE and the local authorities are learning from examples elsewhere of how to mitigate the impact of such decisions, and they are looking at how best to deploy the resources and levers that are at our disposal. I will outline the current thinking in relation to mitigation approaches.

Skills Development Scotland has already activated partnership action for continuing employment to ensure that staff who are affected by the decision to withdraw the RAF are given appropriate support and resources. PACE offers a

range of support and resources to help with large-scale redundancies, and it is the centre of excellence for such incidents.

As well as the immediate issues facing Moray, the Government is particularly concerned about decisions that are still to be made in relation to Craigiehall and Fort George, which, when combined with the potential losses in Moray, could mean that we run the risk of leaving only 8,000 service personnel in Scotland.

The Scottish Government is working closely with the community in Moray to identify further key questions and focus on the steps that will be needed to mitigate the impact, but we cannot do that without accurate information, resources and practical assistance from the UK Government, and we are continuing to work constructively in order to retrieve that information.

The Scottish Government appreciates that tough decisions must be made in times of financial constraints. However, such decisions must also be fair, balanced and responsive to wider long-term social and economic impacts. We are keen to work constructively with the UK Government and with the team in Moray to consider the true consequences of the recent announcement, and to take direct steps to avoid making a bad situation worse.

During the past few weeks, Parliament has been able to put aside differences to make the strongest case for Scotland's defence capability, the defence industry and the communities that they support. In the first joint submission from all the main parties in eleven years, we outlined the clear need for SDSR decisions to take socioeconomic consequences into consideration. The submission, which was sent to the MOD and the UK Government, demonstrated the way in which the defence footprint and defence industry are closely woven into the fabric of society, showing, for example, that a fifth of the children in the Forres academy catchment area primary schools are the children of RAF personnel. It is indicative of the strength of feeling on the matter that we were able to create a cross-party submission and to set aside our differences for the sake of the greater cause. This week, the Scottish Government wrote to Opposition party leaders to ask for their continued support for the Moray task force and for the case for RAF Lossiemouth.

In that spirit, the First Minister accepted an invitation from the save RAF Lossiemouth action group to attend and address a rally in Lossiemouth on 7 November. We must continue to fight to defend those communities, and I encourage other party leaders to join us at that rally as we take forward the campaign to defend the interests of the people of Scotland and the people of Moray.

**The Presiding Officer:** The cabinet secretary will now take questions on the issues raised in his statement. We have 20 minutes for those questions, after which we must move on. I will endeavour to fit in as many questions as possible.

**David Whitton (Strathkelvin and Bearsden) (Lab):** I thank the minister for early sight of his statement.

On this side of the chamber, we are fully committed to supporting Scotland's defence-related industries, whether that be aircraft carriers built on the Clyde and in Fife, nuclear submarines operating out of Faslane, or fighter and reconnaissance aircraft operating from bases in the north of Scotland. In that regard, I have been asked by Labour leader Iain Gray to say that he will be in Lossiemouth on 7 November for the rally being held there.

As we have heard, defence-related industries make a vital contribution of more than £2 billion annually to the Scottish economy, providing 40,000 direct jobs from graduates to craftsmen and crafts women and apprentices. Labour recognises the decision of the United Kingdom Government to honour the contracts agreed between the aircraft carrier alliance and the MOD, but we have concerns about the implications for the future of ship refitting at Rosyth after the Government's bizarre decision to remove one of the new carriers from service. Is the Scottish Government aware that that will mean a significant reduction in work available from the MOD and will lead to an overcapacity of workers employed in ship refitting across the UK? Has the Scottish Government met, or does it have plans to meet in the near future, Babcock or the trade union representatives to discuss the future implications for ship refitting at Rosyth?

**John Swinney:** I thank Mr Whitton for his remarks and for his specific comment that Iain Gray will participate in the event on 7 November. The information that I have is that Annabel Goldie and Tavish Scott have also confirmed their attendance, which we also welcome.

Mr Whitton made a number of points in relation to the support for the defence industries and facilities in Scotland, which I have covered in my statement. I endorse the points that he made about their economic significance.

Mr Whitton made a point about the capacity at Rosyth. Of course there are implications to the decisions that have been taken. I said that there were further decisions on naval issues on which we would seek clarification in due course, and Mr Whitton has raised one of some significance and substance. As part of the Scottish Government's effort in recognising that there is a significant social and economic impact, ministers will be

happy to engage in dialogue with the relevant trade unions that are involved in Rosyth and to ensure that their contribution can be part of the response that we make to the United Kingdom Government on the issues that remain outstanding as a consequence of the recent decisions.

**Murdo Fraser (Mid Scotland and Fife) (Con):** I thank the cabinet secretary for his statement and for advance sight of it. I join him in welcoming the decision to continue the building of the two aircraft carriers, which is an important one for the Scottish economy, and I also welcome the fact that there will be no reduction in the Scottish infantry as a result of the defence review.

We are all acutely aware of the threat to the Moray economy. My father served in the Royal Air Force and was stationed at Kinloss for a while. The loss of the base will be keenly felt. The Scottish Conservatives will be part of the cross-party campaign to support the Moray task force. Annabel Goldie has already been in contact with the Prime Minister and the Secretary of State for Defence to make a robust case for Moray, and I can confirm that she will attend the rally on 7 November.

Will the cabinet secretary say what consideration is being given to making a case to the Ministry of Defence for Kinloss to be used as a location for other defence establishments, such as a base for infantry regiments returning from Germany, and whether that process, currently scheduled for 2015, might be accelerated? Furthermore, are Scottish Enterprise and HIE involved in trying to identify how the existing skills base in the area could be used to attract inward investment?

**John Swinney:** I thank Mr Fraser for his remarks and make a particular point, which is that the contribution that Annabel Goldie and her colleagues can make constructively through their dialogue with their party-political colleagues in the United Kingdom Government, be it the Prime Minister or the Secretary of State for Defence, will be welcomed by the Scottish Government to ensure that the correct decisions are arrived at in relation to RAF Lossiemouth.

Murdo Fraser made a point about the possible deployment of Army personnel to Kinloss, and the key word that he used was "accelerated". The key question is about the length of time between the closure of Kinloss as an RAF base and its opening as another defence location. I made a remark about the loss to the Moray economy on a weekly basis if that base is not functioning. That is a huge gap in the Moray economy.

That takes me on to Mr Fraser's final question about the skills base and the possibilities for inward investment. We must have clarity about the

plan and the timescale for a continued military use of RAF Kinloss. If the time between closure and reuse is too long, the impact on the Moray economy will be severe; if it is shorter, the effect will be minimised. If the gap is of the length that has been stated by the Prime Minister, we must, as a matter of urgency, establish other economic development measures to attract users to the facilities at Kinloss—which are of a high quality and where high-quality skilled personnel are employed—for wider economic purposes.

The key question, however, is whether the decision about the location of other military personnel can be accelerated from the timescale that has been given by the Prime Minister. On that point, any intervention from Ms Goldie and her colleagues would be welcome.

**Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD):** I thank the cabinet secretary for the advance copy of his statement. As I said at First Minister's question time, I have the privilege of representing a military base in my constituency—the second-biggest infantry barracks in Scotland. Just yesterday, I took some children of military personnel on a tour around the Parliament. I fully understand the positive socioeconomic impact of military and defence expenditure in Scotland, and I think that the member for Moray is doing exactly the right thing. The retention of the carriers, as stated, has a positive economic impact for the whole of Scotland in spite of the MOD capital expenditure deficit. Using the input-output model of the Government, that is the equivalent of 84,000 direct and indirect jobs.

The cabinet secretary omitted to say that the Secretary of State for Scotland was in Moray within 48 hours of the Prime Minister's statement and that the Scotland Office is open to using all the UK Government departments, other than the MOD, to support the Moray community and the task force. As the cabinet secretary said, Tavish Scott has also indicated his full support and has confirmed his attendance at the Lossiemouth rally.

Will the cabinet secretary establish a high-level defence expenditure working group that includes all areas of the devolved government and its agencies—including Scottish Enterprise, local authorities, Skills Development Scotland, universities and research institutions—so that we can put forward the best case for all Scotland's economy in trying to win new jobs and defence contracts and in defence procurement? This is a long-term and sustainable part of the Scottish economy, and all parts of devolved government should work together towards that.

**John Swinney:** I thank Mr Purvis for his remarks. The Secretary of State for Scotland was in Moray shortly after the Prime Minister's

announcement. I welcome the fact that the Scotland Office will make available access to other UK Government departments on the issues that are raised. I hope that, as part of that process, we will have early responses to our requests for information on the specific points that I raised in my statement. I also hope that we can have some input from the relevant UK departments, particularly the Ministry of Defence—I am not concerned whether it comes through the Scotland Office or any other means—to address the issue that I dealt with in response to Mr Fraser's question. That strikes me as utterly material to the future economic use of RAF Kinloss. If the Scotland Office can assist by responding timeously to our requests for information and further advice, that will be welcome.

On the work of agencies, I confirm that a number of public sector partners will meet Highlands and Islands Enterprise in Moray on 5 November, drawing together all the organisations to which Mr Purvis referred that have a locus in relation to the Moray economy. Highlands and Islands Enterprise has undertaken some fantastic economic analysis of and preparatory work on the military bases at Lossiemouth and Kinloss and it has previously worked on the Hebrides rocket range. It has excelled in that respect and has ensured that we have a full understanding of the risks and the dangers. That information has been deployed to our advantage in relation to the case that can be put forward and will be deployed in relation to RAF Kinloss.

On the point about defence procurement and the defence sector, our enterprise agencies are fully involved in seeking the opportunities for all areas of economic and business development, from research and development through innovation and into commercialisation, production, manufacturing and internationalisation activity. Of course, the defence sector will be part of the areas of interest and responsibility of the agencies.

**The Presiding Officer:** We come to back-bench questions. Nine members have indicated that they would like to ask a question, and we have the same number of minutes, so everyone should keep it short and sharp.

**Dave Thompson (Highlands and Islands) (SNP):** As a Lossie loon, I was disappointed by David Cameron's flippant remarks yesterday. The loss of defence jobs in Moray is no laughing matter. Unlike David Cameron, the cabinet secretary is aware that Scotland is not just one region, but several, and that carriers in the central belt are no compensation for cuts in Moray. The average wage in Moray is £407.50 a week, which is 13.7 per cent less than the Scottish average. With the loss of the higher wages at the bases, the Moray average will drop even further below the

Scottish average. It is unacceptable that Moray should suffer in that way, especially as the United Kingdom Government—

**The Presiding Officer:** Question, please, Mr Thompson.

**Dave Thompson:** Okay. The UK Government takes in hundreds of millions of pounds a year from whisky in Moray. I am pleased—

**The Presiding Officer:** Could you please just ask a question? You are going to stop someone else being able to ask a question.

**Dave Thompson:** Okay. I am pleased that the cabinet secretary agrees with me, but does he have confidence that the UK Government will rise to the challenge of putting in place a substantial transition fund in Moray?

**John Swinney:** That is one of the unanswered questions about the strategic defence and security review. I have charted the economic impact on Moray. Information has been well prepared by Highlands and Islands Enterprise and is available for public consideration. The economic impact will be significant, and we will be pressing the UK Government to co-operate fully on the question of transitional support for the Moray economy at what will be a difficult time.

**David Stewart (Highlands and Islands) (Lab):** I thank the cabinet secretary for his constructive and helpful statement. Further to my question to the First Minister earlier today, could Mr Swinney estimate the timescale for creating special enterprise zone status for Moray and say whether there are plans to relocate Scottish Government posts there? Finally, is Skills Development Scotland in discussion with the European Union, through the European economic recovery plan, to draw down additional structural funds, such as European structural funds?

**John Swinney:** The Government will leave no stone unturned in terms of identifying the opportunities and approaches that could help to assist economic recovery in Moray. Mr Stewart will be aware that only a portion of the county of Moray is included in some of the assistance areas. Clearly, that is not within our decision-making power, but we are actively considering how that can be changed. I assure Mr Stewart that every opportunity will be taken to address the questions that he has raised, which are material to economic recovery in the county of Moray.

**Mary Scanlon (Highlands and Islands) (Con):** Due to the exceptional pressure on the Moray economy and infrastructure, would the cabinet secretary consider focusing infrastructure investment in the area, making the most of available regional selective assistance and introducing targeted incentives to support new and

existing businesses in the Moray area, whether or not it is called an enterprise zone?

**John Swinney:** I assure Mary Scanlon that many companies in the Moray economy—some of which Mr Thompson mentioned—will be deeply engaged in the economic development work of Highlands and Islands Enterprise and will be supported by that and by other support services, such as the business gateway. The Scottish Government attaches great priority to ensuring that that support is in place, whatever the designation.

It is vital that we retain our focus on the fact that the decision-making of the Ministry of Defence is having an economic impact, and I do not think that we should take the approach that the picking up of the pieces should be left exclusively to the Scottish Government. A major blow has been delivered by the Ministry of Defence, and it must be part of delivering the type of support that I referred to in my statement, to address the economic impact.

**Jim Tolson (Dunfermline West) (LD):** I thank the cabinet secretary for welcoming the UK Government's commitment to build both the aircraft carriers on the Clyde and the Forth, which includes the one in my constituency. That commitment is vital to the local economy in each area and to the strategic defence of the United Kingdom. Does the cabinet secretary recognise that such a crucial contract would be possible only on a United-Kingdom basis?

**John Swinney:** We can always rely on Mr Tolson to lift the quality of the discussion in the Parliament on a Thursday afternoon. Let us follow the logic of Mr Tolson's argument for a second to remind him just how futile a point he has made. The economic devastation of Moray is the unreserved responsibility of the United Kingdom Government as a consequence of its decisions. Perhaps some more thoughtful consideration from Mr Tolson before he blunders into his next question would not go amiss.

**Rob Gibson (Highlands and Islands) (SNP):** The enforced mass removal of service families from Moray—both of children as pupils and adults as employees—who contribute so much to the social and economic life of Moray, is a tragedy. Has a review been conducted of the impact on local schools and health services in Moray of the proposed closure of the two bases?

**John Swinney:** Mr Gibson touches on a significant issue, which is part of the economic analysis on Moray. If fewer people are living in the locality there will be knock-on effects on the demand for public services and the ability of some of those services to attract staff, who might be the spouses or dependants of RAF personnel who are



located in Moray. There are clearly implications for public services and public facilities, which will be considered as part of the support effort that the Government puts in place.

**Jackie Baillie (Dumbarton) (Lab):** I very much regret the proposal to close RAF Kinloss and the wider defence cuts, which will have an impact on Faslane, with job losses expected. Will the cabinet secretary extend the assistance provided to Moray to include Faslane, should that be required, and does he recognise that the Nimrod planes based at RAF Kinloss provide air support for Trident submarines? Will he therefore join me, in order to help secure the future of RAF Kinloss, in making the argument that the operation and safety of Trident could be compromised?

**John Swinney:** I do not think that the issue is limited to just the security of the Trident missiles. There are huge implications for aerial surveillance and security as a consequence of the Nimrod decision. I do not think that Jackie Baillie should limit the canvass of her question.

On economic impact, I said in my statement that there are aspects of the naval decisions on which we will seek clarification in due course. Clearly if there is an economic impact in the Faslane area, the Government will consider it. However, I return to the point that I made to Mary Scanlon: we should not lose sight of the fact that the negative impact is a consequence of decisions taken by the Ministry of Defence and the Scottish Government should not be left to pick up the pieces. The Ministry of Defence must be part of the recovery package, if it is required.

**Maureen Watt (North East Scotland) (SNP):** Given the fact that Nimrod aircraft based at RAF Kinloss have been critical to rescue operations in the North Sea, not least for the Piper Alpha disaster and last year's helicopter crashes, does the cabinet secretary share my concern that the cancellation of the Nimrod MRA4 is putting at unnecessary risk the lives of not only those working on offshore installations, but those aboard ships in Scottish waters, such as in the recent case of the fish-processing ship, Athena, which was deemed too far out to sea for other aircraft to reach?

**John Swinney:** Maureen Watt makes the point that I was making to Jackie Baillie, that there are wider implications of the Nimrod decision that can affect security and safety for personnel in a variety of situations. She refers to one of those practical implications of the Nimrod decision, which causes a significant impact on wider areas of activity. Clearly, measures have to be put in place to ensure that individuals are properly supported and made safe in what can be particularly trying circumstances and difficult terrain.

**The Presiding Officer:** That must conclude the ministerial statement and questions on the economic and social impact of the strategic defence and security review—I apologise to the two members whom I could not call.

## Presiding Officer's Ruling

17:00

**The Presiding Officer (Alex Fergusson):** Members will recall that I wanted to look at the *Official Report* following today's First Minister's question time in order to reflect on some of the language that was used in exchanges. Having done so carefully, I have concerns about some of the language that was used today. I strongly remind members that they should at all times conduct themselves courteously and respectfully.

## Decision Time

17:00

**The Presiding Officer (Alex Fergusson):** There are eight questions to be put as a result of today's business. I remind members that if the amendment in John Swinney's name, on support for business, is agreed to, the amendment in Derek Brownlee's name will fall.

The question is, that amendment S3M-7273.2, in the name of John Swinney, which seeks to amend motion S3M-7273, in the name of Jeremy Purvis, on support for business, be agreed to. Are we agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

**For**

Adam, Brian (Aberdeen North) (SNP)  
 Allan, Alasdair (Western Isles) (SNP)  
 Brown, Keith (Ochil) (SNP)  
 Campbell, Aileen (South of Scotland) (SNP)  
 Coffey, Willie (Kilmarnock and Loudoun) (SNP)  
 Constance, Angela (Livingston) (SNP)  
 Crawford, Bruce (Stirling) (SNP)  
 Cunningham, Roseanna (Perth) (SNP)  
 Don, Nigel (North East Scotland) (SNP)  
 Doris, Bob (Glasgow) (SNP)  
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)  
 Fabiani, Linda (Central Scotland) (SNP)  
 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)  
 Matheson, Michael (Falkirk West) (SNP)  
 Maxwell, Stewart (West of Scotland) (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)  
 Stevenson, Stewart (Banff and Buchan) (SNP)  
 Sturgeon, Nicola (Glasgow Govan) (SNP)  
 Swinney, John (North Tayside) (SNP)  
 Thompson, Dave (Highlands and Islands) (SNP)  
 Watt, Maureen (North East Scotland) (SNP)  
 Welsh, Andrew (Angus) (SNP)  
 White, Sandra (Glasgow) (SNP)  
 Wilson, Bill (West of Scotland) (SNP)  
 Wilson, John (Central Scotland) (SNP)

**Against**

Alexander, Ms Wendy (Paisley North) (Lab)  
 Baillie, Jackie (Dumbarton) (Lab)  
 Brown, Robert (Glasgow) (LD)  
 Butler, Bill (Glasgow Anniesland) (Lab)  
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)  
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)  
 Ferguson, Patricia (Glasgow Maryhill) (Lab)  
 Finnie, Ross (West of Scotland) (LD)  
 Foulkes, George (Lothians) (Lab)  
 Glen, Marlyn (North East Scotland) (Lab)  
 Gordon, Charlie (Glasgow Cathcart) (Lab)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)  
 Kelly, James (Glasgow Rutherglen) (Lab)  
 Kerr, Andy (East Kilbride) (Lab)  
 Livingstone, Marilyn (Kirkcaldy) (Lab)  
 Macintosh, Ken (Eastwood) (Lab)  
 Martin, Paul (Glasgow Springburn) (Lab)  
 McArthur, Liam (Orkney) (LD)  
 McCabe, Tom (Hamilton South) (Lab)  
 McConnell, Jack (Motherwell and Wishaw) (Lab)  
 McInnes, Alison (North East Scotland) (LD)  
 McMahon, Michael (Hamilton North and Bellshill) (Lab)  
 McNulty, Des (Clydebank and Milngavie) (Lab)  
 Mulligan, Mary (Linlithgow) (Lab)  
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)  
 Murray, Elaine (Dumfries) (Lab)  
 O'Donnell, Hugh (Central Scotland) (LD)  
 Peacock, Peter (Highlands and Islands) (Lab)  
 Peattie, Cathy (Falkirk East) (Lab)  
 Pringle, Mike (Edinburgh South) (LD)  
 Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)  
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)  
 Scott, Tavish (Shetland) (LD)  
 Smith, 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) (LD)  
 Tolson, Jim (Dunfermline West) (LD)  
 Whitefield, Karen (Airdrie and Shotts) (Lab)  
 Whitton, David (Strathkelvin and Bearsden) (Lab)

**Abstentions**

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)  
 Harper, Robin (Lothians) (Green)  
 Harvie, Patrick (Glasgow) (Green)  
 Johnstone, Alex (North East Scotland) (Con)  
 Lamont, John (Roxburgh and Berwickshire) (Con)  
 MacDonald, Margo (Lothians) (Ind)  
 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)

**The Presiding Officer:** The result of the division is: For 45, Against 43, Abstentions 18.

*Amendment agreed to.*

**The Presiding Officer:** The next question is, that amendment S3M-7273.1, in the name of Derek Brownlee—I apologise. As I instructed members clearly earlier, Mr Brownlee's amendment has fallen.

The question is, that motion S3M-7273, in the name of Jeremy Purvis, on support for business, as amended, be agreed to. Are we agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

**For**

Adam, Brian (Aberdeen North) (SNP)  
 Aitken, Bill (Glasgow) (Con)  
 Allan, Alasdair (Western Isles) (SNP)  
 Brocklebank, Ted (Mid Scotland and Fife) (Con)  
 Brown, Gavin (Lothians) (Con)  
 Brown, Keith (Ochil) (SNP)  
 Brownlee, Derek (South of Scotland) (Con)  
 Campbell, Aileen (South of Scotland) (SNP)  
 Carlaw, Jackson (West of Scotland) (Con)  
 Coffey, Willie (Kilmarnock and Loudoun) (SNP)  
 Constance, Angela (Livingston) (SNP)  
 Crawford, Bruce (Stirling) (SNP)  
 Cunningham, Roseanna (Perth) (SNP)  
 Don, Nigel (North East Scotland) (SNP)  
 Doris, Bob (Glasgow) (SNP)  
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)  
 Fabiani, Linda (Central Scotland) (SNP)  
 FitzPatrick, Joe (Dundee West) (SNP)  
 Fraser, Murdo (Mid Scotland and Fife) (Con)  
 Gibson, Kenneth (Cunninghame North) (SNP)  
 Gibson, Rob (Highlands and Islands) (SNP)  
 Grahame, Christine (South of Scotland) (SNP)  
 Harvie, Christopher (Mid Scotland and Fife) (SNP)  
 Hepburn, Jamie (Central Scotland) (SNP)  
 Hyslop, Fiona (Lothians) (SNP)  
 Ingram, Adam (South of Scotland) (SNP)  
 Johnstone, Alex (North East Scotland) (Con)  
 Kidd, Bill (Glasgow) (SNP)  
 Lamont, John (Roxburgh and Berwickshire) (Con)  
 Lochhead, Richard (Moray) (SNP)  
 MacAskill, Kenny (Edinburgh East and Musselburgh) (SNP)  
 Marwick, Tricia (Central Fife) (SNP)  
 Matheson, Michael (Falkirk West) (SNP)  
 Maxwell, Stewart (West of Scotland) (SNP)  
 McGrigor, Jamie (Highlands and Islands) (Con)  
 McKee, Ian (Lothians) (SNP)  
 McKelvie, Christina (Central Scotland) (SNP)  
 McLaughlin, Anne (Glasgow) (SNP)  
 McLetchie, David (Edinburgh Pentlands) (Con)  
 McMillan, Stuart (West of Scotland) (SNP)  
 Milne, Nanette (North East Scotland) (Con)  
 Mitchell, Margaret (Central Scotland) (Con)  
 Morgan, Alasdair (South of Scotland) (SNP)  
 Neil, Alex (Central Scotland) (SNP)  
 Paterson, Gil (West of Scotland) (SNP)  
 Robison, Shona (Dundee East) (SNP)  
 Russell, Michael (South of Scotland) (SNP)  
 Salmond, Alex (Gordon) (SNP)  
 Scanlon, Mary (Highlands and Islands) (Con)  
 Scott, John (Ayr) (Con)  
 Smith, Elizabeth (Mid Scotland and Fife) (Con)  
 Stevenson, Stewart (Banff and Buchan) (SNP)  
 Sturgeon, Nicola (Glasgow Govan) (SNP)  
 Swinney, John (North Tayside) (SNP)  
 Thompson, Dave (Highlands and Islands) (SNP)  
 Watt, Maureen (North East Scotland) (SNP)  
 Welsh, Andrew (Angus) (SNP)

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

### Against

Alexander, Ms Wendy (Paisley North) (Lab)  
 Baillie, Jackie (Dumbarton) (Lab)  
 Brown, Robert (Glasgow) (LD)  
 Butler, Bill (Glasgow Anniesland) (Lab)  
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)  
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)  
 Eadie, Helen (Dunfermline East) (Lab)  
 Ferguson, Patricia (Glasgow Maryhill) (Lab)  
 Finnie, Ross (West of Scotland) (LD)  
 Foulkes, George (Lothians) (Lab)  
 Glen, Marilyn (North East Scotland) (Lab)  
 Gordon, Charlie (Glasgow Cathcart) (Lab)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)  
 Kelly, James (Glasgow Rutherglen) (Lab)  
 Kerr, Andy (East Kilbride) (Lab)  
 Livingstone, Marilyn (Kirkcaldy) (Lab)  
 Macintosh, Ken (Eastwood) (Lab)  
 Martin, Paul (Glasgow Springburn) (Lab)  
 McArthur, Liam (Orkney) (LD)  
 McCabe, Tom (Hamilton South) (Lab)  
 McConnell, Jack (Motherwell and Wishaw) (Lab)  
 McInnes, Alison (North East Scotland) (LD)  
 McMahon, Michael (Hamilton North and Bellshill) (Lab)  
 McNulty, Des (Clydebank and Milngavie) (Lab)  
 Mulligan, Mary (Linlithgow) (Lab)  
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)  
 Murray, Elaine (Dumfries) (Lab)  
 O'Donnell, Hugh (Central Scotland) (LD)  
 Peacock, Peter (Highlands and Islands) (Lab)  
 Peattie, Cathy (Falkirk East) (Lab)  
 Pringle, Mike (Edinburgh South) (LD)  
 Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)  
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)  
 Scott, Tavish (Shetland) (LD)  
 Smith, 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) (LD)  
 Tolson, Jim (Dunfermline West) (LD)  
 Whitefield, Karen (Airdrie and Shotts) (Lab)  
 Whitton, David (Strathkelvin and Bearsden) (Lab)

### Abstentions

Harper, Robin (Lothians) (Green)  
 Harvie, Patrick (Glasgow) (Green)  
 MacDonald, Margo (Lothians) (Ind)

**The Presiding Officer:** The result of the division is: For 60, Against 44, Abstentions 3.

*Motion, as amended, agreed to,*

That the Parliament commends the vital role that small and medium-sized enterprises (SME) play in the Scottish economy and their importance in building economic recovery; recognises that the full savings due to that sector as a result of revaluation have been passed to businesses, and recognises that the general trend of the revaluation has been to reduce the tax burden for SMEs and that the total savings for the 87,500 SME properties that saw bills fall was £124 million.

**The Presiding Officer:** The question is, that amendment S3M-7269.1.1, in the name of Lewis Macdonald, which seeks to amend amendment S3M-7269.1, in the name of Stewart Stevenson, on renewable energy, be agreed to. Are we agreed?

*Amendment agreed to.*

**The Presiding Officer:** The question is, that amendment S3M-7269.1.2, in the name of Patrick Harvie, which seeks to amend amendment S3M-7269.1, in the name of Stewart Stevenson, on renewable energy, be agreed to. Are we agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

### For

Adam, Brian (Aberdeen North) (SNP)  
 Allan, Alasdair (Western Isles) (SNP)  
 Brown, Keith (Ochil) (SNP)  
 Campbell, Aileen (South of Scotland) (SNP)  
 Coffey, Willie (Kilmarnock and Loudoun) (SNP)  
 Constance, Angela (Livingston) (SNP)  
 Crawford, Bruce (Stirling) (SNP)  
 Cunningham, Roseanna (Perth) (SNP)  
 Don, Nigel (North East Scotland) (SNP)  
 Doris, Bob (Glasgow) (SNP)  
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)  
 Fabiani, Linda (Central Scotland) (SNP)  
 FitzPatrick, Joe (Dundee West) (SNP)  
 Gibson, Kenneth (Cunninghame North) (SNP)  
 Gibson, Rob (Highlands and Islands) (SNP)  
 Grahame, Christine (South of Scotland) (SNP)  
 Harper, Robin (Lothians) (Green)  
 Harvie, Christopher (Mid Scotland and Fife) (SNP)  
 Harvie, Patrick (Glasgow) (Green)  
 Hepburn, Jamie (Central Scotland) (SNP)  
 Hyslop, Fiona (Lothians) (SNP)  
 Ingram, Adam (South of Scotland) (SNP)  
 Kidd, Bill (Glasgow) (SNP)  
 Lochhead, Richard (Moray) (SNP)  
 MacAskill, Kenny (Edinburgh East and Musselburgh) (SNP)  
 MacDonald, Margo (Lothians) (Ind)  
 Marwick, Tricia (Central Fife) (SNP)  
 Matheson, Michael (Falkirk West) (SNP)  
 Maxwell, Stewart (West of Scotland) (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)  
 Stevenson, Stewart (Banff and Buchan) (SNP)  
 Sturgeon, Nicola (Glasgow Govan) (SNP)  
 Swinney, John (North Tayside) (SNP)  
 Thompson, Dave (Highlands and Islands) (SNP)  
 Watt, Maureen (North East Scotland) (SNP)  
 Welsh, Andrew (Angus) (SNP)  
 White, Sandra (Glasgow) (SNP)  
 Wilson, Bill (West of Scotland) (SNP)  
 Wilson, John (Central Scotland) (SNP)

**Against**

Aitken, Bill (Glasgow) (Con)  
 Brocklebank, Ted (Mid Scotland and Fife) (Con)  
 Brown, Gavin (Lothians) (Con)  
 Brown, Robert (Glasgow) (LD)  
 Brownlee, Derek (South of Scotland) (Con)  
 Carlaw, Jackson (West of Scotland) (Con)  
 Finnie, Ross (West of Scotland) (LD)  
 Fraser, Murdo (Mid Scotland and Fife) (Con)  
 Johnstone, Alex (North East Scotland) (Con)  
 Lamont, John (Roxburgh and Berwickshire) (Con)  
 McArthur, Liam (Orkney) (LD)  
 McGrigor, Jamie (Highlands and Islands) (Con)  
 McInnes, Alison (North East Scotland) (LD)  
 McLetchie, David (Edinburgh Pentlands) (Con)  
 Milne, Nanette (North East Scotland) (Con)  
 Mitchell, Margaret (Central Scotland) (Con)  
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)  
 O'Donnell, Hugh (Central Scotland) (LD)  
 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)  
 Smith, Elizabeth (Mid Scotland and Fife) (Con)  
 Smith, Iain (North East Fife) (LD)  
 Smith, Margaret (Edinburgh West) (LD)  
 Stephen, Nicol (Aberdeen South) (LD)  
 Stone, Jamie (Caithness, Sutherland and Easter Ross) (LD)  
 Tolson, Jim (Dunfermline West) (LD)

**Abstentions**

Alexander, Ms Wendy (Paisley North) (Lab)  
 Baillie, Jackie (Dumbarton) (Lab)  
 Butler, Bill (Glasgow Anniesland) (Lab)  
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)  
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)  
 Eadie, Helen (Dunfermline East) (Lab)  
 Ferguson, Patricia (Glasgow Maryhill) (Lab)  
 Foulkes, George (Lothians) (Lab)  
 Glen, Marlyn (North East Scotland) (Lab)  
 Gordon, Charlie (Glasgow Cathcart) (Lab)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)  
 Kelly, James (Glasgow Rutherglen) (Lab)  
 Kerr, Andy (East Kilbride) (Lab)  
 Livingstone, Marilyn (Kirkcaldy) (Lab)  
 Macintosh, Ken (Eastwood) (Lab)  
 Martin, Paul (Glasgow Springburn) (Lab)  
 McCabe, Tom (Hamilton South) (Lab)  
 McConnell, Jack (Motherwell and Wishaw) (Lab)  
 McMahon, Michael (Hamilton North and Bellshill) (Lab)  
 McNulty, Des (Clydebank and Milngavie) (Lab)  
 Mulligan, Mary (Linlithgow) (Lab)  
 Murray, Elaine (Dumfries) (Lab)  
 Peacock, Peter (Highlands and Islands) (Lab)  
 Peattie, Cathy (Falkirk East) (Lab)  
 Smith, Elaine (Coatbridge and Chryston) (Lab)  
 Stewart, David (Highlands and Islands) (Lab)  
 Whitefield, Karen (Airdrie and Shotts) (Lab)  
 Whitton, David (Strathkelvin and Bearsden) (Lab)

**The Presiding Officer:** The result of the division is: For 48, Against 30, Abstentions 29.

*Amendment agreed to.*

**The Presiding Officer:** The question is, that amendment S3M-7269.1, in the name of Stewart Stevenson, as amended, which seeks to amend motion S3M-7269, in the name of Liam McArthur, on renewable energy, be agreed to. Are we agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

**For**

Adam, Brian (Aberdeen North) (SNP)  
 Alexander, Ms Wendy (Paisley North) (Lab)  
 Allan, Alasdair (Western Isles) (SNP)  
 Baillie, Jackie (Dumbarton) (Lab)  
 Brown, Keith (Ochil) (SNP)  
 Butler, Bill (Glasgow Anniesland) (Lab)  
 Campbell, Aileen (South of Scotland) (SNP)  
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)  
 Coffey, Willie (Kilmarnock and Loudoun) (SNP)  
 Constance, Angela (Livingston) (SNP)  
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)  
 Crawford, Bruce (Stirling) (SNP)  
 Cunningham, Roseanna (Perth) (SNP)  
 Don, Nigel (North East Scotland) (SNP)  
 Doris, Bob (Glasgow) (SNP)  
 Eadie, Helen (Dunfermline East) (Lab)  
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)  
 Fabiani, Linda (Central Scotland) (SNP)  
 Ferguson, Patricia (Glasgow Maryhill) (Lab)  
 FitzPatrick, Joe (Dundee West) (SNP)  
 Foulkes, George (Lothians) (Lab)  
 Gibson, Kenneth (Cunninghame North) (SNP)  
 Gibson, Rob (Highlands and Islands) (SNP)  
 Glen, Marlyn (North East Scotland) (Lab)  
 Gordon, Charlie (Glasgow Cathcart) (Lab)  
 Grahame, Christine (South of Scotland) (SNP)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 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)  
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)  
 Kelly, James (Glasgow Rutherglen) (Lab)  
 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, Margo (Lothians) (Ind)  
 Macintosh, Ken (Eastwood) (Lab)  
 Martin, Paul (Glasgow Springburn) (Lab)  
 Marwick, Tricia (Central Fife) (SNP)  
 Matheson, Michael (Falkirk West) (SNP)  
 Maxwell, Stewart (West of Scotland) (SNP)  
 McCabe, Tom (Hamilton South) (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)  
 McNulty, Des (Clydebank and Milngavie) (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)  
 Robison, Shona (Dundee East) (SNP)  
 Russell, Michael (South of Scotland) (SNP)  
 Salmond, Alex (Gordon) (SNP)  
 Smith, Elaine (Coatbridge and Chryston) (Lab)  
 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)

### Against

Aitken, Bill (Glasgow) (Con)  
 Brocklebank, Ted (Mid Scotland and Fife) (Con)  
 Brown, Gavin (Lothians) (Con)  
 Brown, Robert (Glasgow) (LD)  
 Brownlee, Derek (South of Scotland) (Con)  
 Carlaw, Jackson (West of Scotland) (Con)  
 Finnie, Ross (West of Scotland) (LD)  
 Fraser, Murdo (Mid Scotland and Fife) (Con)  
 Johnstone, Alex (North East Scotland) (Con)  
 Lamont, John (Roxburgh and Berwickshire) (Con)  
 McArthur, Liam (Orkney) (LD)  
 McGrigor, Jamie (Highlands and Islands) (Con)  
 McInnes, Alison (North East Scotland) (LD)  
 McLetchie, David (Edinburgh Pentlands) (Con)  
 Milne, Nanette (North East Scotland) (Con)  
 Mitchell, Margaret (Central Scotland) (Con)  
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)  
 O'Donnell, Hugh (Central Scotland) (LD)  
 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)  
 Smith, Elizabeth (Mid Scotland and Fife) (Con)  
 Smith, Iain (North East Fife) (LD)  
 Smith, Margaret (Edinburgh West) (LD)  
 Stephen, Nicol (Aberdeen South) (LD)  
 Stone, Jamie (Caithness, Sutherland and Easter Ross) (LD)  
 Tolson, Jim (Dunfermline West) (LD)

**The Presiding Officer:** The result of the division is: For 77, Against 30, Abstentions 0.

*Amendment, as amended, agreed to.*

**The Presiding Officer:** The next question is, that motion S3M-7269, in the name of Liam McArthur, on renewable energy, as amended, be agreed to. Are we agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

### For

Adam, Brian (Aberdeen North) (SNP)  
 Alexander, Ms Wendy (Paisley North) (Lab)  
 Allan, Alasdair (Western Isles) (SNP)  
 Baillie, Jackie (Dumbarton) (Lab)  
 Brown, Keith (Ochil) (SNP)

Butler, Bill (Glasgow Anniesland) (Lab)  
 Campbell, Aileen (South of Scotland) (SNP)  
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)  
 Coffey, Willie (Kilmarnock and Loudoun) (SNP)  
 Constance, Angela (Livingston) (SNP)  
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)  
 Crawford, Bruce (Stirling) (SNP)  
 Cunningham, Roseanna (Perth) (SNP)  
 Don, Nigel (North East Scotland) (SNP)  
 Doris, Bob (Glasgow) (SNP)  
 Eadie, Helen (Dunfermline East) (Lab)  
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)  
 Fabiani, Linda (Central Scotland) (SNP)  
 Ferguson, Patricia (Glasgow Maryhill) (Lab)  
 FitzPatrick, Joe (Dundee West) (SNP)  
 Foulkes, George (Lothians) (Lab)  
 Gibson, Kenneth (Cunninghame North) (SNP)  
 Gibson, Rob (Highlands and Islands) (SNP)  
 Glen, Marlyn (North East Scotland) (Lab)  
 Gordon, Charlie (Glasgow Cathcart) (Lab)  
 Grahame, Christine (South of Scotland) (SNP)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 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)  
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)  
 Kelly, James (Glasgow Rutherglen) (Lab)  
 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, Margo (Lothians) (Ind)  
 Macintosh, Ken (Eastwood) (Lab)  
 Martin, Paul (Glasgow Springburn) (Lab)  
 Marwick, Tricia (Central Fife) (SNP)  
 Matheson, Michael (Falkirk West) (SNP)  
 Maxwell, Stewart (West of Scotland) (SNP)  
 McCabe, Tom (Hamilton South) (Lab)  
 McConnell, Jack (Motherwell and Wishaw) (Lab)  
 McKee, Ian (Lothians) (SNP)  
 McKelvie, Christina (Central Scotland) (SNP)  
 McLaughlin, Anne (Glasgow) (SNP)  
 McMahan, Michael (Hamilton North and Bellshill) (Lab)  
 McMillan, Stuart (West of Scotland) (SNP)  
 McNulty, Des (Clydebank and Milngavie) (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)  
 Robison, Shona (Dundee East) (SNP)  
 Russell, Michael (South of Scotland) (SNP)  
 Salmond, Alex (Gordon) (SNP)  
 Smith, Elaine (Coatbridge and Chryston) (Lab)  
 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)

### Against

Aitken, Bill (Glasgow) (Con)  
 Brocklebank, Ted (Mid Scotland and Fife) (Con)  
 Brown, Gavin (Lothians) (Con)  
 Brown, Robert (Glasgow) (LD)  
 Brownlee, Derek (South of Scotland) (Con)  
 Carlaw, Jackson (West of Scotland) (Con)  
 Finnie, Ross (West of Scotland) (LD)  
 Fraser, Murdo (Mid Scotland and Fife) (Con)  
 Johnstone, Alex (North East Scotland) (Con)  
 Lamont, John (Roxburgh and Berwickshire) (Con)  
 McArthur, Liam (Orkney) (LD)  
 McGrigor, Jamie (Highlands and Islands) (Con)  
 McInnes, Alison (North East Scotland) (LD)  
 McLetchie, David (Edinburgh Pentlands) (Con)  
 Milne, Nanette (North East Scotland) (Con)  
 Mitchell, Margaret (Central Scotland) (Con)  
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)  
 O'Donnell, Hugh (Central Scotland) (LD)  
 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)  
 Smith, Elizabeth (Mid Scotland and Fife) (Con)  
 Smith, Iain (North East Fife) (LD)  
 Smith, Margaret (Edinburgh West) (LD)  
 Stephen, Nicol (Aberdeen South) (LD)  
 Stone, Jamie (Caithness, Sutherland and Easter Ross) (LD)  
 Tolson, Jim (Dunfermline West) (LD)

**The Presiding Officer:** The result of the division is: For 77, Against 30, Abstentions 0.

### *Motion, as amended, agreed to,*

That the Parliament notes Scotland's massive renewable energy resources and the opportunities to turn Scotland into Europe's clean green energy powerhouse; notes the UK Government's proposals that would result in Scotland's Fossil Fuel Levy fund helping to form part of a wider UK green investment bank fund that is due to be established in 2013-14; notes the lack of detail underlying that commitment and the risk that this could delay vital funding for the renewables sector in Scotland for several years; calls urgently on the UK Government to release these funds and place them in the control of the Scottish Government and Scottish Parliament in a way that can be rapidly deployed to support Scotland's renewable energy sector; believes that the green investment bank should be established as soon as possible and should be based in Edinburgh, and further believes that, by cutting the money available to the green investment bank, replacing a small proportion of this cut with money already set aside for investment in Scotland and then further cutting the Scottish block grant if this money is actually spent in Scotland, the UK Government is attempting a transparent act of sleight-of-hand that the Scottish Liberal Democrats should be ashamed to support.

**The Presiding Officer:** The next question is, that motion S3M-7272, in the name of Shona Robison, on carers and the young carers strategy, be agreed to.

### *Motion agreed to,*

That the Parliament welcomes the publication, in July 2010, of the carers and young carers strategy for Scotland for 2010 to 2015, Caring Together and Getting It Right For Young Carers; notes that this strategy has been produced jointly with COSLA and informed by a wide range of stakeholders; recognises the importance of providing effective and timely support to Scotland's estimated 657,000 unpaid carers in order to sustain them in their vital role in caring for relatives or friends affected by disability, illness or substance misuse, a role that benefits their families, local communities, Scottish society and the economy, and agrees that young carers should be relieved of inappropriate caring roles and supported to be children and young people first and foremost.

## Communication Support Needs (Young Offenders)

**The Deputy Presiding Officer (Alasdair Morgan):** The final item of business is a members' business debate on motion S3M-7235, in the name of Willie Coffey, on addressing young offenders communication support needs.

*Motion debated,*

That the Parliament acknowledges the evidence presented by the Royal College of Speech and Language Therapists and supported by the Prison Reform Trust in respect of the high levels of communication support needs (CSN) among young offenders; recognises the impact of CSN on levels of offending behaviour and recidivism among young people and considers that unaddressed CSN create barriers to crime diversion and prevention initiatives, education, employment and rehabilitation; further recognises the impact effective communication support services, including speech and language therapy (SLT), can have on helping prevent young people from getting involved in offending behaviour and in managing and supporting their rehabilitation; is concerned that there is not a comprehensive communication support service throughout the Scottish justice system, with SLT consistently available only at Polmont Young Offenders Institute and Cornton Vale while offenders in other establishments receive SLT only by local arrangement despite evidence, for example, that at least 66% of young offenders have significant CSN, and believes that there is a strong case for a pilot CSN service for criminal justice services in a defined area of Scotland, such as the South West Scotland Criminal Justice Authority area, which covers the Kilmarnock and Loudoun constituency, given that young offenders from Ayrshire and Dumfries and Galloway form the second largest geographical group in Polmont Young Offenders Institute, in order to determine the most effective and economic communication support service model for Scotland's justice system, including an evaluation of the impact of the pilot on crime diversion and prevention, passage through the courts, engagement in rehabilitation and outcomes in terms of recidivism.

17:07

**Willie Coffey (Kilmarnock and Loudoun) (SNP):** I welcome those who are attending this evening's debate both in the chamber and the gallery. I acknowledge the difficulties that were caused by the opportunity to hold the debate becoming available at such short notice. I must also acknowledge, of course, the work on the issue by Kim Hartley and her colleagues at the Royal College of Speech and Language Therapists. Members may be aware that the college has organised what looks like a very worthwhile conference on the subject to be held at Polmont young offenders institution on 16 November. I am sure that the event will be helpful in identifying new ways forward.

At the heart of the debate is one of the big issues that faces us as we confront our current economic difficulties. The question is: if we prioritise services on which we have spent too little

money in the past, could we save money and possibly even improve outcomes? The Scottish Prisons Commission reported that it costs more than £32,000 a year to keep someone in prison, and a staggering £200,000-plus per annum to keep a young person in a secure unit. Clearly, that sort of expenditure is best avoided, if at all possible.

That said, of the young people who are convicted and enter the prison estate—there were more than 4,000 in 2006-07—more than half will return to prison within two years. Why is that? What can we do to prevent such repeat expenditure on such a poor outcome in terms of protecting our communities? If I had the whole answer, I might be sitting where Fergus Ewing, the Minister for Community Safety, is sitting. The RCSLT has presented strong evidence that part of the solution—I emphasise that it is only part of the solution—lies in developing better insight about those who enter prison and in responding better to the challenges that they present.

This week, the Parliament addressed literacy in Scotland. Although our level of literacy compares favourably with that of other Organisation for Economic Co-operation and Development countries, that has to be balanced against the fact that, by international comparison, Scotland fails its children most when we look at children who live in areas of concentrated deprivation. The data that the royal college has presented show that, by the time they get to school, half of all children from disadvantaged communities have delayed or disordered speech and language development. What a challenge that must present to our teachers and our schools.

The situation is even more challenging for all of us when we look at those who enter the prison system. Members might recall the research that former Barlinnie prison governor Roger Houchin published in 2005, which revealed that half of Scotland's prison inmates came from the most deprived 155 council wards out of a total of 1,000 wards, and that a quarter of all inmates came from the 53 most deprived wards. That is a staggering concentration that perhaps merited a more considered response than it got at the time.

The Royal College of Speech and Language Therapists has presented evidence to show that, in addition to coming disproportionately from deprived backgrounds, those who are in prison display a high concentration of comprehension and communication disorders. I know that most of the following figures have already been made available to members, but with members' indulgence I would like to place them on the parliamentary record. More than 60 per cent of young people in the criminal justice system have a communication disability. In one United Kingdom



institution, 23 per cent of those who were studied had comprehension problems and up to 73 per cent had difficulties in expressing themselves effectively. In 2003, 26 per cent of young men in Polmont young offenders institution had clinically significant communication impairment and 70 per cent had difficulties with literacy and numeracy.

More recently, in a parliamentary answer, the Scottish Prison Service stated that 64 per cent of women offenders and 90 per cent of prisoners in Polmont experience communication and literacy difficulties. Given that those levels are up to three times those of the general population, the identification of a link between communication and literacy difficulties and offending behaviour and imprisonment is not new or surprising. Such links are reflected in reports by Government and other agencies that go back over many years. It is also clear that such difficulties reinforce a cycle of poverty and offending and that that is concentrated in certain families and communities, with 65 per cent of boys with a convicted parent going on to offend.

It surely goes without saying that poor communication and literacy are fatal to the crime diversion and prevention initiatives and the improved education and employment that we must bring to bear if we are to break the cycle, yet despite some good practice, efforts to address the issues still appear to be very much under development in the Scottish criminal justice system. For example, in response to a parliamentary question, the SPS confirmed that it does not assess all prisoners for communication impairment or difficulties with literacy and numeracy. Given the high incidence of those problems among its inmates, I found that surprising, so I would be interested to hear the minister's view on the issue.

The royal college and its partners argue that we need a whole-system response to the communication support needs of young offenders. That would include, for example, screening all young people who enter the criminal justice system, communication skills training for all professionals who work with young offenders with a communication disability, and a serious review of the impact of speech and language therapy on reducing reoffending. All parts of the justice pathway should be aware of communication support needs and have the skills to manage them.

In that connection, I was pleased to see the literacy strategy that was recently approved by the south-west Scotland community justice authority, which specifically recognises the value of speech and language development. An important issue that is often raised by practitioners is the need for continuity of involvement. It is no good to

recognise and respond to a need when someone is in prison if the support is withdrawn or lost as soon as they leave.

Even at a time of financial stringency, the question might be not whether we can afford to improve our approach to the issue, but whether we can afford not to do that. As I said at the beginning of my speech, what is proposed might not be the whole answer, but it looks to me as though it should be a more significant part of our response. I commend the royal college for its persistence in pushing its case. I look forward to hearing the contributions of other members who are able to be here this evening and, of course, to the minister's response.

17:14

**James Kelly (Glasgow Rutherglen) (Lab):** I welcome the opportunity to take part in this evening's members' business debate on communication difficulties for young offenders, which has been brought to the chamber by Willie Coffey. I congratulate him on securing this evening's debate, in which he highlights an important issue.

In reading the briefing for the debate, I was interested in the various statistics on people with communication difficulties. I had not realised the extent of the problem. Willie Coffey mentioned the statistic that 60 per cent of young offenders suffer from communication difficulties. One study shows that almost 70 per cent of young offenders in Polmont have literacy and numeracy problems. Those statistics are worrying. When we consider the problem, we can see why there is a link from it to reoffending. If people have communication difficulties, they will find it more difficult to interact with the environment around them. Obviously, if they are in prison, that is a hostile environment, which probably causes the situation to spiral. Interaction with the criminal justice system can be complicated for capable people, but people who have communication difficulties will feel more and more disfranchised. We can therefore understand why people reoffend when they leave the system.

Although we have had strong debates in recent months on sentencing policy, one issue on which all members agree is that the rates of reoffending are too high and we want to bring them down. Willie Coffey has identified an area in which there is potential to make progress on that. As he clearly outlined, there are budget constraints. In the coming months, the Government and all members will be lobbied strenuously by current recipients of budget amounts, who will make a case for why they should continue to receive funding. The clear point that they will have to demonstrate is that there are outcomes from the money that they receive. Willie Coffey has been able to

demonstrate that there could be a case for investment in tackling the issues that he raises, which would reduce reoffending rates.

We need to assess properly the extent of the problem so that we can get an evidence base. We have some research, but we need more. We need research on the effects of the current programmes that operate at Polmont and Cornton Vale to find out whether it can be demonstrated that, after participation in such programmes, people are less likely to reoffend.

Willie Coffey has highlighted an interesting issue to the Parliament. If the Government and other parties consider the issue and give it the correct treatment, we might be able to address communication support needs in the prison and judicial systems and, I hope, to prevent some of the current entrants into that system from reoffending. That would have a positive impact not only on the individuals and their families, but on communities throughout Scotland.

17:18

**John Lamont (Roxburgh and Berwickshire) (Con):** I, too, congratulate Willie Coffey on securing the debate and on giving Parliament the opportunity to consider an important issue. I am pleased, notwithstanding the absence of the Liberal Democrats, that there appears to be a large amount of cross-party agreement on the issue.

We all agree that one primary function of our criminal justice system is to ensure that we properly rehabilitate offenders so that they break the cycle of reoffending. That is good for the individual, but it is also good for wider society. Given the high reoffending rates in Scotland, we are probably not getting close to where we need to be on effective rehabilitation. We all acknowledge the need to understand why so many youths end up in the criminal justice system.

According to the Royal College of Speech and Language Therapists, the environment in which people grow up can result in high levels of communication support needs. As the royal college says, offenders who have communication support needs are less receptive to the rehabilitation programmes that are on offer when they are in prison. That is clearly very concerning. We spend a significant amount of public funds on rehabilitation programmes, but if the royal college is correct they may be having a minimal impact because of the communication disabilities of some of the participants.

Funding is already tight and will get significantly tighter, so we must ensure that money is spent as wisely as possible. If there is any suggestion that rehabilitation schemes are not as effective as they

might be because of other factors, it is important that we reprioritise our funding to ensure that those factors are addressed.

I have visited many prisons in the past few months, including Polmont young offenders institution. It has been apparent to me during those visits that a lot of good work to rehabilitate prisoners is taking place in Scotland's prisons. However, given the high reoffending rates, we need to think carefully about the effectiveness of each scheme.

We welcomed the Scottish Government's announcement in July that it would improve help for offenders and those at risk of offending to meet their learning and skills needs. Intervening at an early stage to address patterns of offending behaviour must be a priority. We must ensure that young people are re-engaged with the education process and we must help those who are already in the criminal justice system to develop their learning and skills so that they lead a life away from crime when they leave prison.

We need to go further and faster. Breaking the cycle of crime begins with the children of criminals who are locked up in prison. They are deprived of a parent through no fault of their own and should be a concern to us all. Schools, social services, and voluntary and faith groups should work hard together to divert young and first offenders away from criminality.

We must do more to tackle crime, particularly with regard to the rehabilitation that we offer and its effectiveness, so that we reduce reoffending rates. The motion and the evidence that has been presented by the royal college highlight a much larger problem. A wide range of rehabilitation schemes are on offer, but we do not know how effective each is at ensuring that criminals are rehabilitated and reintegrated into mainstream society.

I congratulate Willie Coffey on securing the debate and the royal college on highlighting this important issue. I hope that it is the start of a wider debate about the effectiveness of our rehabilitation schemes so that we can truly tackle the high reoffending rates in Scotland.

17:22

**Robin Harper (Lothians) (Green):** I apologise to Willie Coffey for missing his speech, but I had a very urgent piece of business that could be undertaken only at this time. I returned as soon as I could.

We face a very serious problem with regard to young people in prison. It is not just a question of their communication difficulties—a high percentage have become involved in drugs and

many have mental health difficulties and problems with self-confidence. All those issues should be addressed in prison, but the problem is that prison is not designed to help young people who have educational difficulties or mental health issues. If one considers what happens from the point at which they are sentenced to jail to the moment they land in their cell, the whole process of sending somebody down is virtually designed to strip them of any self-confidence and feelings of individuality. It is a very sad story, and it strikes me that prison is not the best place to be doing this work.

The sooner we get more community sentencing—and more money and support for it—the better. It will then be possible to provide specialist educational and mental health help to the young men—mostly—and young women who need it. Young men who need help with drug or alcohol addiction can be put on drug treatment and testing orders at the same time as they are put on community service orders. That would save us money, as we could require and provide such services for less than the cost of putting the same person in prison.

I do not know how we will ever get around to looking at budgets in a different way, but we need to do that. If we are saving the Scottish Prison Service X amount of money by using community service orders, we should be able to provide that money for those orders, for DTTOs and for extra help with education or other needs that young people have. That is the way in which to reduce reoffending big time. It will work—people know that it works. I look forward to hearing the minister's response to what everyone has said this evening.

17:26

**The Minister for Community Safety (Fergus Ewing):** I congratulate Willie Coffey on providing us with an opportunity in our Parliament to debate these important matters. I pay tribute to him for the way in which he set the scene for this evening's debate and for his description of the extent of the problem, which is serious. I thank all the members who stayed to take part in the debate for their contributions, which—without exception—were highly positive and relevant.

The Scottish Government recognises the importance of providing as many opportunities to learn as we can to offenders while they are in custody and of maintaining that learning experience when prisoners go back into the community. Willie Coffey referred to the importance of throughcare and the difficulties of transition. Those problems are well understood and are difficult practically to solve in many cases.

Much is already being done in prisons. Having visited most of the prisons in Scotland—most of them more than once—I have had the opportunity to see that every prison is doing its best to provide prisoners with as much learning opportunity as possible. I say that with knowledge of the practical constraints in prisons of keeping people banged up and shunting them around within secure areas. Those are logistically difficult matters that must be planned and arranged. Inevitably, experiences may not be as extensive as anyone would like, but I pay tribute to governors, prison officers and all those who work in prisons for what they are doing.

Although this is not in the script, I say that we need to do far more. All of us recognise that, and this evening's debate has provided us with a good opportunity to say it on a cross-party basis.

Polmont and Cornton Vale have been mentioned specifically, as they deal with young people and female offenders respectively. Those two prisons already do a great deal of work, in a variety of areas, to provide learning opportunities. Skills Development Scotland has appointed a full-time careers adviser to address the career needs of under-18s who are in custody. The post works between Polmont and Cornton Vale to ensure that all people who leave custody have a key worker from Skills Development Scotland in their local area, to address the problem of what happens when they leave the secure establishment and return to their community. Willie Coffey was right to ask whether the care just stops at that point. The post in question is just one post, but it is important. It involves one person receiving help from another person at a time that makes a difference to individuals.

Just a few weeks ago, I attended another engagement in relation to different work that has been done for female offenders, whereby key workers aim to help offenders with addiction problems—that has been mentioned by Robin Harper as being a facet of a number of difficulties that each offender has, including mental health problems, substance abuse and communication problems. They often all go together. Many people feel that communication difficulties and the inability not just to speak, read or write—although each of those are hugely important—but to express oneself at all, as well as difficulties with comprehension, can lead to frustration, anger, disillusionment or alienation, to feeling unable to advance into a career, training or apprenticeship and to being unable to make one's life a positive experience, as those of us who are more fortunate have been able to do.

What is the chicken and what is the egg? Perhaps the communication problems lead to the addiction issues, which lead to the criminality. There is a very strong rationale for saying that. As

James Kelly said, however, these are matters where there will always be a greater need for research.

James Kelly mentioned the hostile environment of prison. The issue is not simply about dealing with offenders in establishments; it is also about community payback and how we deal with offenders in the community. It is easier to assist offenders if they are doing community payback or community service—when they are outwith the confines of the four walls of a jail.

I am pleased that the national literacy action plan that was launched yesterday by my colleague Michael Russell makes specific reference to work that is being done in the Scottish Prison Service to refine a new literacy and numeracy screening tool for offenders. I learned from Miss Jan Green of NHS Forth Valley of the need for screening and of the practical difficulties that exist in that regard.

Responding to Willie Coffey's specific point regarding the SPS assessment for literacy impairment, I can say that the Scottish Prison Service, in conjunction with Learning and Teaching Scotland, has developed a screening tool to identify the literacy and numeracy needs of sentenced individuals, which will become operational from August next year. The tool is also being considered for use in the community. That, too, is being worked on in a positive fashion.

**Robin Harper:** Will there be a report on the back of that assessment and research on literacy in prisons?

**Fergus Ewing:** I imagine that there will be one. The screening tool is to become operational from August next year—but, as I fully expect to be in this position from August next year, I give an undertaking that we will have an evaluation. I might be getting a wee bit ahead of myself—my aim is but to please.

I pay tribute to the work of all those involved in speech and language therapy work in Scotland, in particular those from the Royal College of Speech and Language Therapists, whose delegation I met on 10 February this year, alongside Her Majesty's chief inspector of prisons, Brigadier Hugh Monro, who has taken a close interest in the subject, and whose genuine human concern for the tragedies that lie behind almost every case of those who end up in those establishments is evident to anyone who has met him. Mary Turnbull, the chair of the royal college and service manager for NHS Forth Valley, was also present at that February meeting, along with Jan Green, to whom I have already referred. Kim Hartley, to whom Willie Coffey has paid tribute, was also present at the meeting.

I learned a lot from all those people, as did the brigadier. The meeting has perhaps paved the way for other positive developments—such as the

conference—through increased awareness in the SPS of the importance of dealing with offenders' communication problems and a better understanding that if such problems can be ameliorated and solved there might be a greater propensity for individuals to live crime-free, positive, normal and happy lives.

The debate has provided an excellent opportunity for us all to share what we have learned—there are certainly things that I did not know until fairly recently. Our having had the benefit of the expertise of individuals, some of whom I have referred to, and Willie Coffey's having secured this debate mean that there is at least an opportunity for political parties and the politicians who represent the people of Scotland to respond more effectively to what is undoubtedly an important and serious problem, which affects far too many of the most disadvantaged people in our society.

*Meeting closed at 17:35.*

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