



The Scottish Parliament
Pàrlamaid na h-Alba

Official Report

MEETING OF THE PARLIAMENT

Wednesday 25 January 2012

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Scottish Parliament

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[The Presiding Officer *opened the meeting at 13:30*]

Time for Reflection

The Presiding Officer (Tricia Marwick): Good afternoon. The first item of business is time for reflection. Our time for reflection leader is the Rev Dr Stewart Gillan, minister of St Michael's parish church, Linlithgow.

The Rev Dr Stewart Gillan (St Michael's Parish Church, Linlithgow): Presiding Officer, First Minister, members of the Scottish Parliament, ladies and gentlemen, it is Burns day, and here in the chamber of the Scottish Parliament—in this place of all places—that can only mean that, today, poetry comes before politics.

My mind goes to the supper—or, for some of you, suppers—in his name. Many of you will have started already: groaning trenchers; sonsie faces; immortal memories that shorten the winter.

As I think of this, I wonder what Burns would have made of the practice—widespread, I should think—of the clergy quoting his poetry; Burns who, vexed to satire, wrote with indignant pen about the holy Willies of the world. Presbyters were not his favourite people.

In his more orthodox moments, as in “A Prayer, in the Prospect of Death”, we get a canny engagement with the Almighty, in which Burns has the presence of mind to confess not only his own part in his waywardness, but God's part, as he saw it:

“Thou know'st that Thou hast formèd me
With passions wild and strong;
And list'ning to their witching voice
Has often led me wrong.”

As he enters his plea for mercy, he reminds God, in King James language, that God has no choice but to forgive him:

“Where with intention I have err'd,
No other plea I have,
But, thou art good; and Goodness still
Delighteth to forgive.”

It is with regard to the lasses, however, that Burns's acquaintance with God's mercy finds its area of specialisation. Here is his assurance of pardon—unauthorised—for a certain church-going Miss Ainslie:

“Fair maid, you need not take the hint,
Nor idle texts pursue;
'Twas guilty sinners that he meant,
Not angels such as you.”

Burns is at his Sunday best, though, on Saturday night, with the cotter. He sets his critique of religion with a capital R against the cotter's simple piety, expressed in “healsome” hospitality and homespun prayer:

“Compar'd with this, how poor Religion's pride,
In all the pomp of method, and of art;
When men display to congregations wide
Devotion's ev'ry grace, except the heart!
The Power, incens'd, the pageant will desert,
The pompous strain, the sacerdotal stole:
But haply, in some cottage far apart,
May hear, well-pleas'd, the language of the soul,
And in his Book of Life the inmates poor enrol.”

However, Burns would not thank me for suggesting that he was a reformer of religion. More physical than metaphysical, he preferred his piety to find its footing on the ground in this world. Here he is in a letter to Mrs Frances Anna Dunlop:

“Whatever mitigates the woes or increases the happiness of others, this is my criterion for goodness; and whatever injures society at large, or any individual in it, this is my measure of iniquity.”

Now there's a creed for a tapsalteerie world.

May God bless you with all grace and wisdom in your service on behalf of the people of Scotland.
[Applause.]

The Presiding Officer: I think that we have a speaker for the Parliament's next Burns supper.

Referendum Consultation

The Presiding Officer (Tricia Marwick): The next item of business is a statement by Alex Salmond on the referendum consultation. The First Minister will take questions at the end of his statement, so there should be no interruptions or interventions.

13:35

The First Minister (Alex Salmond): Presiding Officer, the people who live in Scotland are the best people to make decisions about their own future. Of that there can be no doubt. In May last year, those people—the people of Scotland—gave this Scottish Government an overwhelming mandate, because of a record of good government, a clear vision of the future and the promise of a referendum on independence.

Today, the Scottish Government published the consultation paper, “Your Scotland, Your Referendum”, which sets out how we intend to fulfil that commitment. The document gives the people of Scotland the opportunity to offer their views on how the referendum on our country’s future should be carried out. It sets out some key principles on which the referendum will be based—most important, that the referendum should meet the highest standards of fairness, transparency and propriety. The most important decision by the people of Scotland in 300 years must be beyond reproach.

Let me begin with the referendum question. The question that we intend to put to the Scottish people in the referendum is set out on page 11 of the consultation paper. It is short, straightforward and clear, so let me read it to the Parliament. The question is: “Do you agree that Scotland should be an independent country?” *[Applause.]*

The Presiding Officer: We have a great deal of questions to get through, so I would appreciate it if members would save any applause for the end of the statement and not interrupt during it.

The First Minister: We have set out the question in the consultation paper so that people who want to do so can provide their views on the question and other aspects of the referendum, through the consultation process. The question is designed to comply with the Electoral Commission’s guidelines, which are that referendum questions should present the options clearly, simply and with neutrality. The question that we have published today aims to do all three and will of course be subject to testing, using a sample of voters.

The regulation of the referendum will be an essential element in ensuring its fairness. The

regulator must be a body that has the professionalism to ensure that the vote is above reproach. It is no less important that the regulator be accountable to this Parliament for its work. As members know, the Government has had concerns about the best way to ensure that accountability. Last year, however, the Scottish Parliament passed legislation to give the Electoral Commission a role in regulating local elections in Scotland. The commission will report to this Parliament on how it carries out that role. We therefore have the opportunity to build on that and on the commission’s experience of supervising two referendums in 2011, by appointing the Electoral Commission to regulate the referendum.

The consultation document that we published this afternoon seeks views on the roles that we propose for the commission and for the electoral management board for Scotland. The electoral management board, which was developed by the Scottish Government with electoral professionals, was established in response to a recommendation of the Gould report into the conduct of the 2007 Scottish parliamentary elections. Our proposal today is that that board should be responsible for the management of the referendum.

One area on which we agree with the United Kingdom Government is the geographical basis of the franchise. The people who live and work in Scotland are best placed to decide its future. Our proposal is therefore that eligibility to vote in the referendum should reflect the internationally accepted principle that the franchise for constitutional referendums be determined by residency. That is the approach for Scottish Parliament elections and it was the approach for the 1997 referendum on devolution.

The one area where we propose to extend the franchise relates to young people. The Government and, I should say, leading figures in the Opposition have been consistent in their commitment to extending the franchise in all elections to 16 and 17-year-olds. It is right that our young people should have the chance to play their part in decisions about their community and country. Where we have been able to include 16 and 17-year-olds in elections that have been the responsibility of this Parliament, we have done so. If a 16-year-old in Scotland can register to join the Army, get married and pay taxes, surely he or she should be able to have a say in this country’s constitutional future? In our consultation, we are therefore seeking views on our proposal to extend the right to vote in the referendum to 16 and 17-year-olds who are eligible to be included on the electoral register.

Just as we do not intend to artificially restrict the franchise, we should not restrict the scope of options that might command wide support in

Scotland. The United Kingdom Government argues that there should be no question in the referendum about full or further devolution within the United Kingdom and that the choice should be between full independence or the status quo. The Scottish Government's position is for independence. Therefore, that option will appear on any ballot paper in a straightforward manner—we have set out our proposal for the question in the consultation document, as I said. However, this is a consultation with the community of the realm of Scotland and it is imperative that the referendum is seen to be fair, democratic and inclusive. If there is an alternative of maximum devolution that would command wide support in Scotland, it is only fair and democratic that that option should be among the choices that are open to the people of Scotland. We will not, as the UK Government seems to want, eliminate that choice simply because it might be popular.

We will hold the referendum in the autumn of 2014. The United Kingdom Government argues that, because the referendum is so important, we should rush ahead with it. We are taking a rather more rational and sensible approach. The consultation document sets out in the clearest form the steps that will need to be taken to prepare for the referendum. It shows that the autumn of 2014 is the soonest that the referendum can be held in a way that meets the high standard that the people of this country have the right to expect.

We share with the United Kingdom Government a wish that the referendum should be decided by the views of the electorate on the future of their country and not on the technical disputes about parliamentary competence. We have set out in the past how the Scottish Parliament could hold a referendum that we are satisfied would be within its present competence. To ensure that the referendum is, in effect, beyond legal challenge, we are willing to work with the UK Government. I look forward to my discussions with the Secretary of State for Scotland and the Prime Minister in the coming days and weeks. However, let me be clear: the terms of the referendum are for the Scottish Parliament and the people of Scotland to decide. That is the mandate that was given to the Scottish Parliament by the people, and responsibility for carrying through the will of the electorate now rests with the Parliament.

I am sure that it is not lost on members—it certainly could not be after time for reflection—that today is the birthday of Robert Burns, our national poet. It is a remarkable testament to the power of Robert Burns that, on the 253rd anniversary of his birth, we still toast the poet and the man in his many different guises and continue to explore his work and find inspiration in his words. For today's purposes, I want to invoke Burns the democrat,

because the choices that Scotland faces are, fundamentally, matters of democracy.

Our country faces a new constitutional future and we must take the best path for our people. I am told that there are members of the House of Lords who believe that it is in their province to set boundaries on what Scotland can and cannot do. Perhaps they should be reminded that Burns's great hymn to equality has been heard in this Parliament before, when Sheena Wellington sang "A Man's a Man for a' That" at our first opening in 1999.

"Ye see yon birkie ca'd, a lord,
Wha struts, and stares, and a' that,
Though hundreds worship at his word,
He's but a coof for a' that.
For a' that, and a' that,
His ribband, star and a' that,
The man of independent mind,
He looks and laughs at a' that."

From ploughman poet to literary legend, Burns's journey was remarkable. Three centuries on from the 1707 union, the people of Scotland elected a majority pro-independence Government—the Government that I am proud to lead—to revisit that decision. This time, the decision will be made democratically, by the people of Scotland.

During the 2011 election campaign, I said that Scotland was on a journey—there is continuity, and a sense of purpose. As one of my best friends in life and this Parliament's much-missed colleague Bashir Ahmad once said, it is not where you come from that matters, but where we are going together. It is my belief and this Government's belief that Scotland is going forward together towards a more prosperous and fairer society and that today is the latest significant step along that path.

To quote the words of James Robertson, a contemporary poet of whom Burns would undoubtedly have approved:

"The road that was blocked has no end
The unknown journey is known
The heart that is hurt will mend
The bird that was trapped has flown."

The bird has flown and cannot be returned to its cage. I believe that this journey represents the aspirations and ambitions of the people of Scotland.

Today, as we pass another milestone, we reach out to the other parties across this Parliament in a spirit of consensus, urging them to contribute to this consultation on the referendum, for which the people voted in such large numbers. I urge them, in expressing their views, not to listen to voices from elsewhere. Why not, instead, take the lead from the people of Scotland?

In the election, we set out our immediate focus on addressing the pressing economic challenges and strengthening Scotland's recovery. Today's decline in the UK gross domestic product figures underlines the urgency of that objective. Therefore, our immediate constitutional priority is to improve the Scotland Bill to give it the job-creating powers that this country desperately needs.

Those vital tasks underpin the timescale for the referendum, and we will continue to use all the powers currently within the control of this Parliament to boost jobs, growth and recovery. However, there can be no doubt that this Parliament needs full economic powers so that we can do more for Scotland.

The next two and a half years promise to be among the most exciting in Scotland's modern history. At the end of that period, in the autumn of 2014, people the length and breadth of our country will have their say in Scotland's independence referendum. Independence, in essence, is based on a simple idea: the people who care most about Scotland—that is, the people who live, work and bring up their families in Scotland—should be the ones taking the decisions about our nation's future. No one else is going to do a better job of making Scotland a success. No one else has the same stake in our future. The people of Scotland should be in charge.

Independence will give us the opportunity to make different decisions and to implement policies designed for Scotland's needs. That means that we will be able to make Scotland the country that we all know it can be: a wealthier and fairer nation; and a country that speaks with its own voice, stands taller in the world and takes responsibility for its own future. Independence is about Scotland rejoining the family of nations in our own right. We can be both independent and interdependent: we can stand on our own two feet while working closely with other nations, our friends and our neighbours.

When the United Nations was formed, there were just over 50 independent countries in the world. Today, that figure has risen to almost 200. Of the 10 countries that joined the European Union in 2004, a majority had become independent since 1990, and Scotland is bigger than six of them. All of those nations now have a seat at Europe's top table—a right that Scotland should enjoy, too.

Scotland's home rule journey is clearly part of a bigger international picture. After all, independence is what we seek as individuals, whether by buying our first car or our first home. It is the natural state for people and nations around the world. Not being independent is the exception. This Parliament in Edinburgh already takes a

range of key decisions when it comes to running our schools, hospitals, police and much else besides. Independence will mean that we are also responsible for raising our own money.

Scotland is a land of unlimited potential: its culture, history and reputation for innovation are renowned throughout the world; our universities are world class; and our energy resources are unrivalled in Europe. Indeed, on current figures, we would have the sixth-highest gross domestic product per capita among Organisation for Economic Co-operation and Development countries.

With independence, we can have a new social union with the other nations of these islands. We will continue to share Her Majesty the Queen as head of state. However, we will not have our young servicemen and women dragged into illegal wars like the one in Iraq, and we will not have nuclear weapons based on Scottish soil. *[Applause.]*

The Presiding Officer: Order.

The First Minister: Independence will create a new, more modern relationship between the nations of these islands—a partnership of equals.

I want Scotland to be independent not because I think that we are better than any other country, but because I know that we are just as good as any other country. Like those other nations, our future, our resources and our success should be in our own hands. *[Applause.]*

The Presiding Officer: Order. The First Minister will now take questions on the issues raised in his statement and in the consultation paper. I intend to allow around 40 minutes for questions, after which we will move on to the next item of business. It would be helpful if members who wish to ask a question could press their request-to-speak button now. Time is tight, so I ask that the questions and the answers be as succinct as possible.

Johann Lamont (Glasgow Pollok) (Lab): As this is Burns day, I am tempted to reflect on my party piece at Burns suppers, when I do the reply to the toast to the lassies and call in aid Robbie Burns against the pomposities and vanities of men. However, I shall resist the temptation to share some useful quotations today. I will reflect simply that Burns, as with others, called on us to be humble and to face and recognise the humility of our position and our responsibilities towards all the people of this country.

I thank the First Minister for his statement. He will know that I asked to hold all-party talks on the referendum, so that everyone in our country could have confidence in that referendum and its outcome. We must recognise that we all love our

country, whatever constitutional settlement we support. The most important thing is that whichever side wins the referendum, it and the process leading up to it should be conducted in such a way that, the day after it, all Scots can come together to fulfil our national duty to make Scotland all that it can be.

I regret very much that the First Minister has continued to decline the all-party talks that I offered. Sadly, the consultation process has done little for those who fear that the process is not a fair one.

The First Minister asserts as truth his view of the future of Scotland and misrepresents the position of those who want to remain in the United Kingdom. Indeed, he tries to define the position of those who believe in devolution, saying that they must have maximum devolution. Let those who disagree with Scotland being separated from the rest of the United Kingdom shape their own position and let not the First Minister define it for them.

Does the First Minister recognise that those of us who wish to stay in the United Kingdom want Scotland to be a strong country? Why does he belittle Scots—and generations of Scots—by saying that we are not equal partners with the other nations in the United Kingdom? Indeed, why does he assert as fact that we all wish to be independent of each other when we all know, as families and communities, that we want to come together in partnership and co-operation? Does he recognise that those of us who argue for Scotland being strong in the United Kingdom do so because we believe in the first principles of co-operation and partnership, not in separating ourselves off from others?

Even at this late stage, given the willingness of the First Minister to meet and negotiate with Westminster and to meet the world's press in Edinburgh Castle, will he acknowledge the importance of coming together with the political parties in this chamber, who represent the majority of Scots who do not support the separation of Scotland from the rest of the United Kingdom, to reach a consensus on the platform on which we will be able to engage in a serious debate about the choices facing Scotland, and not just hear his assertion of his position and his misrepresentation of those who disagree with him?

The First Minister: To be clear, we have published "Your Scotland, Your Referendum". That is the consultation document for all of Scotland. I will be delighted to hold talks with Johann Lamont and the leader of any other party represented in this chamber—as well as of some outside this chamber; let there be no doubt about that. That is why we are publishing a consultation document.

However, members should remember that the consultation is not just for political parties; it is for the community of the realm of Scotland. I am sure that Johann Lamont has noted, as I have, that many representatives of civic Scotland have been speaking up and coming forward in recent weeks. In particular, some have been shaping their ideas for what they regard as a sensible proposition—not least Henry McLeish, one of my predecessors as First Minister, who has been extremely outspoken in that regard.

The consultation document could not be clearer: we offer people who think like that the opportunity to come forward with their ideas. Johann Lamont says that I am trying to shape the policy of the Labour Party—I suppose that somebody should be shaping the policy of the Labour Party. However, when I last checked, Labour Party policy was for the Scotland Bill, which is currently trundling through the Houses of Parliament in Westminster without the addition of economic powers, which are one of the things that the people of Scotland supported so strongly in the recent election. If Johann Lamont wants to come forward with a further policy, I gently suggest to her that she should get on with that process, otherwise it seems that a range of people across civic Scotland will get there first.

Johann Lamont implies that I did not argue in my statement that independence and interdependence are one and part of the same process. That is exactly the point that I was making. In the argument about equality of status, I believe that a relationship between equal independent nations is a thoroughly healthy relationship to have.

I do not have to look too far beyond the recent past to find Labour spokesmen and Labour politicians complaining when measures that were against the will of the Scottish people were enforced on this Parliament against its will. Only recently, we united as a Parliament to attempt to resist some aspects of the Welfare Reform Bill. I merely suggest that a relationship that is based on the equality of independent status would be a fundamentally better relationship across these islands than the rather unequal relationship that we have at present.

Ruth Davidson (Glasgow) (Con): I thank the First Minister for early sight of his statement and for his referendum consultation, which by some counts is the fourth of its kind in his attempt to hold a vote on separation. It is, of course, running alongside the UK Government's consultation, and I urge as many people as possible to respond to both.

The First Minister says that he should be judged on the mandate that he received from the people of Scotland last May, which, by anyone's reading

of his manifesto, is to hold a referendum on independence: a single straightforward question on whether we want to be a separate country or remain part of our United Kingdom.

The people of Scotland want and deserve a fair, legal and decisive referendum held as soon as possible. What the First Minister posited today is a fair and decisive legal question, which I welcome, and we now need to ensure that it is asked in a legal referendum. Will the First Minister now co-operate with Her Majesty's Government to ensure that that is the case, resolving remaining issues of franchise and timing?

We want co-operation, not confrontation; an outcome that is decided by the voters of Scotland, not by the law courts; and a clear answer to that one question, which will finally resolve the issue. Scotland wants to move on from the process of the referendum so that we can look at the substantive issues surrounding the sovereignty of our nation: the key questions that the First Minister has so far been unable to answer, on Scotland's currency, her membership of the European Union, our defence and energy policies and our welfare state. They are areas of pressing concern.

However, the process matters too. That is why I ask the First Minister to enter into further discussions in good faith to ensure that Scotland sees both of her Governments and both of her Parliaments working together to resolve the remaining process issues so that we can engage in the real debate. Will he do so?

The First Minister: Yes, in the statement that I just made I said that we will co-operate, and I have welcomed the offer of a section 30 order. However, the Conservative leader will understand that very few people in Scotland think that that offer should be accompanied by Westminster pulling the strings of Scotland's referendum. I do not understand why anyone in Westminster should regard that as a good thing to do. Already, we have seen a substantial reaction against the apparent wish of—or the semblance of an attempt by—Westminster to dictate the terms of a referendum that, surely, is for this Parliament and the people of Scotland to decide. I remind the Conservative leader that her party went into the recent election opposed to any referendum. It seems a bit rich that, having opposed a referendum point blank, the Conservative Party now wants the terms of that referendum to be dictated by a party and a Parliament that have consistently opposed it.

If the offer of the section 30 order is made in good faith, that is the basis for co-operation. I welcome the welcome that has been given by Ruth Davidson to parts of my statement. However, I draw attention to the timetable that has been set out clearly in the consultation document, which I

believe sets out exactly why that timing is required for proper and full consideration of the most important decision that this nation has taken for 300 years. It sets out the process in detail. I remind Ruth Davidson that the UK Government's consultation paper asks, in the consultation element, for views on the "question or questions" in the referendum. I am sure that she would not want to give the impression that the UK Government has prejudged its own consultation, regardless of what many people outside the chamber might well believe.

I point out that, in our timetable, we set out a process. The UK Government's consultation contains an aside, which I do not think was meant to be at all humorous, in which it says that it managed to run a successful alternative vote referendum in the space of a year. Maybe running a referendum on a policy that nobody actually supported, in a way that thoroughly confused the electorate and which had a dramatically low turnout in every part of the country that was not holding parliamentary elections, is good enough for our friends at Westminster. However, I think that Scotland's referendum should be based on the impeccable process in the timetable that is set out in our consultation document. That will allow all of the people of Scotland to contribute to the process this year, the Scottish Parliament to determine the legislation next year and the nation to take, in two years' time, about the most important decision that it has taken for 300 years. Let us do it in a careful, proper and considered manner.

Willie Rennie (Mid Scotland and Fife) (LD): I thank the First Minister for providing an advance copy of his statement.

Today, we will see much pomp and ceremony up at the castle, but we will still have few answers about independence. It is more Shakespeare than Burns—much ado about nothing. While independence dominates the work of his Government, our country is gripped by unemployment and rising costs. I want home rule within the UK family. Can the First Minister tell me whether, if devo max got 99 per cent of the vote, his Government would guarantee to honour the wishes—the will—of the Scottish people?

The First Minister: Given the fact that the Liberal leader does not want that option on the ballot paper, I am not certain how to answer the question. Sometimes I think that it is an advantage and sometimes I think that it is a disadvantage, but I have been knocking around in Scottish politics for a reasonable amount of time, so I have very clear memories of luminaries such as Lord Steel arguing passionately in the House of Commons for a multi-option referendum. I also remember the Liberal Party campaigning overtly for a multi-

option referendum in the 1990s. There is a range of ways of doing this, and it is not beyond the wit of man to devise a referendum that allows a clear answer but does not deny a body of opinion in Scotland the opportunity to have its option on the ballot paper.

As for quoting bards from south of the border or north of the border, I was rather struck by Burns's view on coalition government:

"Yon mixtie maxtie, queer hotch-potch,
The Coalition."

Christina McKelvie (Hamilton, Larkhall and Stonehouse) (SNP): A yes vote in the referendum that the First Minister has just set out would see Scotland take her place in the world as an independent nation. Can he confirm that one advantage of that independence is that Scotland could be a nation without the obscenity of nuclear weapons in her waters?

The First Minister: Yes, I can, and yes, it will be.

Paul Wheelhouse (South Scotland) (SNP): Last night, the First Minister spoke in London on the relationship that an independent Scotland would have with the rest of the UK. I represent the Borders. Can he assure my constituents and the businesses there that an independent Scotland will be the best friend and neighbour to the rest of the UK?

The First Minister: Yes, I can. The response to that argument seems to be rather more positive among our friends south of the border than it is among the Opposition parties in the Parliament. The idea of a country standing on its own two feet, being an independent country and co-operating with its friends and neighbours is not something that many people in England find difficult to understand. It is therefore perhaps surprising that a few people in the Parliament have trouble with that internationally recognised and extremely common concept.

Patricia Ferguson (Glasgow Maryhill and Springburn) (Lab): I am pleased that the Government's consultation document, which was published today, acknowledges that an independent Scotland would open formal negotiations with the EU. Of course, many of us have known for some time that that would be the case. Having conceded that principle, will the First Minister publish the legal advice that his Government has commissioned on that issue?

The First Minister: I have referred before in the chamber, and I can, for Patricia Ferguson's benefit, refer again, to a range of legal authorities who support the Scottish Government's position. Just to correct her, I say that it has never been our position that there would not be negotiations; the

point is that negotiations would be held from within the context of the EU.

The precise point was made best by Lord Mackenzie Stuart. The United Kingdom was formed by the treaty of union between Scotland and England in 1707. If that union is dissolved, two successor states will be created, each of which will have the same obligations and rights as the other and both of which will negotiate their position from within the context of the EU.

I say to Patricia Ferguson that there is absolutely no evidence whatsoever that there is any body of opinion in the EU that would not welcome Scotland and the rest of the UK to continuing membership of that organisation.

Maureen Watt (Aberdeen South and North Kincardine) (SNP): The First Minister and I are both old enough—unfortunately—to remember the 1979 referendum, whose process was gerrymandered by the Westminster Parliament. *[Interruption.]*

The Presiding Officer: Order. Please let us hear the member.

Maureen Watt: Does the First Minister agree that, if the coming referendum process is to have any legitimacy, it must be developed in Scotland rather than restricted by conditions that Westminster has imposed? Is it therefore essential that as broad a cross-section of Scottish society as possible is engaged and involved in shaping the referendum through consultation, evidence taking and debate within and without the Parliament? That is much more likely to happen through the Scottish Parliament than through any UK Parliament.

The First Minister: I remember two things in particular about the 1979 referendum. I remember the 40 per cent rule that was introduced into the franchise. It was supported by the Conservative Party but was introduced by a Labour member of Parliament called George Cunningham. Such a process was quite uncommon then but is becoming ever-more common in the current House of Commons.

I also remember Lord Douglas-Home, the former Prime Minister, telling the people of Scotland that they should vote against the proposal, because he was sure that a better form of government would be coming forward very soon. The people of Scotland waited for that during the long years of the Governments of Margaret Thatcher and John Major. Those of us with long enough memories will not be taken in by any such ruse again.

Richard Baker (North East Scotland) (Lab): I point out that it was a Thatcher Government that the SNP ushered in.

Section 1(3) of the draft bill sets out the date of the referendum as “[insert date]”. Why can the First Minister not tell us his preferred date now? Although we want an earlier referendum, will he guarantee that, on his timescale, it will be held no later than autumn 2014?

The First Minister: Yes, I can do that. It will be held on the timetable that has been outlined. I suggest that Richard Baker reads it.

I am genuinely interested to hear what Richard Baker has to say about this, but if we adhere to the requirements—or, at least, the suggestions—of the Gould commission in relation to the timing of votes following legislation, I think that it will be extremely difficult to short-circuit that timetable. I do not think that we should short-circuit it; instead, we should take our time to have proper consideration on the timetable that has been set, which goes up to the date of the referendum in the autumn of 2014.

I am not certain of Richard Baker's activity in politics way back in 1979 but I commend to him the autobiography of James Callaghan, the Labour Prime Minister of the day, who blamed Labour anti-devolutionists for his Government's downfall. Perhaps Mr Baker should do some reading.

Stuart McMillan (West Scotland) (SNP): The consultation proposes to give the right to vote to all those living in Scotland who are on the electoral roll. I am from England—I was born in Barrow in Furness. Will the First Minister encourage all those in Scotland, no matter where they come from, to join the debate between now and 2014?

The First Minister: The member makes the very important point that the people of Scotland are those who live in Scotland, who have chosen to make their home and livelihoods in Scotland, who pay taxes in Scotland and who are part of the Scottish community of the realm. That is the right franchise to have in a referendum. It conforms to other international experience; it is the right thing to do. As I said in my statement, we are interested not in where people come from but in where we are going together as a country.

Kezia Dugdale (Lothian) (Lab): As someone who has signed the votes at 16 pledge, I want to ask the First Minister about that aspect of the franchise. Will he clarify whether having votes at 16 will require 14 and 15-year-olds to be added to the public electoral roll? If so, how does his Government plan to address the obvious child protection issues that arise from that challenge?

The First Minister: Not only is the process laid out in the document, which I suggest that the member reads, but the practice has already been carried forward in elections to health boards without any difficulty whatever. If the member is saying that the Labour Party now supports votes

for 16 or 17-year-olds, except in the case of the Scottish referendum, I think that its members should explain what they were doing in the House of Commons, supporting an amendment to allow 16 and 17-year-olds to vote in the AV referendum. I really think that the days of saying one thing in this chamber and another in the House of Commons are over for the Labour Party—although, given the embarrassment that members on the Labour benches must feel at the activities of their House of Commons front benchers in siding with the Tories on every single issue, I can well understand why they would like to excuse themselves.

David McLetchie (Lothian) (Con): Does the First Minister's Government intend to falsify the opinions of any other constitutional experts to justify a muddled, two-question, multi-option referendum?

The First Minister: Here was I thinking that, as an ex-leader of his party, David McLetchie would rise to the occasion. However, he has disappointed me on many occasions and unfortunately has done so again.

David McLetchie would do well to reflect on the Conservative Party's record on its approaches to referendums, not least the introduction of the 40 per cent rule. However, I hope that even he will look at the consultation paper that has been published and, whatever else he might say, do, disagree with or agree with, he will at least say that the process that it sets out is above and beyond reproach.

Annabelle Ewing (Mid Scotland and Fife) (SNP): I thank the First Minister for his statement.

It is clear to me that independence would deliver to the Scottish Parliament the powers that we need to ensure a prosperous and just Scotland. Can the First Minister confirm that, ahead of the vote in autumn 2014, the Scottish Government will come forward with a prospectus such that we can ensure that there is a comprehensive debate in which all the people of Scotland will be fully engaged?

The First Minister: Yes, I can. That is in the timetable that is laid out in the document, of course. We are following a process, the precedent for which, obviously, is the 1997 referendum. A white paper was published and then the votes took place. A white paper, of course, gives people the full range of information that they are due and are entitled to so that they can decide their vote. The white paper will be published next year. That is set into the timetable that is laid out in the consultation paper.

Neil Findlay (Lothian) (Lab): Now that the 1 o'clock gun has been fired to start yet another constitutional consultation process, will the First

Minister take time to reflect on how he wants that process to proceed? Does he agree that close aides, party members and supporters on all sides should promote informed debate that is devoid of abuse and personal attacks on individuals who may hold a different view?

The First Minister: Yes, I do.

Christine Grahame (Midlothian South, Tweeddale and Lauderdale) (SNP): I speak as someone who was born in England of an English mother. Given the proximity of my constituency to the English border, can the First Minister confirm that the current harmonious sharing of services—English patients go to Borders general hospital and Scottish elderly people go to care homes in Berwick—will continue with independence?

The First Minister: Yes, I can.

Lewis Macdonald (North East Scotland) (Lab): Does the First Minister acknowledge that the referendum that approved a Scottish Parliament within the United Kingdom in 1997 did so on the basis of a detailed and specific devolution scheme, which was put in place within a few short months of the election of the Labour Government? Why does he believe that the Parliament is incapable of considering the responses to his consultation and passing the referendum bill, which has been published today in draft, for a further 18 months? Why does he believe that the Scottish people are incapable of having an informed vote for a further year? Will he reconsider the timetable or, at the very least, respond to the question that he has already been asked this afternoon and tell us specifically the date on which he intends the referendum to be held?

The First Minister: The timetable is very detailed in a range of ways. Lewis Macdonald would do well to consider that the legislation has to go through the Parliament in a proper fashion. I have lost count of the number of times when exigencies or other matters, particularly legal matters, have been brought to the Parliament and it has rightly had to adopt a shortened procedure. I see absolutely no reason why there should be a shortened procedure for the referendum bill—I see that Lewis Macdonald agrees with that. We have built that process into the timetable that is published in the consultation document, and I commend it to Lewis Macdonald. The timetable encompasses the publication of the white paper. In that way, we are following the precedent of 1997 exactly.

I hope that we can have a genuine debate. I was struck by Lewis Macdonald's contribution to the debate last week, but I disagree with him about how the referendum in 1997 was presented. I think that imperative to its success was the fact

that the self-government of devolution and the self-government of independence were not presented as opposites. That is why I was able to stand on a platform with Donald Dewar and why both of us argued together in a way that did not allow the no campaign to divide us. I recommend that Lewis Macdonald look back at the House of Commons debates and the referendum campaign, which allowed that approach to develop. Who knows? Perhaps he or other Labour members may be able to stand shoulder to shoulder with us again when we get to the campaign proper.

Roderick Campbell (North East Fife) (SNP): Does the First Minister agree that Westminster's attaching conditions to the section 30 offer is unacceptable and might be considered as playing politics with an offer that was made ostensibly to achieve legal certainty?

The First Minister: People of a more cynical disposition than me might come to that conclusion, of course. Michael Moore has made it clear that the objective of a section 30 order is merely to be helpful and to enable the Scottish Parliament. If the offer is made in a genuine way and the consultation is genuine and asks people questions about one question or two questions, of course the negotiations should present us with no trouble.

We will find out soon whether it is a genuine offer to enable this Parliament to fulfil the mandate that we undoubtedly have. Evidence from the polls suggests that most people would not take kindly to the idea of strings being pulled from Westminster on a decision on the future of this Parliament or this country.

Patrick Harvie (Glasgow) (Green): I welcome the consultation, as I am sure will many people whose support for independence is based first and foremost on the issue of Trident.

Does the First Minister agree that those voters need to know more than just the current Government's policy? They will need certainty that no future Scottish Government—after the referendum or after the next election—will be able to put the issue of Trident back on the table and strike a deal during the negotiations for transitional arrangements with the UK about the continued existence of Trident. Will he contemplate the options for a prohibition on any future Scottish Government from striking such a deal?

The First Minister: In technical terms, the Government—whether in this session of Parliament or in any other—is unable to bind its successors, which would have to be voted in by the people of Scotland.

It is inconceivable that an independent nation of 5.25 million people would tolerate the continued presence of weapons of mass destruction on its soil. I do not believe that any Government that put

forward such a proposition would be elected by the people of Scotland. Patrick Harvie and I will have to express our joint trust in the good judgment and wisdom of the people of Scotland on whom they elect and for what purpose.

Jim Eadie (Edinburgh Southern) (SNP): The First Minister has set out an orderly timetable leading us through an independence referendum to a first Scottish general election. Does he agree that if the people of Scotland vote for independence, it will be for all parties in this chamber and beyond to put forward their positive vision about how best we can use those powers so that the sovereign right of the people of Scotland can fully determine not only the form of government but the type of government best suited to their needs?

The First Minister: I take Jim Eadie's point. In all fairness, in an interview during the Labour leadership campaign Johann Lamont made the very fair point that in the context of an independent Scotland—she was not saying that she supported it—the Labour Party would put forward a policy programme that it believed was in the best interests of the Scottish people. I take Johann Lamont's word on that—I think that it would also be the view of all parties. Jim Eadie can therefore be reassured that all politicians who want to serve the Scottish people want to serve them to the best of their ability, whatever the constitutional context. Obviously, I hope that that context is independence, but that is an assurance that is shared across the chamber.

James Kelly (Rutherglen) (Lab): It is important that any referendum is legally competent and does not simply have the status of an opinion poll. Will the First Minister therefore state what advice he has taken from the Lord Advocate on whether the referendum would be legally binding? Will he publish that advice?

The First Minister: I give the member some general advice. There is no such thing as a legally binding referendum in a pure sense in the United Kingdom because the United Kingdom principle is of course one of the sovereignty of the Queen in Parliament. The vast majority of referenda that have been conducted in the United Kingdom in recent years have been conducted as consultative referenda. They have force, of course, because most democrats—just about every party—acknowledge the will of the people.

On the issue of legal advice, Mr Kelly should know that no Government that I know of—the only example that I can think of is the forced publication of the legal advice on Iraq—publishes or confirms such things. Every document that the Scottish Government has published fully conforms to the legal position as we understand it; otherwise, we would not publish the documents.

Margo MacDonald (Lothian) (Ind): I congratulate the First Minister on his statement and the clear intention, which he has just illustrated, to state that the Scots have a choice between the sovereignty of the Queen in Parliament—the Parliament at Westminster—and the sovereignty of the people in Scotland.

Of course, we represent the people in only limited ways, because it was Westminster that decided how far we should be able to govern ourselves. I think that that is the issue in the minds of Scots at present—they lack the confidence that we could govern ourselves properly.

Can the First Minister assure me that, during this fair referendum, a fair contrast will be put? We know what we can get if we vote for the continuation of the union: the worst health statistics in Europe; our men and women sent to fight in wars that we should have nothing to do with; low rates of growth; and continuous frustration, as exemplified in this Parliament by the many petty things that we are not allowed to do as a sovereign Parliament. If the First Minister contrasts that with what we should be able to do to achieve our optimum as a nation among nations, co-operating with those with whom we have most in common, he is likely to have the referendum outcome that he seeks.

Finally, will the First Minister have nothing to do with a second question? He cannot deliver the answer.

The First Minister: I am grateful for 90 per cent of Margo MacDonald's questions—I will concentrate on that.

I know that Margo MacDonald's voice will be clearly heard, both in the process of agreeing the terms of the referendum and in the conduct of the referendum campaign itself. I offer her this observation. I think that there are recent signs in Scottish politics that the people of Scotland want to hear positive arguments correctly deployed. I think that the success of the Scottish National Party in last year's election in particular was an assertion that a positive vision of the future will triumph over a negative campaign.

The only circumstance in which negative campaigns triumph is when they face other negative campaigns. The job of those of us, such as Margo MacDonald and me, who believe in an independent Scotland is to ensure that we put forward in a considered and entirely positive way the vision of what this country can achieve. If we hold to that positive vision of the future of Scotland, we will triumph over any negative campaign that may be levelled against us.

Bob Doris (Glasgow) (SNP): On the referendum franchise, I ask the First Minister about a strategy to ensure that habitual non-voters

and those who are not registered to vote are fully engaged not just in the consultation process but in the independence referendum itself. Those people often come from the most deprived communities, which, in my opinion, will have most to gain from Scottish independence.

The First Minister: In the consultation paper, there is a section in which we put forward an idea to increase turnout. However, I agree with Bob Doris that increasing turnout is not just a matter of facilitation and making it easier for people to attend the polling station; it is also about motivation and people's wish to turn out, have a say and feel that their vote makes a difference. He is wise to draw attention to that.

I hope and believe that the response to the consultation paper will be strong and will signal a great level of interest among our fellow citizens. Bob Doris is right to point to the fact that it is in everybody's interest that the referendum turnout is maximised and that as many people as possible are able to vote. Above all, he is correct to draw attention to the idea that people have to be motivated to vote and have to believe that their vote will make a difference to the future.

Drew Smith (Glasgow) (Lab): From answers to parliamentary questions, we know that the Scottish Government spent at least £400,000 on its last historic consultation—the national conversation—not including staff time. How much more public money will be spent on the independence question between now and the spending limits coming into effect? Will any Government money be spent on supporting others, including groups outside Parliament, to develop almost-but-not-quite-independence options?

The First Minister: When we look at Scottish Government expenditure on publications or special advisers, we see that it is a mere flea-bite compared with the extraordinary expenditure of the previous Labour Government and, increasingly, the present coalition Government. Indeed, the current UK Government seems to be staffing all of Downing Street with special advisers whose job is to intervene in the referendum campaign—even people who were, until recently, advisers in this very Parliament.

When it comes to looking at the efficient use of public money, this party's approach has a great deal to commend it. Perhaps that is one reason for the election result last year.

Budget (Scotland) Bill: Stage 1

The Presiding Officer (Tricia Marwick): The next item of business is a debate on motion S4M-01773, in the name of John Swinney, on stage 1 of the Budget (Scotland) Bill. Will members who wish to take part in the debate please press their request-to-speak buttons? I will allow a few seconds to allow members to change their seats.

14:30

The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney): Last week, I introduced the Budget (Scotland) Bill for 2012-13, which will implement the draft budget that I set out in September last year. I thank all those who have contributed so far to the debate on the draft budget, including the Finance Committee, whose report I responded to last week, and the subject committees, to whom my Cabinet colleagues have responded.

I assure Parliament that the Government remains eager to work constructively with all parties to build agreement on the bill's contents and to secure its parliamentary passage. As in previous years, I am willing to consider alternative spending proposals, if other parties wish to advance them and provided that they are accompanied by proposals that identify from where the necessary funding would be drawn.

I turn to the context for the bill, and the principles that underpin its provisions. We continue to face acute challenges to public spending in Scotland, with another real-terms reduction to our total departmental expenditure limit budget for 2012-13.

Gavin Brown (Lothian) (Con): I am grateful to the cabinet secretary for giving way so early in his speech. Does he accept that this year's budget is a cash-terms increase?

John Swinney: The words that I have used in my speech are:

"another real-terms reduction to our total departmental expenditure limit".

That is what the Government faces. We have to face that reality when we look at such a significant reduction, particularly in capital expenditure—which point I am sure is not lost on Mr Brown, given the significant benefit that capital expenditure can have on boosting the Scottish economy and opportunities for our people.

The Budget (Scotland) Bill addresses a number of key challenges. The first is the need to accelerate economic recovery by creating jobs—particularly for our young people—and by supporting Scottish business, including by capitalising on new opportunities in the low-carbon

economy. Secondly, the bill addresses the need to maintain infrastructure investment in the face of the severe cuts to our capital DEL settlement. Thirdly, it takes forward an ambitious programme of public sector reform, together with our delivery partners, to ensure the sustainability and quality of our services and to make a decisive shift in favour of preventative spending. Finally, it seeks to deliver on our commitment to a social wage at a time of intense pressures on household incomes.

Those challenges are brought into sharp focus by the continuing uncertainty in the global economic outlook. Last summer's escalation of the euro crisis has contributed to recovery stalling across many European economies. Last week, Scottish gross domestic product data for the third quarter of 2011 were released along with our latest labour market statistics. Growth of 0.5 per cent, particularly in the upturn in business services and the continuation of expansion in manufacturing, was encouraging. However, the final quarter of 2011 and the start of 2012 are likely to prove to be challenging, judging from our forward-looking business surveys and the preliminary estimate of GDP in the United Kingdom in the final quarter of 2011, which indicated that the economy shrank by 0.2 per cent, which was worse than the forecast by the Office for Budget Responsibility in November.

The labour market, which made significant improvements from mid-2010 into the first half of 2011, has now started to deteriorate again—as it has for the UK as a whole. That is of utmost concern to us—especially the unacceptably high rates of youth unemployment. Given those conditions and the tight budget settlement, it is essential that we secure maximum value from our public spending and that we identify clear priorities and take difficult decisions where they are needed.

Equally, it is essential that we continue to put pressure on the United Kingdom Government to recognise the reality of the economic circumstances that we face. Last night, I was struck by the observation of Olivier Blanchard, the chief economist of the International Monetary Fund, which was that

“fiscal consolidation must proceed, but at an appropriate pace. Decreasing debt is a marathon, not a sprint. Going too fast will kill growth, and further derail the recovery.”

The United Kingdom Government must reflect on those important words from the IMF as it addresses poorer growth than expected in the fourth quarter of 2011 and a labour market position that gives the Scottish Government a degree of concern. To that end, I have asked the Chief Secretary to the Treasury to convene a meeting of the United Kingdom's finance ministers to advance some of our concerns. I am pleased to inform the Parliament that he advised me

yesterday of his agreement to that proposition and that an arrangement will be made for the discussion to take place as soon as possible.

Ken Macintosh (Eastwood) (Lab): Further to that, does the cabinet secretary believe that plan MacB is making a difference to the Scottish economy?

John Swinney: Yes I do, because the Scottish Government has, since 2008, used a set of measures and interventions to try to offset the difficulties and serious consequences of the economic recession. In 2009 and 2010, we successfully ensured that the recession was shorter and shallower in Scotland than it was in the rest of the United Kingdom. The challenge that we now face, however, is that the economic levers and the resources that we deployed in that period are now essentially being consolidated by the financial constraints of the United Kingdom public finances. That is why Mr Blanchard's contribution is important. I thought that the Labour Party and the Scottish Government were agreed that the United Kingdom deficit-reduction programme was too aggressive and was harming growth. However, having heard the leadership of the Labour Party in London, I am not so sure that we are agreed on that, although it is exactly what the International Monetary Fund said in its observations yesterday.

The Government's spending decisions will continue to be guided by our purpose of increasing sustainable economic growth and by working to deliver our programme for government and economic strategy.

The budget that is before Parliament today is focused on economic growth. It uses all the powers that we have to boost public sector capital investment; to improve access to finance and encourage private investment; to enhance economic security in order to support confidence across the Scottish economy; and to take direct action to tackle unemployment. I will set out the actions that we are taking in some of those areas to support the recovery and to lay the foundations for sustainable economic growth.

First, when private sector demand is fragile, public investment can provide a vital boost to economic activity. It comes with the added benefit that it will leave behind a legacy of assets with long-term growth potential. Maximising capital investment has been a central element of the Scottish Government's action to support and accelerate recovery. It is estimated that every additional £100 million of capital spending supports around 1,400 jobs in the Scottish economy. The Government will ensure that capital is invested in a way that has the greatest beneficial impact on the economy and on public services.

It is also vital that new private investment be encouraged by improving access to finance and by providing the right conditions to attract investment. The Government has taken steps to boost private investment through the establishment of the Scottish Investment Bank, which delivers vital equity-investment schemes. Alongside that, the £70 million national renewables infrastructure fund aims to tap into the appetite in the private sector to invest in renewables in Scotland. It forms part of more than £200 million of investment that is committed to in the spending review.

We are also helping businesses with incentives to grow and export. The budget bill funds the continuation of the small business bonus scheme and of matching the business rates poundage that is set for England. Scotland continues to offer the most generous rates relief regime in the United Kingdom, with tax breaks that are worth more than £500 million a year. Furthermore, any business can choose to spread payment of next year's inflationary rise in its rates bill over three years through a rates deferral scheme.

The creation of the four new enterprise areas will provide further business incentives across key industries—life sciences, manufacturing, low-carbon technology and renewables.

Exports are a vital source of growth, which is why we have set an ambitious target to increase our exports by 50 per cent by 2017. To support that, our efforts are directed at growth companies, growth sectors and growth markets—countries where there are real opportunities for growth in the years ahead.

Scottish Development International is working with its partners to support 8,000 to 10,000 more businesses to develop the skills to go international by 2015. The Scottish Investment Bank is prioritising lending to support small and medium-sized enterprises that have international ambitions. With banks and pension funds, it has introduced a £94 million Scottish loan fund to support growth companies and exporting companies in accessing loans. The Aberdeen energy firm Phuel Oil Tools Ltd is one of the first companies to access the fund and it has received a £1 million loan.

Most important is that we are taking steps to tackle unemployment, in particular among young people. Our opportunities for all programme guarantees an education or training place for every young person who is not in work, education or a modern apprenticeship. We are also investing in our higher education sector to ensure that those who cannot find jobs can continue to gain skills and improve their employment prospects. We are investing an additional £327 million in Scottish universities over the spending review period, with

real-terms increases of more than 5 per cent in each of the three years.

We are helping students directly by continuing to provide support for college bursaries to help young people remain in education and training, by maintaining living cost support for students in higher education, and by introducing a minimum income guarantee of £7,000, starting with those who are from the poorest backgrounds. More than £500 million is being committed to further education in 2012-13. The Cabinet Secretary for Education and Lifelong Learning wrote to colleges this month to confirm the resources that will be available, and he has confirmed our manifesto commitment to maintain student numbers and student support at 2011-12 baseline levels.

Ken Macintosh: It is good to hear the minister's words about his commitment to tackling youth unemployment, but how will cutting the colleges budget by 20 per cent, following last year's cut of 10 per cent, help with that?

John Swinney: The Government is ensuring that it supports the further and higher education sectors effectively. I have recounted the resources that we are applying in the area, and I have set out the Government's commitment to maintaining student numbers and student support at 2011-12 baseline levels, which is part of the reform agenda that the Cabinet Secretary for Education and Lifelong Learning has taken forward.

I turn to the Government's focus on infrastructure, in which we are strengthening capital spending and using all available levers to maximise investment and support job creation across Scotland. That includes supplementing our capital DEL settlement by switching more than £200 million of resource DEL within portfolios and financing more than £350 million through the non-profit-distributing model.

Gavin Brown: Some of that capital transfer comes from savings from the Forth crossing. For about the fifth time in the chamber, I ask the cabinet secretary whether he will please tell us how switching money from the Forth crossing represents revenue to capital.

John Swinney: For about the fifth time, I say that I have explained to Mr Brown the basis of what is happening. Savings in the Forth replacement crossing budget have been allocated to other capital programmes of the Government. We have taken the difficult decision—which has been demonstrated in answers to parliamentary questions, in the budget document, in speeches, and in the response to the Finance Committee—to shift resource to capital. Maybe one day Mr Brown will listen to the hard decision that we have been prepared to make.

Through the strategic approach that I mentioned, the Government's budget will continue to support vital new social housing by the building of around 6,000 affordable homes, and it will tackle fuel poverty head on, including through the energy assistance package and the universal home insulation scheme.

Ken Macintosh: Will the cabinet secretary take an intervention?

John Swinney: I need to bring my remarks to a close.

Our recently published infrastructure investment plan secures the project pipeline, thereby bringing stability and predictability to industry throughout Scotland. The Government is ensuring that Scotland has a vibrant programme of capital investment despite the savage cuts to capital spending that have been meted out by the Conservative and Liberal Democrat Government. The Conservatives and Liberal Democrats come to this Parliament and protest about capital expenditure, but their Government in London has made our job even more difficult than it was before. Before we get any lectures about capital spending from the Liberal Democrats or the Conservatives, perhaps they should think twice about levelling that accusation at this Government.

This Government has taken decisions to prioritise economic recovery, to ensure that Scotland is in a position to deal with the severe economic difficulties that we face, to build for the future and to ensure that our public services are supported in the years to come. That is the foundation of the Government's budget. The Government looks forward to the debate on those issues that will take place in Parliament in the next fortnight, to listening to the arguments of the Opposition, to responding when constructive and positive suggestions are made, and to delivering a budget that meets the needs of the people of Scotland.

I move,

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

14:45

Ken Macintosh (Eastwood) (Lab): None of us can be in any doubt about the seriousness of the economic difficulties that we face. Last week's unemployment figures simply confirmed the damage that is being done to too many families in Scotland. The outlook for growth was already gloomy, and it will not have been leavened by last night's comments by the governor of the Bank of England, by the IMF's downgrading of projected economic growth or by today's confirmation that the economy has shrunk by 0.2 per cent.

My concern is—aside from worries about us teetering on the brink of another recession, about the euro and about the series of radical and difficult cuts to the public finances that we face—that we need to address underlying problems with an economy that is not delivering for the people of this country or for our society.

For more than 30 years, we have followed economic policies that have been based on an assumption that the markets will provide the growth and prosperity that we need in order to thrive, but those markets have never provided the jobs that we need in order that we can truly prosper. We have endured deep-seated unemployment for three decades, and unemployment is now rising again—not falling.

The cumulative impact of permanent mass unemployment has been to create a dependency culture, which in turn undermines the principles on which the welfare state is based. There is still huge support for our national health service, but already attacks are being made—not just on so-called benefits scroungers, but on the whole idea of a welfare system that covers us all. Welfare was originally conceived in a full-employment society as a way of tiding people over during the difficult times. It was there for children and the elderly, and for people who were sick or vulnerable, but able-bodied adults were expected to work. For thirty years, there have simply not been enough jobs for thousands of capable citizens.

What worries me is not just that the Conservative Government in Westminster is cutting back on the public purse because money is tight, but that it is using these straitened times to shrink the welfare state. Universal benefits such as child allowances, which help to tie us all together, are going. The public sector is being reduced while simultaneously and fallaciously being portrayed as a drag on our economy and on the wealth that is created by the private sector. If we wish to defend our progressive vision of a fairer and more just society, we must challenge some of the assumptions and assertions that underpin those attacks, and we will not be able to do so if our first reaction is simply to oppose every cut or to put up taxes.

If we want to hold on to a welfare system that looks after the most needy, that can provide social and economic mobility and which is perhaps even—dare I say it?—a little redistributive, we must do what we can to end the dependency culture, too. That was the road that the last Labour Administration was taking us down through welfare into work, jobseeking, and retraining and reskilling people to improve their employment chances. That is how I believe we should tackle the problems that face us today—by getting Scotland working again, by giving people a job

and a stake in our society, and by giving them hope and a future.

However, just as, if left to their own devices, market forces will not provide an answer, neither, unfortunately, does the budget that the cabinet secretary has announced begin to face up to the fundamental weaknesses in the Scottish economy. It does not go nearly far enough in looking at how the state can create or support employment, rather than simply being left to pick up the pieces when people lose their jobs.

A few attempts have been made to explore the economic principles and practices that might create the employment levels that we seek, but they feel marginal rather than mainstream.

Mary Scanlon (Highlands and Islands) (Con):

In addressing the underlying problems, will Ken Macintosh acknowledge that 43 per cent of people on benefits in Scotland have an underlying mental health problem and that successive Governments have not given them the support that they need through the national health service?

Ken Macintosh: I welcome Ms Scanlon's question. It is important that the welfare system be sustained and that we all feel that we are part of it. It should be there for everyone in society—not just for some parts.

The Labour Party cannot support a budget that fails to address the most pressing problems. Growth here was weaker during the past year than it was across the UK. One Scot in every 10 is unemployed and one in five Scottish children lives in poverty.

There are, in the budget, decisions on which we agree. There is widespread support for the principle of moving to preventative spend, and Labour has campaigned long and hard to boost the number of apprenticeships. We want early intervention programmes and protection for spending on our health service, although there might be robust discussion on how the policies will be implemented. Overall, however, the budget does not do enough to generate employment or galvanise the Scottish economy. The Scottish National Party needs to rethink its approach to the budget and the economy; it must not just tinker round the edges.

I will leave aside the scale of the challenge to which the budget does not face up, but I am concerned that the budget does not deliver even on the minister's stated—if limited—ambitions. Mr Swinney talked about bringing forward capital spending, but he has cut capital spending by more than George Osborne has done. We have identified up to a dozen capital projects—schools, roads, public buildings—that have been delayed because of decisions of the SNP Government. We need to get the economy going now, and public

works are a key trigger in sparking growth. A boost to the housing market would get the construction industry going again.

John Swinney: Before Mr Macintosh moves on from capital spending, will he accept that the size of the capital DEL budget that the Scottish Government has at its disposal is a creation not of the Scottish Government but of the United Kingdom Government and the Barnett consequential? I think that we eventually managed to get that point across to his predecessor.

Ken Macintosh: I am arguing first that the budget is not radical enough overall and secondly, that the budget does not deliver on the claims that the minister makes for it. I do not believe that there is a transfer from resource to capital. I do not believe that the infrastructure developments are happening. You talk about infrastructure development, but you have cut the housing budget by 40 per cent.

The Deputy Presiding Officer (John Scott): I remind members to speak through the chair, please.

John Swinney: Those are Mr Macintosh's opinions; of course, we can trade opinions. However, on the factual point that I made, I want Mr Macintosh to consider whether the capital DEL budget that is available to the finance secretary in this Government is a product of a decision by the Scottish Government or the consequence of what is handed out to us by the UK Government.

Ken Macintosh: Mr Swinney seems to be avoiding the key point that I am making about his claims for the budget. He can excuse himself and say that plan MacB is working, but he made specific claims about investing in jobs and growth and he is not even delivering on his own promises. If he says that he is investing in housing, why has he cut the housing budget by 40 per cent? He has changed his terminology and talks about 6,000 “affordable homes”, rather than social rented homes. The key point is that he is talking a good game, but is not delivering on his promises.

The First Minister and Mr Swinney are quick to take credit when they think that things are working. Last year, when Scotland's economy was doing marginally better than the UK's, they said that plan MacB was working, but now it is not working and that is suddenly not their, but the UK Government's, fault. Of course, the First Minister and Mr Swinney always attach a little rider to their remarks: “Everything would be all right if we only had all the levers of economic power.”

Members: Hear, hear.

Ken Macintosh: SNP members' approval is interesting, so I ask them what levers of economic

power they have in mind. Perhaps they mean control over currency—the pound or the euro; I am not sure which they want to control. I think that the SNP currently wants to have control over the pound, but the party's main economic adviser, Crawford Beveridge, said at the weekend that such a situation would be far from ideal.

John Mason (Glasgow Shettleston) (SNP): The member has been talking about capital expenditure. Does he accept that one power that we do not currently have but which we could have is borrowing power, which every council has, and which would create jobs?

Ken Macintosh: We will get more borrowing powers if the SNP supports the Scotland Bill. It will be interesting to see whether that happens.

As I understand it, the First Minister said yesterday that the Bank of England would be the lender of last resort to the new independent country. In other words, the Bank of England of the UK would set the borrowing limits of an independent Scotland. We are talking about key decisions: the bank would set the interest rates that govern the amount that everyone in this country pays on their mortgage. Is that acceptable to the SNP? Those are fundamental questions.

The SNP cannot claim that everything would be all right if we had the levers of power but then not say what it would do on taxation. Would it accept a 50p rate of taxation or take control of currency and interest rates? The SNP is abdicating responsibility. The argument in the SNP seems to be that it would not take those chances because that would be too risky as the markets might prey on a Scottish currency. That is actually an argument for being part of a union—perhaps it could be the United Kingdom.

These are difficult times. Young people and their families are incredibly worried, particularly because the Scottish Government seems to be closing the door to their getting the qualifications and training that they need by cutting college funding by 10 per cent last year and by a further 20 per cent this year. At a time when families are worried, there are cuts to social services and local authorities, with 13,000 jobs having gone in the past year.

The budget does not reflect the right priorities for Scotland. However, we will work with the SNP. Rather than make damaging cuts, the SNP must invest in housing and colleges to tackle youth unemployment, and it must invest in maintaining jobs and services. The SNP has £155 million in Barnett consequentials right now and £600 million—more than £0.5 billion pounds—of consequentials at its disposal. The way in which we choose to use our Government's budget has a

huge effect on our lives. We must step up to the challenge and use the budget to create jobs.

14:56

Gavin Brown (Lothian) (Con): Prior to the publication of the draft budget and every day since then, the Scottish Conservatives have said that the budget must focus on jobs and the economy. Last week, that was brought home to us all once again when we saw the unemployment figures, which are depressing for the UK as a whole, but are even worse for Scotland, with 8.6 per cent of people currently unemployed—about 231,000 people. Given that the SNP constantly complains that it wants more powers, it is worth pointing out that when the figures were released last week, not only did we have a higher growth rate in unemployment than the rest of the UK, but as unemployment was increasing in Scotland, it was decreasing in Wales and Northern Ireland. The next time the First Minister stands shoulder to shoulder with the First Ministers of Wales and Northern Ireland, he might wish to ask them what they are doing that allows them to decrease unemployment with slightly fewer powers than we have in Scotland.

I want to point out a reality about the budget figures. I accept entirely that there has been a real-terms decrease in the Scottish budget of—according to the Scottish Government's documents—1.3 per cent. However, the cabinet secretary did not want to acknowledge that there has been a cash-terms increase and that he has £240 million more for the next financial year than he has in the current one. Because of the Barnett consequentials that were announced in the autumn statement, he has £112 million more at his disposal than he had at the time of writing his manifesto before the elections last year. Therefore, all the choices in the budget are political ones of the SNP and the Scottish Government.

Kenneth Gibson (Cunninghame North) (SNP): Does Mr Brown accept that, when the SNP drew up its manifesto, we did not anticipate an inflation rate of 5.2 per cent? He talks about cash terms, but the real impact on the Scottish budget is much more severe than was anticipated.

Gavin Brown: If the SNP Government had read the Bank of England's inflation reports prior to the election, it would have anticipated sharp increases in inflation for 2011 and, sadly, for the bulk of 2012—although, we hope, not in 2013. The sharp increases in inflation were not completely unanticipated and the reality is that the Government has more money at its disposal for next year than it has this year.

We should judge the SNP on its words. It claims that it wants to prioritise the economy and to use every lever that it has at its disposal, but when we look at what the SNP is doing in the budget, we find several gaping holes in that statement. The first of them relates to colleges. It is a pity that Mr Russell has left the chamber—well, I suppose that it is kind of a pity, although the jury might be out on that. However, there is a one-year cut in the college budget. The cabinet secretary boasted that the Government will spend £500 million on further education colleges over the next financial year. However, in the previous year, the college budget was the best part of £550 million and in the year before that it was considerably higher. The point is this: at a time when unemployment is dangerously high and when youth unemployment in particular is at its highest, with 88,000 18 to 24-year-olds in Scotland out of work, we are deciding to cut the college budget dramatically in a single year. That makes no financial sense. It is not only that; the cut will be £74 million by the end of the spending review period, which also makes no sense in the current financial climate.

For me, the second gaping hole is in relation to housing, because the housing budget is being cut from £389 million to £300 million in a single year. We have heard all the rhetoric from the Government and from economists about the importance of infrastructure and housing and the effect that they can have on the economy. However, in the draft budget the Government is making a very sharp reduction in the housing budget in a single year, and it will drop further after that.

I gently point out that the First Minister talked at great length earlier today about the fantastic mandate that he won in the May election last year, so I ask the SNP this: did it say in its manifesto last year that it would slash the housing budget from £389 million to £300 million? I do not think that many people would have voted for that.

Maureen Watt (Aberdeen South and North Kincardine) (SNP): Given that the cabinet secretary has had to make cuts, is it not reasonable and realistic to make the cuts in the areas where other methods of finance can be levered in or where most savings can be made?

Gavin Brown: I think that we got a bit of policy on the hoof there; I am not sure whether that has been cleared by the SNP front bench. If we follow that argument to its logical conclusion, the SNP may wish to cut the housing budget even more next year and the year after. That argument was certainly not in the SNP election manifesto last year.

John Swinney: Will the member give way?

The Deputy Presiding Officer: The member is in his last minute.

Gavin Brown: Perhaps I can take an intervention from Mr Swinney in my closing speech.

On top of that, the SNP says that it wants more powers so that it can make Scotland more competitive and cut taxes, but in this budget it wants to introduce a Scotland-only tax in the form of a retail levy that would hit retail stores only in Scotland, which would make them less competitive than stores in the rest of the UK and send out a signal that again—on the hoof—the Scottish Government is quite happy to put up taxes as and when it thinks it appropriate, without even having an impact assessment of how that would affect jobs.

The Deputy Presiding Officer: We now move to the open debate. I remind members to press their request-to-speak buttons. Kenny Gibson will be followed by John Park. You have six minutes.

15:03

Kenneth Gibson (Cunninghame North) (SNP): On Gavin Brown's last point, I did not see the proposed retail levy having any impact on Asda's announcement of 5,000 jobs across the UK, of which about 500 will be in Scotland; that includes the rebuilding of Asda's depot to serve Northern Ireland and Scotland.

On 26 December, we debated the Finance Committee's report on the Scottish spending review 2011 and the draft budget 2012-13. In that report, which was the most robust since devolution, we set more than 90 questions for the cabinet secretary, all of which were answered in detail on 18 January; I thank the cabinet secretary for that. Indeed, I welcome the Scottish Government's Budget (Scotland) Bill for 2012-13.

Since 2007, the SNP Government has repeatedly demonstrated that it will always put Scotland first. This budget illustrates our party's continuing commitment to helping Scotland's people in difficult times and bolstering our economy. Within the budget, we will continue to prioritise capital investment in key infrastructure projects to create jobs and we will do that in part by shifting the revenue spending to support capital investment in order to make up for the 32 per cent real-terms cut that the Westminster Government is imposing on Scotland, even after George Osborne's autumn statement.

So, let us get rid of the kidology that extra money is coming through the Barnett consequential. That does not go anywhere near making up for the cut that is being imposed.

Gavin Brown: The member talks about kidology. He is, of course, the convener of the Finance Committee. Does he accept at least that it is a matter of fact that there is a cash-terms increase in the budget for next year?

Kenneth Gibson: Clearly, there is a cash-terms increase but, with inflation, that is a real-terms decrease. That is the world that we have to operate in at the moment.

We are looking at further means of preventative spending, such as minimum unit pricing for alcohol, which will provide economic benefits such as reducing the estimated 40,000 annual hospital admissions related to alcohol misuse and cutting the cost of crime in our society.

Preventative spend is a big part of this budget. Of course, many have commended the SNP Government for being so bold as to support such a strategy with £500 million over three years, at a time of severe financial constraint. Further, we will keep the council tax frozen, which will save the average household £1,136 to 2016, while maintaining free university tuition, which will save families money through difficult times and provide people with the opportunity to pursue higher education on the basis of the ability to learn, not earn.

The SNP Government has demonstrated its ability to look after this country's finances effectively since it came to power. That is another reason why we got such a resounding vote of confidence at the election last year. We will continue to use all the levers that we have at our disposal to create jobs and nurture growth in the Scottish economy.

Meanwhile, we have so far heard nothing from Labour in terms of a positive way forward. In fact, I do not believe that Labour has any economic credibility whatsoever. As was the case when this issue was debated in September, I expect to hear from Labour back benchers a litany of demands for money here, there and everywhere—the national health service, justice, local government and so on. Of course, it is doubtful whether we will hear where that money will come from.

Just on cue, Mr Macintosh wishes to intervene.

Ken Macintosh: I am intrigued, because I was trying to lay out to the SNP that there is an alternative, which is to invest in jobs. Does Mr Gibson think that the SNP Government is doing enough to invest in jobs?

Kenneth Gibson: The SNP is doing all that it can with the powers that are available to it. Of course, if the Labour Government had not denied Scotland borrowing powers, despite giving £2.5 billion to Northern Ireland, a province with a third of our population, we would have significantly

more to invest in capital projects—£7.5 billion, on a per capita basis. I ask Mr Macintosh how many jobs that could create in Scotland.

Of course, London holds the purse strings and it is clear that Labour MSPs would rather that the Tories ran Scotland from London than Scotland had control over its economy, such is their distrust of and lack of faith in the Scottish people.

Earlier, we heard about Mrs Thatcher. If Scotland had voted for independence in the 1970s, we would not have had to endure 18 years of Mrs Thatcher and her successor, John Major. Of course, we still do not have control over our destiny and, as we have already heard, the UK is continuing to take us nearer to recession.

We have called repeatedly for further capital investment and we are delivering the capital investment that we can. Improving access to finance to help businesses to recover and grow would be a major step forward.

We want to reverse the VAT increase to increase consumer confidence. Unfortunately, following recent revelations from Ed Balls, it is clear that Labour is now in 100 per cent agreement with the Tory-Lib Dem coalition on more than just the no campaign. Indeed, following the admission of Mr Balls that he would not reverse any of the coalition cuts, one can only presume that the 12.3 per cent cut to our resource grant and the 32 per cent capital cut would also stand. That position has angered many of the trade unions, including those that helped to elect Ed Miliband and Johann Lamont as Labour leaders. Perhaps instead of changing its policy in a desperate attempt to lure back English voters who flocked to the Tories at the last UK election, the Labour Party might consider practising what it once preached.

I was interested to learn this week that the former UK Labour Prime Minister, Tony Blair, wrote off £7.8 million of his income as “unexplained administrative expenses” and paid only £312,000 in tax. Of course, in a past life, Mr Blair claimed that he wanted to

“tackle abuse of the tax system”.

Perhaps if former Labour Prime Ministers were not making their own tax cuts there would be more money left in the public sector for essential services such as education and health. Of course, Ed Miliband and his motley crew now stand hand in hand with the Tories in support of the cuts and, as a result, it is clear that Labour no longer flies the red flag but the white one.

As for Labour in Scotland, only yesterday, Margaret Curran, the shadow secretary of state, seemed to indicate that Labour wants to take away free university tuition in Scotland, after

Labour previously pledged, following a spectacular U-turn during the Holyrood election campaign, to protect free university tuition.

The Deputy Presiding Officer: I would be grateful if you could close, please.

Kenneth Gibson: Johann Lamont and Ken Macintosh have spoken out against the council tax freeze and, once again, we are going to have a U-turn.

I am confused. Labour seems to oppose everything, at all costs, while it is in opposition and when it finds at election time that its policies do not work, it copies SNP policy. No wonder that Tom Harris said that his party was unfit for government in Scotland and has a less than 50 per cent chance of survival. In case anyone has forgotten, I remind the chamber that he was a Labour leadership contender in Scotland only a month ago.

15:10

John Park (Mid Scotland and Fife) (Lab): I welcome the opportunity to contribute to today's debate. Much of the debate will be about where we spend money, but I will focus on how we spend money. We have £9 billion-worth of goods and services procured every year in Scotland, which could have a massive impact on our communities. Government spending can undoubtedly be a force for good throughout Scotland, and in all our communities.

I welcome John Swinney's comment that he is prepared to listen to constructive suggestions from Opposition members. I hope that I will make some constructive suggestions in the next five minutes or so, and that he will respond to them in his closing remarks in the spirit in which they are intended.

I am pleased that the Scottish Government is focusing on employment. We on the Labour side of the chamber certainly welcome the opportunities for all initiative, not least because it is very similar to our suggestion three or four years ago that we give every suitably qualified 16 to 18-year-old the right to undertake an apprenticeship.

However, the devil will be in the detail of how the Government delivers that initiative. We must ensure that all those opportunities are accredited and that the individuals who undertake an apprenticeship or a training course associated with vocational opportunities will, at the end of it, have a real chance of going into gainful employment. There is no point in having a policy of putting bums on seats and keeping people off the streets if they will not get an opportunity to go into gainful employment afterwards.

With regard to real apprenticeship opportunities, I would like more support for smaller businesses. There is a debate in the Parliament just now about the level of apprenticeships. The global figure of 25,000 sounds very impressive, but once we get below those figures and examine some of the detail, it is clear that a lot of those apprenticeships are not in the traditional areas, which perhaps cost a little bit more, but in less traditional areas. The courses may last for only 12 to 18 months, and there is not always gainful employment at the end, although we have preserved employed status for apprenticeships in Scotland, which is welcome.

I will say something about the quality of employment and how the public sector can be an exemplar for the private sector in dealing with employees in what can be difficult circumstances. Mark McDonald and Michael McMahon have both raised issues at First Minister's questions in the past few weeks around the conduct of private sector companies in their constituencies. The First Minister responded favourably in terms of looking a bit further into what the Scottish Government could do in policy terms in those circumstances.

However, I have witnessed in my constituency—as I am sure that other MSPs have—a number of cut-and-run employers who are prepared to put their workforce at risk and throw bags of money over the fence when times get difficult, and who then expect us, the taxpayer, to pick up any redundancy bill through a protective award.

The Scottish Government and other public bodies throughout Scotland should set an example of how we deal with that, and we should certainly state in the Scottish Parliament that such behaviour is unacceptable. I welcome the Scottish Government's no compulsory redundancies policy, and I welcome the announcements that were made more than a year ago on the living wage for staff in the Scottish Government and for those who are directly employed in the NHS.

Every pound that we spend in Scotland just now must reach further into our communities than ever before. The living wage and dealing with in-work poverty is a policy that would not cost any money to introduce much more widely through procurement, and we should consider introducing it in the Scottish Parliament in a bit more detail.

It is the case that 59 per cent of poor children live in a household in which at least one adult works, and in some parts of Scotland—including in my constituency of Mid Scotland and Fife—child poverty levels run somewhere between 30 and 40 per cent.

The Scottish Government's research shows that its policy of rolling out the living wage to directly employed Scottish Government and NHS employees has had a positive impact in

addressing gender inequalities and that more than 70 per cent of the people who benefit from the living wage are women. If we regard the living wage as an example of what we can do to make Scotland a better place in which to work and live, we should seriously consider extending it through procurement to address low pay in other areas, particularly the private sector.

I intend to introduce a member's bill on the subject, and I have had constructive dialogue with Government ministers. It is about ensuring that those who are contracted to carry out work for public bodies are paid a living wage. The Local Government and Regeneration Committee is looking into not only the challenges that would arise in rolling out the policy in that manner, but the opportunities that the proposal would bring for those who would benefit from it. If we are to move forward and ensure that the living wage delivers for people, we must place a duty on the Scottish Government to promote that and to ensure that it is delivered both to those who are directly employed and through procurement across public bodies in Scotland. We have the levers in Scotland to do that.

I hope that I have made a constructive speech and that Mr Swinney will respond positively to some of the suggestions that I have made.

The Deputy Presiding Officer: We are extremely tight for time. However, if members confine themselves to six minutes exactly, even with interventions, we will get everyone in.

15:16

Maureen Watt (Aberdeen South and North Kincardine) (SNP): I congratulate the Cabinet Secretary for Finance, Employment and Sustainable Growth on, once again, delivering a budget that has, as far as possible, protected services and boosted investment against a backdrop of continuing savage cuts that have been handed to Scotland as a result of the UK Government's spending decisions. He is becoming highly experienced at it. The fact that he has again given us a budget that delivers the most possible from diminishing resources should be welcomed across the chamber.

I will focus on capital investment, in part because of my role as the convener of the Infrastructure and Capital Investment Committee, but also because it is perhaps the most critical part of the Scottish Government's budget when it comes to boosting Scotland's economy. Ken Macintosh began to acknowledge that, but then said that it was not being delivered on the ground. I remind him of the M74, the M80, the Airdrie to Bathgate railway, the 250 new schools, the Southern general hospital, the dental school in

Aberdeen, the Forth replacement crossing, the Borders rail project, the dualling of the A9 and the A96, and all the other projects that are outlined in the infrastructure investment plan. That pipeline of projects is welcomed by industry, and I am sure that Mr Park recognises that they are creating real jobs for apprentices in the future.

With the taxation powers of the Parliament limited, the capital spend that takes place in Scotland is the biggest lever that we have to stimulate our economy. The continuing need for such stimulus should be obvious, given that encouraging growth must be the current top priority for the economy. That is why the UK Government's decision to impose a real-terms cut of 32 per cent to Scotland's capital budget over the current spending review period is particularly short sighted and the Scottish Government's decision to reprofile £750 million of revenue spending towards capital investment is critical. That policy was even endorsed by Nicola Horlick on "Newsnight Scotland" last night. Boosting capital spending results in increased employment in the short to medium term and stronger economic growth in the longer term.

As well as using traditional forms of capital spending, the Scottish Government has been innovative in using other means to up the level of capital spend that will take place in Scotland in the coming years. It is using Network Rail's regulated asset base to draw in funding for strategic rail improvements; it is leveraging greater funding from the European Union's joint European support for sustainable investment in city areas; it is implementing measures such as tax increment financing; and it is making greater use of the non-profit-distributing model of finance. Together with the excellent work of the Scottish Futures Trust, those are all ways in which the Scottish Government is squeezing out the highest possible level of capital investment despite the constraints that Westminster has imposed.

As a result of all that, capital investment in Scotland will be 25 per cent higher in 2014-15 than in the current financial year. Having said that, even more action could be taken if the Parliament had access to full borrowing powers and, with that, the ability to boost our economy more rapidly.

One key investment in north-east Scotland is the Aberdeen western peripheral route. I am delighted to note that a commitment to deliver that project through the non-profit-distributing financing model is an important part of the budget. I am sure that most members in the Parliament accept that, the sooner the infuriating legal delays can be resolved and work can begin, the better for the people of north-east Scotland. That position was reiterated by Alex Neil in Aberdeen on Monday

and was widely welcomed by the business community, which he addressed.

The great advantage of NPD financing is the substantially better deal that it secures for the taxpayer in comparison with some of the disastrous private finance initiative projects that Administrations prior to 2007 signed off. The bill for that toxic PFI legacy in Scotland is set to increase substantially in coming years, which will drain from the Scottish Government money that could be better put to work on strengthening Scotland's economy.

As well as having new capital projects, it is important to maintain existing infrastructure well and update it as needed. Making such investments is an important part of the preventative spend agenda, because a failure to maintain what we have will result only in increased costs for the Government further down the line. It is welcome that, despite the savage cuts that have been imposed on us, the transport infrastructure maintenance budget has been protected.

By focusing on stimulating economic growth and thereby creating jobs, the budget takes the right way forward in these difficult times. The Scottish Government has been given an extremely difficult task because savage cuts have been handed down as a result of UK Government decisions. We should all welcome the fact that the Scottish Government has pulled out all the stops to boost economic growth through capital spending. Opposition members—John Park excluded—have so far moaned about savings that the Government has had to make, but we have heard not a word about their choices. Perhaps they will surprise us at stages 2 and 3 with their alternatives.

15:22

Elaine Murray (Dumfriesshire) (Lab): Budget decisions are about the Government's priorities. The Scottish Government frequently cites its purpose as being sustainable economic growth, so it is disappointing that parts of the Budget (Scotland) Bill do not appear to reflect that purpose. In particular, I am—like Gavin Brown—disappointed that housing has not been given a greater priority in the bill, especially as the budget covers the period when the homelessness targets must be achieved.

The SNP's manifesto before the election in May 2011 stated that, if re-elected, the SNP would build an average of 6,000 homes for affordable rent each year. It is unfortunate that that commitment was soon downgraded after the Government took office to refer to 6,000 affordable homes per year. Of the 30,000 homes that are to be built over five years, only two thirds will be available for rent.

We must look at the scale of the problem that needs to be tackled. On Shelter's website, the most recent available statistics show that more than 55,000 households made homelessness applications in 2010-11 and that 41,500 of them were accepted as being unintentionally homeless. Of those households, 29 per cent were families—single parents or couples with children.

On top of that is the demand that is created by people who live in accommodation that is unsuitable for their needs—it might be too small for their family or inappropriate for one of the household's medical condition. In the Dumfries and Galloway Council area alone, about 5,000 households are on the waiting lists of registered social landlords.

Given the Scottish Government's purpose and the desperate need for social rented housing across Scotland, it is disappointing that the budget for supporting economic growth and housing supply will fall by 43 per cent in cash terms over two years—from £291.3 million in 2010-11, which is the year to which the Shelter statistics refer, to £155.3 million in 2012-13.

Indeed, the entire housing regeneration budget will fall by 23 per cent in cash terms between this financial year and the next. According to calculations provided yesterday by the Scottish Parliament information centre, the affordable housing supply budget will fall from £356.4 million this year to £214.8 million next year, which is a cut of 37 or 40 per cent in real terms.

Using slightly different figures from those that were used by Gavin Brown, I point out that, if we consider total managed and capital expenditure together, the total Scottish budget has decreased by 1 per cent in cash terms and 3.5 per cent in real terms, while the infrastructure and investment portfolio budget has increased by 4 per cent. Shelter's Gordon MacRae was quite right to say in evidence to the Infrastructure and Capital Investment Committee that this is the second year running in which the housing budget has taken a disproportionate share of the cuts.

That matters not only because of all those thousands of households who are statutorily homeless or are living in inadequate accommodation—although they are crucial—but because it is happening against the backdrop of a collapse of confidence in the building and construction industry and a 1.2 per cent fall in construction output in the third quarter of 2011. Only one in 10 Scottish construction firms is now confident about its future. Michael Levack of the existing homes alliance has warned that budget cuts could impact negatively on construction companies and are stirring up

“serious trouble for the future ... in company failures and the loss of skills and jobs.”—[*Official Report, Infrastructure and Capital Investment Committee*, 26 October 2011; c 203.]

Companies involved in the construction of social homes for rent are already going into administration; for example, a large company in the Dumfries and Galloway area, Robison & Davidson, went into administration a year ago in the middle of constructing socially rented housing.

John Mason: I have some sympathy with the member’s view that we need to invest in housing. I presume, though, that such investment can be made only if other investment—in, say, the Forth replacement crossing—is reduced.

Elaine Murray: I will touch on that issue at the end of my speech.

Scottish ministers have been proud of their focus on preventative spend in this spending review. However, I argue that investment in housing is itself preventative spend. Children who have to live in cramped or damp conditions or in temporary accommodation after being removed from their friends and families—and possibly after having the family pet taken off them—will not achieve their potential at school. Their life chances will be improved by a stable life in decent accommodation. Moreover, adults who have to live in such accommodation or who are worrying about losing their home because they cannot pay their rent, because their landlord is selling up or because they are struggling with a mortgage that they cannot afford—and, in turn, worrying about the effect of that on their children—will suffer from stress, will be more likely to suffer from physical and mental ill health, will perform less well at their work, will take more time off work and will be more likely to experience relationship breakdown.

As many of us know, councils or registered social landlords facing waiting list pressures can feel compelled to house a homeless young person in accommodation intended for pensioner households, resulting in conflict between the lifestyles of the residents that can lead to real or perceived antisocial behaviour and a call on police and other resources.

When I searched my computer-based records to see how many cases with a housing attribute I had received since the system was installed in 2004, I found that there had been 920. That is not unusual for MSPs. In such cases, people say things such as, “Please help me” and, “We’re turning to you because we cannot think who else to go to.” I ask the cabinet secretary to look at his budget and his consequentials and think about whether he can reprofile certain large-scale projects. After all, he, more than the rest of us, is the person who can help those families.

The Deputy Presiding Officer: I call John Mason, to be followed by Liam McArthur. You have a tight six minutes, Mr Mason.

15:29

John Mason (Glasgow Shettleston) (SNP): I will do my best, Presiding Officer.

Although there are a number of issues to discuss, I want to begin with a subject on which the Finance Committee has spent a lot of time: preventative spending. It is estimated that something like 40 to 45 per cent of present Scottish public spending is made in a negative or reactive way and it is essential that all levels of public spending, not just that under the direct control of ministers, become more preventative. That has been made very clear to the Finance Committee, which has built on the previous committee’s work, and particular support is now being given to spending on the early years, where the effect will be greatest.

That was touched on in our report and in the debate in December. I welcome the cabinet secretary’s response to that report, especially to paragraph 63. The response says:

“The Scottish Government is committed to driving a decisive shift towards prevention, in terms of both public spending and the nature of service delivery.”

It says:

“We are seeking to encourage those advanced areas to continue to develop experience and evidence, to further innovate and to draw lessons for development of preventative approaches more broadly.”

That is particularly to be welcomed. We should share best practice around the country and encourage others to do so.

I agree with the cabinet secretary’s comment that

“the Government also recognises there may be actions that do not directly involve spend which help to deliver a more preventative approach.”

Attitude is important in the area and in the debate. It is not just about particular sums of money, important as they are; it is also about the spirit and the letter of the law.

Capital spending has already been touched on. It is clear that capital spending is one means of preventative spending. I completely agree with 95 per cent of what Elaine Murray said about the value of having more homes built. That creates better health, better education and jobs. Like Elaine Murray’s casework, the vast majority of the casework that comes to me in Glasgow Shettleston concerns housing.

Claudia Beamish (South Scotland) (Lab): I would like to highlight a concern about energy

efficient homes in addition to what Elaine Murray and John Mason have highlighted. Some members are concerned about the budget not really meeting the energy efficiency demand that many groups, including voluntary sector groups, have highlighted in relation to fuel poverty. Will the member comment on that?

John Mason: The member has said what Ken Macintosh and Elaine Murray have said. Of course we would all like to see more money going into housing, but all those members have failed to say where that money will come from. We are dealing with a limited budget.

Ken Macintosh: In my opening remarks, I highlighted the fact that the cabinet secretary has £155 million available in consequential this year alone and more than £600 million in consequential over three years.

John Mason: I understand that we still have to hear what all the consequential, which are welcome, will go to in due course. I assume that the members whom I mentioned have a plan to reallocate money within the existing budget that we know about. They and I are aware of many projects. I do not know whether they agree with Alison Johnstone of the Greens, who has just left the chamber, that the Forth replacement crossing should go. Young as I look, I remember the Forth road bridge being built, and I find it desperately disappointing that we must divert such huge amounts of money to replace it, but I think that we all—or most of us—agree that having that bridge is absolutely necessary for Scotland, especially the east coast. I would like to hear from Opposition members whether that bridge, some railway or something else should not happen in order that houses can be built. Depending on what the suggestion is, I would consider supporting them, as I would like to see more housing. However, we need specific suggestions.

Rhoda Grant (Highlands and Islands) (Lab): Will the member take an intervention?

John Mason: I am sorry, but I have already taken two interventions.

Let us remember that we are suffering and susceptible to the Westminster cuts. I agree with Unison, which said in its briefing to us:

“There is no doubt that the cuts to public spending by the UK Government mean real cuts in the money available to the Scottish Government and has therefore limited their choices.”

Linked to capital spending is the fact that we need more powers to give us more control over our budget. In particular, we need more control over corporation tax.

Rhoda Grant: Will the member take an intervention?

John Mason: I am sorry, but I really cannot.

Enterprise areas have been mentioned. They are welcome, but previously the enterprise zones were beneficial because of the capital allowance and corporation tax breaks that they got. If we had power over that, we could create more jobs more effectively.

Borrowing powers have been mentioned several times. Another key area is the possibility of our incorporating into the budget the Department for Work and Pensions and benefits system. Currently, if the living wage cuts tax credits, that saving goes to the DWP and not to here.

I realise that I have run out of time. John Swinney has had a very difficult task in the face of the economic failure at Westminster. We can support the budget, and we will see what costed and funded amendments the Opposition parties bring forward.

15:35

Liam McArthur (Orkney Islands) (LD): After the elephants, it is said, comes the man with the buckets. I dare say that it will do Mr Swinney's career prospects no harm at all if, in wielding his buckets, he avoids stealing any of the limelight from his boss this afternoon. Perhaps that is the reason why his Budget (Scotland) Bill is devoid of any reference to how the additional resources that he has at his disposal are to be deployed. According to SPICe, they total more than £850 million over the next three years. One suspects that even half that amount would be enough for at least a few rabbits to be pulled kicking and biting from Mr Swinney's hat. There is still time for that to happen—I will address some of the rabbits that Scottish Liberal Democrats would wish to see emerge. Nevertheless, it is clear that Mr Swinney has room to manoeuvre.

Indeed, were Mr Swinney to heed the advice of the independent budget review, the Scottish Futures Trust and possibly now Maureen Watt, he could avoid having to increase loans to Scottish Water by £100 million—and recoup £1.5 billion besides—while keeping Scottish Water as a public benefit corporation. Moreover, his demands again this year that Opposition parties match spending requests with cuts ignores last year's stage 3 assertion that munificence was possible thanks to

“updated forecasts of estimated income from non-domestic rates”,

“carry-over provision” agreed with the Treasury and being

“able to reprofile other spending programmes”.—[*Official Report*, 9 February 2011; c 33059, 33060.]

I do not pretend that the task facing Mr Swinney is easy. I am sure that he would welcome being

able to call on the prodigious talent assembled in Mr Salmond's team of economic advisers. It is sad, then, that the advisers met for the first time in more than a year on the day that the Budget (Scotland) Bill was published. With the news last week that Scottish unemployment is increasing at double the rate in the rest of the UK, meaningful engagement with that group of experts would surely have been helpful. I feel sure that their view, if asked, would be that of most observers: that this is a budget that must be focused firmly on creating jobs and opportunities.

In that context, it is crucial that Mr Swinney takes urgent steps to reverse the deep cuts that he and the Cabinet Secretary for Education and Lifelong Learning are proposing to Scotland's colleges. Although colleges have made clear their willingness to embrace change, Scotland's Colleges points out that that

"should not come at the expense of the quality or breadth of provision for college students."

I note that the City of Glasgow College assures us this week that we are all in a state of "shock", which will turn to "denial" and "blame" before we "let go". At that point, though, we can look forward to accelerating towards the sunlit uplands of "integration and focus". I detect the invisible hand of Mr Russell there.

However, in return for that commitment from colleges, they require a fair deal, and one that recognises that cost savings take time to realise, that success in reforming the sector depends on the way in which the reform is introduced, and that the array of commitments made by ministers cannot be delivered on the cheap. On the cuts proposed, following last year's 10 per cent cut, Scotland's Colleges has warned:

"The impact on the quality of provision, the availability of student support services, and the loss to expertise, capacity and morale present in the sector through losing staff cannot be overstated."

NUS Scotland expresses similar concerns, not least over what amounts to an £11 million cut in student support budgets. Rightly, it highlights the damage that that could cause to efforts to reduce drop-out rates.

The damage that is caused by the threat of the cuts is compounded by uncertainty over individual allocations, making planning difficult, if not impossible, for colleges and students alike. Colleges provide students with the skills they need to get up and get on and they improve the life chances of thousands of people of all ages in all parts of Scotland. That is supported by colleagues of all parties on the Education and Culture Committee. I hope that that encourages Mr Swinney to think again on these cuts.

The extra money that is now available to the Scottish Government means that the SNP can also now stick to its manifesto promise of delivering 6,000 new social rented homes each year. Having cut the budget by around £100 million, ministers have been forced to backtrack on clear commitments, with an element of purchase now required. All too often, that option is beyond the means and not in the interests of those most in need. Again, I hope that Mr Swinney will reconsider the investment that is being made in that area.

I briefly mention an issue of significance to a great many of my constituents, although college funding and housing certainly fall into that category as well. I know that the cabinet secretary will be well aware of the importance to the islands of lifeline transport links, including our air services, which remain costly to access, despite the introduction of the air discount scheme by my colleague Tavish Scott, when he was Minister for Transport and Telecommunications. The scheme was initially supported by the SNP, but last year the decision was taken to remove all work-related travel from it. At a time of economic difficulty, when travel budgets are already being stretched, that decision by SNP ministers has had a serious impact not only on local businesses but on voluntary groups, charities and the public sector. It has also resulted in services between my constituency and Inverness being reduced. Ministers blame Brussels, but their reasons do not stack up. It is a cost-cutting measure and one that is damaging island communities. Again, I urge Mr Swinney to think again.

The Scottish Government has significant additional resources to tackle the challenging economic times we face, thanks to announcements made by the UK Government since Mr Swinney published his draft bill in September. The lack of any detail on how the resources are to be spent is unfortunate and makes Parliament's scrutiny of the bill all the more difficult. For our colleges, our housing sector and the many others across Scotland who are seeking answers, I hope that the details will emerge soon.

In the meantime, we will take up Mr Swinney's offer to discuss the issues in more detail but, for the time being, we cannot give the budget our support.

15:40

Clare Adamson (Central Scotland) (SNP): I welcome the opportunity to speak in the debate this afternoon.

The budget is being set in the most difficult of financial circumstances. The Scottish Government has highlighted a 12.3 per cent real-terms

reduction in the budget in 2014-15, with a 7 per cent fall in this financial year and the remaining 5.3 per cent reduction falling over the next three years. In these financial circumstances, decisions have to be made. I commend the Cabinet Secretary for Finance, Employment and Sustainable Growth on the budget, which will deliver so much in the way of transformational policies with so little. I particularly welcome the move towards preventative spend, as I know that it will impact most on the Government's early years agenda.

Early support and preventative spending for vulnerable children and families in Scotland will help to tackle problems before they turn into crises. That will be hugely beneficial for children and young people, as well as for society as a whole. It is estimated that, for every £1 spent on early years intervention, the taxpayer saves £9 in future spend.

We have an opportunity to tackle and address the problems of poverty that have led to low educational outcomes for young people and limited their options in life. Preventative spend is innovative and transformational, and it is an agenda that the Government is pursuing. It encompasses all areas of government, both local and national, and it works across our universal and targeted services. The cabinet secretary has embraced the agenda, despite the financial constraints in which we find ourselves.

The early years agenda will transform the lives of children and their communities. It is a principle that will enable partnership working, and it is a lever that will bring together NHS, education and local government services to deliver better outcomes for Scotland's children, enabling them to live in the way that Angela Constance described when she was Minister for Children and Young People:

"At the heart of everything we do and of all our aspirations for our children is to ensure that we have happy healthy bairns who reach their full potential."—[*Official Report*, 27 October 2011; c 2777.]

Following the publication of the report and recommendations of the Smith group—an eminent group that included Willie Haughey, Sir Tom Hunter and Rory Mair—Angela Constance moved position and has now been appointed Minister for Youth Employment.

The SNP Government is the Government of opportunities for all. It has already made the commitment to 16 to 19-year-olds of a place in education, employment or training, and it is committed to 25,000 new apprenticeships every year in the term of the Government. The appointment of Ms Constance to the role of Minister for Youth Employment shows that the

Government has recognised the potential gravity of the problem.

Ms Constance has already set out some of her priorities. She has brought together business leaders, the third sector and other agencies to look at the best way forward to tackle youth unemployment and to enable our youngsters to take advantage of the opportunities available in Scotland. She has also recognised that those most disadvantaged in Scotland deserve our help and support, and she has committed funds to looking after carers and those leaving care to enable them to achieve their potential.

I am very glad that the Government is supporting our young people in other areas, too. We have been able to protect the youth music initiative, which supports more than 300 projects across Scotland, ensuring that Scotland's talented youngsters get the support and opportunity to fulfil their potential that they deserve. We have also been able to commit an additional £5 million to the young Scots fund to invest in a national centre for our youth companies in Glasgow. The centre will be transformational and will give accessible rehearsal space, production facilities and administrative bases for the organisations. The Government also continues to fund the Edinburgh festivals expo fund, which showcases our young Scottish talent to the world.

Our new apprenticeships include those in the areas of conservation and heritage, which will ensure that traditional building and the maintenance of our historic buildings is secured for the future.

I finish by mentioning a trip that I took last week to Thornlie primary school in Wishaw. The school sits in a disadvantaged area of North Lanarkshire and the previous Government committed funds to create an open, free play area for it. It has a sandpit, a firepit that is used with teacher supervision, and areas where the children can climb and play on tree stumps that have been placed in the school yard. It is very much about encouraging the children to go outdoors. They also have areas in which they can put up tents, and they are encouraged to enjoy the open, free space and unstructured play. I am grateful that I was there to hear the announcement of a further £3 million from the Scottish Government for free play, which is so important to the development of our young people.

15:46

Paul Wheelhouse (South Scotland) (SNP): I will start by briefly referring to my support for the Government's initiatives on youth unemployment and the guaranteed place for all 16 to 19-year-

olds. John Park made a very positive contribution on that issue.

It is clear that investing in growth through measures such as opportunities for all, which will give us 25,000 modern apprenticeships, and other measures such as the infrastructure investment plan, which will deliver £60 billion of individual projects of more than £20 million in value will have a clear impact on accelerating growth.

In his speech, Mr Macintosh mentioned his party's support for preventative spending. I highlight to him and other members that the members of his party who were previously on the Finance Committee failed to support those elements of the committee's report that dealt with preventative spending when they had the opportunity to do so. He also talked about Labour's support for increasing the number of apprenticeships, but his party failed to vote for those 25,000 apprenticeships when they had the opportunity to do so during last year's budget process.

Ken Macintosh: I do not want to exaggerate our differences. We questioned, and we still question, whether the preventative spending agenda is being pursued as vigorously as it could be, but we welcome it. Similarly, it is accepted across the chamber that the only reason why apprenticeships are in the SNP budget now is the pressure that Labour put on the Government.

The member wants to talk about youth unemployment, so will he say how the £70 million cut to colleges helps to tackle youth unemployment?

Paul Wheelhouse: I was going to come on to college spending later, but I will deal with it now. Liam McArthur and Ken Macintosh mentioned college funding and a lot of heat has been expended on the issue of student support funding. My understanding is that the figure of £11 million that has been quoted as a cut to the allowance for student support in fact refers to an exceptional item on top of the baseline of £84.2 million in the previous year. There has been no cut to the baseline in this financial year, but there was a one-off exceptional increase to the amount of the student support last year, which has misled some people into referring to an £11 million cut in funding for student support.

Patrick Harvie (Glasgow) (Green): Will the member give way?

Paul Wheelhouse: I apologise to the member; I have given some time to Mr Macintosh so I need to move on.

We all know that there has been a 32 per cent cut to the Scottish Government's capital budget from Westminster even after the modest increases

that we have seen in the recently revised spending review. The Parliament should commend John Swinney and his colleagues for what they have managed to do through a combination of introducing NPD funding and the resource-to-capital switch. The result is that, instead of a £22 million fall in the capital DEL between 2011-12 and 2014-15, there will be a £578 million increase in annual capital spending over that period. We are doing what we can within the powers that we have. Many members have mentioned that already.

Speaking of the powers that we have, I will highlight the five-point plan to kick-start growth that Labour unveiled on 3 November 2011. Four of the five measures that it proposed were to do with another place: there were two proposals on VAT, one on national insurance and one on bank bonuses.

Labour members have criticised the increase in unemployment in Scotland and have shown a desire to blame that on the Scottish Government. However, all along, whenever it has made pronouncements about the plan MacB to which Labour members refer, the Scottish Government has said that many measures are outwith its control and has urged the UK Government to take a similar approach to ensure that recovery is sustained, which it has failed to do.

Gavin Brown: Will Paul Wheelhouse give way?

Paul Wheelhouse: I need to move on. I am sorry, but I am short of time.

Let us consider the powers that we could have. On the latest exchange rates—I checked only two days ago—the Norwegian Government pension fund global, which was established in 1996, is worth £370,002,865,000. Scotland's oil fund within the UK is currently £0.00.

We need to think seriously about that after today's announcements about the independence referendum. SNP members are clear that, with the full economic powers at our disposal as an independent country, we could take a similarly progressive approach to Norway. Who knows—perhaps we would not have some of the issues to which members from other parties have referred.

From some people, we hear scorn about the provision of universal benefits. Indeed, the council tax freeze comes under criticism from some Opposition members. I recommend to them the wise words of the Roman emperor Tiberius:

"It is the duty of a good shepherd to shear his sheep, not to skin them."

The council tax freeze has been highly popular for a good reason: it helps people. Council tax has been frozen for five years so far, and the freeze will continue through this session of Parliament. It

comes at a time of falling family budgets and when people have had some real pressure on their household spending. I spoke only yesterday to a grandmother who is a carer and who is just above the threshold for council tax benefit. Without the council tax freeze, she would be in even deeper financial trouble than she is. She was very supportive of our policy.

I welcome the announcement yesterday of the freeze in Scottish water rates. Under public ownership and under this Government, the average household charge for water will remain at £324—the same level as in 2009-10. That, too, helps household budgets.

15:52

Mary Scanlon (Highlands and Islands) (Con):

I noticed that even the Cabinet Secretary for Finance, Employment and Sustainable Growth had his head in his hands for many parts of that speech. [*Laughter.*]

John Swinney: I am all for a laugh in the parliamentary chamber, but Mary Scanlon will notice that I was reading the brief that is in front of me to enable me to respond fully to the points that she is about to make.

Mary Scanlon: I welcome that—it was said with such a look of kindness.

Many issues could be raised in this debate on the budget. However, as 88,000 people between 18 and 24 years old are registered unemployed, surely further education should be a priority for spending, not a target for cuts, if we are to be a wealthier and fairer nation, as the First Minister outlined earlier.

As an economics and business studies lecturer in further and higher education for more than two decades before becoming an MSP, I know from experience the opportunities that further education offers to reduce inequalities and to provide not only skills, training and qualifications but—equally important—the self-esteem and confidence that individuals need to progress to work and in work.

The Christie commission highlights that, in education, the inequalities gap between the bottom 20 per cent and the average learning outcomes has not changed at all since devolution. It also states:

“A cycle of deprivation and low aspiration has been allowed to persist because preventative measures have not been prioritised.”

If the Government is serious about realising our full economic potential, creating more and better employment opportunities and tackling the significant inequalities in Scottish society, further education should surely be the last sector to face cuts. If the Government is serious about driving

and supporting the development of a competent, confident and valued social services workforce through the Scottish Social Services Council, it should understand that that could be achieved in further education colleges. There is no doubt that that would be an excellent example of a spend-to-save policy as it would not only hugely benefit the workforce but enhance care in the community in general. It is not acceptable to expect carers to do the job that they do with as little as a disclosure check and minimal training.

Employability is a recurring theme in the Christie commission report, and there is no better place for people to start gaining the required skills than further education. Colleges have been innovative and enterprising and have been pruning their costs for years, including for many years before devolution. Given my experience in the sector, I find it difficult to understand how the Government can, at the same time, cut college funding, urge colleges to maintain student numbers and commit to provide a place in training, education or work for every 16 to 19-year-old.

Having criticised the cuts in further education, I will give two examples of good ways in which to save money. I think that it was Maureen Watt who said that not much has been said about that.

Clare Adamson: Will the member take an intervention?

Mary Scanlon: I ask the member to let me make some progress.

First, I highlight the ability of the public sector to procure and manage information technology contracts, and the cost of those contracts. Last month, the Auditor General for Scotland submitted two reports to the Public Audit Committee, of which I am the deputy convener: one on Registers of Scotland and one on the Crown Office and Procurator Fiscal Service. They are not two of the largest public sector organisations by any means, but they have worrying IT costs. Registers of Scotland's initial contract cost of projects was estimated to be £66 million by the end of the partnership in 2014. By April 2011, the £66 million had become £102 million and the estimated cost to the end of the partnership was £132 million, which is exactly double the original estimated cost. The impairment costs are currently £3.1 million. The Crown Office and Procurator Fiscal Service has an impairment charge of £2.3 million.

That brings me to the Finance Committee's report on the Scottish spending review 2011 and the draft budget for 2012-13. In paragraph 69, the committee reasonably asks the Government for

“a progress report ... on how its strategy is bringing savings in ICT across the public sector”.

The Auditor General has highlighted those two cases, stating that they raise

“wider questions about the extent to which public bodies are equipped to manage IT projects delivered by outside providers.”

When the previous Health and Sport Committee held an inquiry into telehealth and clinical portals, we discovered that there were almost 14 separate systems, with one for each health board. I welcome the fact that the Auditor General is to take a closer look at how such contracts are identified, defined and managed. The money that is wasted on poorly managed IT projects could be invested in employability skills and work to tackle inequalities.

My final point is on the absenteeism rate in the public sector. The Government had to abandon the health improvement, efficiency, access and treatment target to reduce absenteeism in the NHS to 4 per cent when it became unachievable. This week, I received figures in a parliamentary answer on the average number of working days that are lost per full-time equivalent over a 12-month period. Although the rates for some organisations such as the Office of the Scottish Charity Regulator and the Scottish Housing Regulator are less than six days, those in other organisations are more than 10 days, and at Disclosure Scotland the rate is three and a half weeks.

The Deputy Presiding Officer (Elaine Smith):

I am afraid that I have to ask you to close.

Mary Scanlon: There might be good reasons for those rates, but they need to be analysed.

I hope that the finance secretary will go home and think again about the savage cuts to further education.

15:59

Chic Brodie (South Scotland) (SNP): I am pleased to support the motion. In fact, I was pleased to be here to hear what was a selective rewriting of history from Mr Macintosh and a lack of understanding of the financial cycle from Mr Brown. He probably thinks that a financial cycle is something you ride round the ponds outside. In Mr Macintosh's speech, there was no mention of Alistair Darling. He talked about 30 years of child poverty and a dependency culture, but who was in charge over the past 30 years? From what he said, you would think that all that happened in the past four years.

Ken Macintosh rose—

Chic Brodie: Mr Brown must be the only person who pays his bills and his VAT before he incurs the expenditure. He knows what the financial cycle is.

When the budget proposal started its journey, international economic data highlighted the fragility of the global economic recovery, thereby putting investment in jobs at risk, here and abroad. Since then, the economic forecasts for growth have declined quarter on quarter, and today we received the sad news that UK GDP has declined and that the UK may well be on its way to recession. Underlying that is the impact on high-employment sectors such as construction, in which output is 0.8 per cent down, and manufacturing, in which output is 1.2 per cent down.

That prospect is the result of a UK Government that runs around like Corporal Jones, shouting, “Don't panic! Don't panic!” The Tory party panics only in a crisis of its own making. The UK Government tells us not to panic, yet it still seeks every distraction to avoid focusing on its extremely poor economic management. That leaves it to us in Scotland, under the current constitutional and financial arrangements, to try to do more, or as much, with less.

The budget is a tough one, but it is a good one. The Budget (Scotland) Bill is a mature bill, but one that is still open to suggestion, and I believe that it is incumbent on the two and a half main Opposition parties to advise us—now that they are in total accord on the economic policies of the London Government, which means, de facto, that they agree with the aggregate settlement for Scotland—to which areas they would direct expenditure and in which areas they would change the planned expenditure for 2012-13 and thereafter.

Ken Macintosh: I am intrigued, because Mr Mason did not accept our word on this, either. There are £660 million-worth of consequential. It is interesting that all the parties across the chamber have identified similar areas on which that money could be spent, among which housing and colleges are predominant. Does Mr Brodie accept that there is money to be spent and that those areas should be prioritised?

Chic Brodie: I believe that that is encompassed within the budget. Mr Macintosh will know, because an answer was given on the issue earlier, about the impact of inflation on some of the consequential.

We know what the Opposition parties are against; we need to know what they are for. I ask them to tell us please, with some lucidity, what they are for. The duty of the Opposition is, it seems, very simple—it is to oppose everything and to propose nothing.

John Park: I made a suggestion about extending procurement so that the living wage could be paid to people in the private sector when

companies benefit from public sector contracts. Does Mr Brodie support that?

Chic Brodie: Yes I do, but I am talking about the budget in the round. The member addresses one element of the budget, not the whole thing.

Now that the Opposition parties are as one, at least economically, it is their duty to the people of Scotland to spell out what items they want to spend money on and when, and in which areas of the financial settlement they would make cuts. They should go through the resource budget and the accrued cash schedules that are attached to the bill and tell us where they would switch expenditure. When they say that they want to raise expenditure in certain areas, they should tell us, openly and honestly, in which areas they would make cuts.

Globally and nationally, the current economic climate requires stability, competence and investment, and I believe that the Budget (Scotland) Bill establishes the continuity of competence that we need. Are we doing all the things that we want to do? Of course we are not, but we are harnessing the limited resources that have been imposed on us to a sustainable economic strategy. That is why the bill, in delegating powers and flexibility to the Scottish ministers, at a time when maximum flexibility is required, gives them the power to ensure that they optimise the spend that we have; and it is why it is right that, in the bill, our priority is to build a society in which people will work together to fund the essentials of the modern, progressive, socially fair and democratic nation that the First Minister talked of earlier.

The Opposition parties, who are clearly now at one on their newly adopted yet doubted shared position on the economy, must tell us about their shared social and political philosophy and objectives. They should make known their joint position on the economy and Scotland's future.

The bill locks in and builds on a social foundation and economic culture that are right for Scotland and our people. I think that the people accept and understand that. I support the motion.

16:05

Malcolm Chisholm (Edinburgh Northern and Leith) (Lab): It is quite right that we concentrate in the debate on the decisions that the Scottish Government must make within its powers and resources, but I must first address a point that Chic Brodie and Kenneth Gibson made. SNP members are spreading about a new myth, which is that somehow Labour and the Conservatives at Westminster have the same economic policy—the cabinet secretary, being a more reasonable man, merely implied that that is the case. The fact is

that the economic policy of Labour at Westminster has not changed. We remain adamant that the cuts that are being made are going too far and too fast. Mr Swinney quoted the IMF, which said that the overvigorous deficit reduction strategy is having an entirely negative effect on growth and employment and indeed on the longer-term prospects for reducing the deficit, and I quite agree.

Let us concentrate on what we can do in the Scottish Parliament.

Mary Scanlon: Will the member give way?

Malcolm Chisholm: I will do so in a moment.

As Kenneth Macintosh said, there is a larger measure of agreement about what Labour is proposing than people might think that there is. From the front benches, Ken Macintosh emphasised colleges and housing. I will talk about those two subjects, although if I have time I will also talk briefly about the budget for sustainable and active travel, which the Infrastructure and Capital Investment Committee, of which I am a member, has been considering.

We can address the problems of the housing and further education budgets within the money that has not been allocated. It might also be possible to make some shifts, but such a significant sum is available in the unallocated moneys, particularly in relation to capital, that there is ample scope to spend more on housing and FE. The two areas tick all the boxes that we want to tick: the economics box, the employment box, the social justice box and the preventative spend box. Why on earth is a Government that claims to prioritise youth employment cutting the FE budget by 20 per cent, with the cut front loaded at 13 per cent next year, on top of 10 per cent this year? Perhaps a 10 per cent cut can be accommodated this year through efficiencies of various kinds, but can that be repeated next year? I very much doubt it. The Government's decision is illogical and I hope that it will be reversed.

We all know about the social need for housing, but we must also remember what a profound boost to the economy a house building programme would provide. We are told that we will get 4,000 social rented houses a year. Notwithstanding that many of the organisations that know about such things are a bit sceptical about that happening, that is 2,000 fewer houses than were promised in the manifesto and will in no way meet our crying and urgent need for more houses.

Last week I visited the City of Edinburgh Council and East Lothian Council, in relation to the 2012 commitment on homelessness, and both councils told me that they will really struggle to meet the objective. There is an urgent need for more social

rented housing for social, employment, economic and climate change purposes, so let us ensure that unallocated capital goes into the area, as the Infrastructure and Capital Investment Committee recommended in its report to the Finance Committee.

Paul Wheelhouse: Does the member welcome, as I do, East Lothian Council's decision to buy back houses on the open market, to increase the supply of social housing at the pace that he says is necessary?

Malcolm Chisholm: That is certainly one of the things that the council is having to do, but the approach will not in itself solve the council's problem.

I mentioned the Infrastructure and Capital Investment Committee's report. There is not just agreement among many Opposition parties; the reports of many committees, which of course have an SNP majority, say much the same thing and ask that the number 1 priority be that unallocated capital be given to housing.

On active and sustainable travel, we are talking about relatively small sums of money. If we took £1 million from every line in the transport budget we could probably address most of the concerns that I will raise. I will focus on three recommendations of the Infrastructure and Capital Investment Committee. The committee recommended that the future transport fund

"be focused on capital projects that provide high economic return",

with a particular focus on cycling, because a 10 per cent modal shift to cycling is required under the report on proposals and policies under the Climate Change (Scotland) Act 2009. However, there is a massive cut to the cycling budget. Sustrans has received £5 million a year, but it will now get £1.5 million, possibly over two years, but perhaps four—it is not clear.

Another recommendation was that

"the Scottish Government should give consideration to setting the active travel budget as a proportion of total transport spending."

The Government said in its response to the committee that it refused to do that. We know why—it is because, last year, the figure was 1.21 per cent of the overall transport budget, whereas next year it will be 0.67 per cent. The figure will reduce from £25 million this year to £16 million next year. The committee also recommended that the cabinet secretary should maintain cycling, walking and safer streets funding at the current level of £7.5 million a year, but it has been reduced to £6 million.

The cabinet secretary is going against not only what Opposition members say, but what his own

party's members have said in committees. The freight facilities grant, which is a further small amount of money in the sustainable travel budget, will go down from £2 million to £0.75 million. The availability of that funding has been critical to shifting freight from road to rail.

In my remaining few seconds, I point out that the issues can be dealt with by small shifts in the transport budget. By taking £1 million or £2 million away from some of the many lines in that budget, I hope that the issues can be addressed without having to invade any other budget.

16:11

Rob Gibson (Caithness, Sutherland and Ross) (SNP): I will deal with matters relating to the rural affairs and environment budget and to climate change. The spending provisions for the rural affairs and environment portfolio are largely dominated by the provision made from the common agricultural policy, along with spending objectives that are related to non-departmental public bodies such as Scottish Natural Heritage, the Scottish Environment Protection Agency, Forestry Commission Scotland, Forest Enterprise Scotland, Marine Scotland, which is a collective of bodies, and a range of other initiatives including the research that is undertaken by the main research providers and other initiatives by non-governmental charities. The portfolio also includes spending on climate change provisions.

By and large, when we consider the way in which the budget has fared in the current round, it should be noted that the budgets for the single farm payment, the Scottish beef calf scheme, the less favoured areas support scheme, LEADER, technical and crofting assistance and common agricultural policy compliance improvements all remain static through to 2014-15. All those parts of the budget relate to the European Union and the common agricultural policy. I am glad that, at this time, those parts are stable. However, I am intensely worried that, if the euro zone crisis reached a point at which the budget for the CAP was cut, we would not be able to support what is a vital industry in this country with the level of funds that has been supplied in the past through our taxes and through the common agricultural policy and which has benefited and been welcomed by many farmers.

With those strictures in mind, we should recognise that, because of the overall picture, cuts had to be made to the Scottish elements of the budget although, in general, those are a much smaller part of the total budget than the common agricultural policy mechanisms that I have mentioned.

In particular, there have been discussions on the proposed reduction in spending on agri-environment schemes, from about £48 million to £40 million in the coming year. However, it is clear to the Rural Affairs, Climate Change and Environment Committee that the budget will be well spent, and we will monitor how it is spent. The cabinet secretary has said that there is a possibility of moving money around between various budget heads if a demand for services arises. We intend to keep a close watch on the budget as the year progresses to see that that money is spent. We believe that agri-environment schemes benefit the whole of agriculture enormously, because they usually occur alongside commercial agriculture and in areas where agriculture is difficult, such as the crofting areas of the Western Isles and the north of Scotland. We are concerned, but we recognise that some parts of the budget have to be cut. The cabinet secretary does not want to cut any part of the budget, but he has had to cut that one.

There are benefits in the budget, too. Around 79 people applied recently to be new entrants into farming and 63 were approved. Support for that amounts to a mere £2 million, but it has allowed 63 people to begin a farming career. We hope that as many as that will come into farming next year.

Land and sea research has been maintained and, in the colleges that do that research, so has the staffing. That is a success story, given the budget cuts that are being forced on us from further south.

The common fisheries policy is in a state of flux, but it is unlikely to change very much in the next year. We are keen for that budget to be maintained. Scotland, with 70 per cent of Britain's fisheries and the major share of sustainable stocks in Europe, must have Government support to ensure that those stocks are maintained. We welcome the funds that are being put in that direction.

One of the major elements of expansion that will create more jobs is the roughly 150 per cent increase in the budget for the food and drink industries. That is a great news story that is about our investing in success. Scottish food and drink is selling around this country, the rest of Britain and abroad in increasing quantities. I am sure that Richard Lochhead is happy to talk about that whenever the subject crops up. From the committee's point of view, the skewing towards the creation of jobs as a result of that funding shows that many areas in the budget are to our good.

In addition, we have delivered a manifesto commitment to a small land fund, which will allow communities to begin to buy their land again and bring it into productive use. I welcome that.

Above all, I suggest that we need to see much of what we do as preventative spend. We have said before in debates on the budget that the Rural Affairs, Climate Change and Environment Committee commends many of the climate change elements of preventative spend to the Parliament and recognises that they are positive contributions to this year's budget.

16:17

Hugh Henry (Renfrewshire South) (Lab): I was fascinated to hear Clare Adamson and John Mason talk about preventative spending as though it is something new—an idea that the present Government thought up that is somehow making a difference. The concept of preventative spending, however, has a long history. At the outset of devolution in 1999 and during the first two Administrations, there was a determination to follow through with preventative spending, which is why so much was spent on early years and education.

If we want to prevent the need for further expenditure down the line and avoid getting into problems in that regard, it is not enough to put a token amount into the budget and say that it is preventative spending; we must get to the heart of the services that are crucial for many people across Scotland. One of the problems that we therefore have with the budget is that the cuts across the board are making it more difficult for those who are charged with ensuring that prevention is better than cure.

Local government has had a poor settlement again. My area of Renfrewshire is again right at the bottom of the allocations to local authorities, despite the Minister for Local Government and Planning being an ex-leader of Renfrewshire Council. That allocation impacts on the council's ability to spend preventatively on the things that members have said that they want to see. For example, it is much better to spend money on protecting the elderly, infirm and disabled at an early stage than to have to fund expensive care packages for them further down the line. However, we are seeing significant cuts to services for vulnerable people, which will ultimately lead to much more in the way of expenditure.

If we want to prevent further tragedies like that of Declan Hainey from happening—God forbid that they should—we need to invest in social workers. We should not simply turn around and try to blame social workers when things go wrong. We need to ensure that we have more social workers, more support and more and earlier intervention, rather than complain when we see the tragedies unfolding because the problems have not been picked up.

If we truly want to make a difference, we need to invest in education. We need to invest not only in early years—and early years investment, in any case, should amount to more than having an early years teacher allegedly visiting a school once a week, or much less than that, in some cases. We need to answer this question: if we are cutting education so badly, how can we prevent the youngsters of today becoming the problems of tomorrow, failing, ending up in trouble, turning to alcohol and drug abuse and ending up in prison? The low numbers of teachers that we have under this Administration will lead, ultimately, to higher costs for society. Teachers complain that they cannot do their jobs properly because they have fewer support staff, which puts further burdens on those teachers and lessens their ability to deliver the results that we expect of them.

Nigel Don (Angus North and Mearns) (SNP): I think that I have agreed with every word that Mr Henry has said and I am grateful to him for articulating those points, but I am sitting here wondering how we will pay for all that. What are we not going to spend money on if we spend it in the way that he suggests?

Hugh Henry: That is a fascinating concept. This Government has already said that it believes in preventative spending and what I am articulating to the chamber—which Nigel Don has agreed with—is the fact that, if we do not spend money that way, we will end up spending more money down the line. Ken Macintosh and others have already outlined where the necessary money might come from, but we cannot have parents trying to fundraise for vital supplies in schools.

In Renfrewshire, to use it as an example again, pupils have fewer choices for higher and advanced higher, which reduces their ability to pursue the university courses and careers that they want, which in turn builds up a problem of young people not being able to play their full part in contributing to the economic wellbeing of our society.

Those are the kinds of problems that we are seeing.

I will finish on the issue that many others have discussed: the stupidity of the cuts to the further education budget. If any more money is promised in the coming financial year, I suspect that the Government will be pulling money further forward from years 2 and 3 and there will be a sleight of hand to make it look good. However, if we do not invest in our colleges, we will damn a generation to idleness and to not being able to reach their full potential.

While the Government talks about positive things and prevention, the reality of this budget is

that it is failing, and it is failing those who need our help most.

16:23

Patrick Harvie (Glasgow) (Green): Presiding Officer, I apologise for being absent for part of the debate, and to two members for missing their speeches.

It could be suggested, given the referendum feeding frenzy in the media, that today might be a good day to bury bad news. I cannot help wondering whether the criticism of the Scottish Government's budget falls into that category.

Over the years, I have voted for Government budgets and against them, and I have abstained. I have never made those decisions on party grounds—that applies to the current Government as well as the preceding Labour-Liberal Democrat coalition. I have decided on a case-by-case basis, on the strength of the arguments. Sometimes, those decisions have been difficult because, if we are honest, any budget is a mixture of good and bad, and it can be hard to see where the balance lies.

I want to start by recognising some of what is good in the budget. There is broad cross-party support for the preventative spending agenda, and not only for the idea that it goes back further than is sometimes suggested, but that we all need to challenge ourselves to come up with new and creative ways of pursuing it, which is quite right.

Hugh Henry: Does Patrick Harvie recognise my fundamental point that it is all very well talking about preventative spending, but if we cut vital services, we will end up with greater expenditure further down the line?

Patrick Harvie: I agree completely. I suspect that Hugh Henry will enjoy the second half of my speech more than the first, but I said that I wanted to mention some of the good things first.

I welcome the Government's emphasis on the concept of the social wage: the idea that, taken across the piece, the range of interventions that are intended to make life a bit easier for people need to be viewed holistically. Although a great deal of work is needed to put flesh on the bones of the concept of the social wage, it is important.

I also welcome the retention of some of the policies that we persuaded the Government to adopt during the previous session, including the climate challenge fund and the universal approach to home insulation, which at one point was in danger of being scrapped in favour of a more means-tested approach. The evidence is very clear that the universal approach is the one that works.

However, to put it simply—and this is where Hugh Henry might start to agree with me more—it is clear that there is too much in this budget that I cannot support unless substantial changes are made. I have argued since the draft budget was introduced that changes are needed in several specific areas. The first is FE, in which—as many members have said—colleges and courses as well as student support must be protected. Secondly, in housing, we need a retrofit programme on the scale of the one that we have been calling for for many years now, and not just small-scale pilot exercises.

Full funding is needed for the Government's programme on climate change—as set out in the report on proposals and policies—so that we do not move from a consensus on setting targets to a period in which delivery becomes an afterthought. We need funding for sustainable transport, not only because of the environmental benefits, but—as Malcolm Chisholm outlined—because of the economic and social benefits for communities, which is something that Government after Government has ignored.

Let us look at the briefings that we have received to see whether there is a clue about the Government's record in some of those areas. NUS Scotland has highlighted the emphasis on FE and the commitments that have been made. It talks not only about the cuts overall, but specifically about a cut of up to 8.5 per cent in the teaching grant. I find it inconceivable that cuts on the scale that is proposed can be pursued without being felt very clearly in course quality and teaching hours, and in other areas such as student support.

On housing, the Scottish Federation of Housing Associations has emphasised the 30 per cent cut for affordable housing—which is one of the biggest cuts anywhere in the budget—against the backdrop of a “dire need for homes”. It also emphasises the opportunity to achieve better-quality homes and to meet the greater need for homes, and points to the role of the house building industry as one of the major employers of apprentices.

Shelter Scotland, the SFHA and others have formed the existing homes alliance Scotland to argue and continue to lobby for the type of investment in a retrofit programme for our housing stock that I have mentioned. The SFHA points out that the proposed budget for energy efficiency and fuel poverty—despite the retention of the universal house insulation scheme that I mentioned—is just £65 million. That is a £10 million cut from the previous year, against previous cuts in the year before that.

Stop Climate Chaos Scotland states that it

“believes that this Budget Bill fails to fund even the ... Government's own plans to meet the legally-binding climate change targets”,

and it emphasises the retrofit programme and sustainable transport as means of achieving that. On sustainable transport, it states that the

“SNP manifesto commitment to ‘increase the proportion spent on ... active and sustainable travel’, funding to improve ... cycling and walking infrastructure is ... to be cut”

—yet again—

“by a third while ... the roads budget will increase by 16%.”

That cut is precisely the reverse of the SNP manifesto commitment.

I would like to have spoken about other areas, but I do not have time to mention the poverty truth commission's words on kinship carers and its critique of the council tax freeze, or other issues. I regret to say that it does seem that today is being used as a good day to bury a bad budget.

16:30

Kevin Stewart (Aberdeen Central) (SNP): I declare an interest as a member of Aberdeen City Council, which will no doubt come up in the debate. Like Mr Swinney, I have led on many a budget in another place. When one leads on a budget, one finds that there is often a lot of heat but not a lot of light and there are more priorities than one knows what to do with.

Some of the nonsense started right at the beginning of the debate. Mr Macintosh, who is no longer in the chamber, said that jobs are the priority. I do not necessarily disagree with Mr Macintosh, who went on to say a number of things about job creation. However, let us go back to 3 November 2011, when Labour published its five-point plan for jobs. Those five points included a £2 billion tax on bank bonuses—a Westminster-retained power, if I am not mistaken; a reversal of January's damaging VAT rise—a Westminster-retained power; a one-year cut in VAT on home improvements to 5 per cent—a Westminster-retained power; and a one-year national insurance tax break for every small firm—a Westminster-retained power. The only point within that five-point plan to get people back to work and get growth going again for which we hold the power was the proposal to bring forward long-term investment projects, which the cabinet secretary has been brave enough to do in moving moneys from the revenue budget to the capital budget.

Malcolm Chisholm: The member does not mention the many suggestions that have been made in the debate, such as that more money for housing would create jobs in Scotland. Nevertheless, I thank the member for quoting the five-point plan, which is still subscribed to by the

Labour Party. That belies the assertions that were made by his colleagues, Chic Brodie and Kenneth Gibson.

Kevin Stewart: I thank Mr Chisholm for that. I hope that he supports our plans to take those powers for the Scottish Parliament, so that we can create those jobs instead of waiting for the Conservatives and Liberal Democrats to do something about it, which they never will. It is unfortunate for the Labour Party that it would rather be ruled by that bunch following their misguided economic policies than allow the Parliament to take those powers for itself and do the best for the Scottish people. That, to me, is wrong.

Kenneth Gibson: Alistair Darling said that he would have raised VAT to 20 per cent if he had been re-elected chancellor. Did he not raise national insurance? Labour was in power for 13 years at Westminster but did not introduce a 5 per cent VAT rate for home improvements. Does the member agree that it is all a lot of hot air from the Labour Party, which had 13 years in which to do those things but didn't do them?

Kevin Stewart: I agree completely with Kenneth Gibson. I was going to go even further because, after that, Mr Macintosh talked about three decades of high unemployment. For 13 years of those three decades, Labour was in power. What did it do? Absolutely nothing. Time and again, Alistair Darling said that his cuts would be deeper than Margaret Thatcher's.

Ken Macintosh: Does the SNP accept that neither the UK Government nor the Scottish Government is currently doing enough to tackle our unemployment problem? What would the SNP do to reduce the level of unemployment?

The Deputy Presiding Officer: Mr Stewart, you have less than 2 minutes left.

Kevin Stewart: I say to Mr Macintosh that the SNP Government is doing a damned sight more than the Government south of the border. I have talked about the cabinet secretary moving money from the revenue budget to the capital budget in order to boost jobs. We have also recently created the post of Minister for Youth Employment. Unfortunately, she does not have all the powers that she needs to have at her disposal, either; however, I am convinced that she will make a difference.

We have heard a lot about college budgets. I feel for colleges in that regard. However, if the UK Government was in charge of college spending north of the border, we might face the same cuts as there are south of the border, where the UK Government is cutting colleges' budgets by 25 per cent in cash terms, from £4.3 billion in 2010-11 to £3.2 billion in 2014-15. That cut is 7 per cent

deeper in cash terms than anything that is proposed here, north of the border.

We have heard the suggestion of throwing money at things, with no idea of where that money would come from—that is typical from the Labour Party. Throwing money at things does not necessarily lead to improved services. That lesson needs to be learned. That is why I am so glad that the cabinet secretary has put the emphasis on preventative spending that he has, and more power to his elbow.

16:36

Gavin Brown: I note in passing that Kevin Stewart began his speech by saying that the debate had had more heat than light—I will say no more than that.

Everybody in the chamber—except perhaps the Greens—agrees that the budget must be about the economy, jobs and growth. However, there are divisions—particularly between the Government and others—about how that can best be achieved.

The Government should be judged by its own yardstick, which is whether it is doing everything in its power to help the economy and using every lever it can to create growth. I re-emphasise that we are talking about a real-terms cut—the Conservatives accept that entirely. However, I emphasise that it is a real-terms cut of 1.4 per cent and a cash-terms increase, according to the Government's figures. That is not the savagery that SNP front benchers and back benchers often portray.

The way to judge whether a portfolio or a part of a portfolio is being prioritised is to ask by how much it is being cut. If the budget as a whole has been cut by 1.4 per cent, can the Government really say that something that is being cut by 15, 20 or 30 per cent is being prioritised over other parts of the Scottish budget? Within the envelope, which we accept, the Government is making political choices and it must take responsibility for them.

The debate has centred on the areas of the Scottish budget in which the deepest cuts will happen. It is right that further education has taken up a lot of the time this afternoon. I do not know whether colleges will be too happy or too humoured to hear that Kevin Stewart feels for them—okay, their budgets are being cut, but he feels for them.

Paul Wheelhouse: Will the member take an intervention?

Gavin Brown: I am happy to do so.

Paul Wheelhouse: Mr Brown said that the deep cuts to which he referred suggested a lack of

prioritisation. Does he argue—in the light of Mr Stewart's point—that the UK Government places a lower priority on FE than the Scottish Government does?

Gavin Brown: Here is yet another smokescreen. SNP back benchers will do anything they can to avoid talking about what happens in this Parliament and about their responsibilities, talking instead about what happens at Westminster. We are discussing the Scottish budget for 2012-13 at stage 1. It would be far better if SNP members focused on and examined that.

Almost 90,000 18 to 24-year-olds are out of work and unemployed, compared with about 70,000 12 months ago. The problem has grown massively, which is why there is strong support across the chamber for further education.

Mr Wheelhouse did not feel for colleges; he just tried to pretend that there was no cut at all to college budgets. Anyone with even a casual understanding of mathematics will realise that 500 is not as big as 550, which is the scale of the difference this year.

Paul Wheelhouse: Will the member take an intervention?

Gavin Brown: I have given way already to Mr Wheelhouse, and he did not give way to me. I must make progress.

Members: Aw.

Gavin Brown: Well, okay—I will give way to Mr Wheelhouse.

Paul Wheelhouse: If Mr Brown had been paying attention to my speech earlier, he would have picked up that I was referring to the student support budget, which has not gone down. The baseline has stayed the same as it was last year, at £82.4 million. There was an exceptional item of £11 million in the previous financial year to support additional student places.

Gavin Brown: That is all right then. Clearly all the colleges, all the political parties and all of civic Scotland have just got it wrong. If only they had all been paying more attention to Paul Wheelhouse's speech, everything would be all right.

A big issue that captured most of the debate was housing—in which there is a deep cut, from £390 million to £300 million in a single year. That came after construction figures from last week. In Scotland, the industry's output has contracted for four quarters in a row. That is one reason why it is so critical that the Government listens to other parties and to the industry, and takes action on our housing industry. Who better than Michael Levack, the chief executive of the Scottish Building

Federation, to capture the essence of the point? He said:

"housebuilding has been one of the hardest hit sectors of the construction industry during the current recession. Rates of private sector new housebuilding are at a historic low, while the demand for affordable new homes continues to outstrip supply.

By bolstering public investment in the housing sector, the Scottish Government will be supporting the retention of jobs, skills and capacity in Scotland's crucially important construction industry while meeting a critical need for high quality affordable new homes throughout the length and breadth of Scotland."

That captures the essence.

Mike MacKenzie (Highlands and Islands) (SNP): Will the member take an intervention?

Gavin Brown: I have only 15 seconds left, so I am afraid that I cannot.

Mr Levack captured the essence of why the Government must reconsider the budget at stages 2 and 3. Everybody thinks that the economy is a priority; now the Government must ensure that its words and actions meet.

16:42

Rhoda Grant (Highlands and Islands) (Lab): We in the Labour Party will be voting against the Budget Bill, because we believe that it is so far off the mark that it is beyond repair. Even at this stage, we urge the Scottish Government to look again at its priorities. We firmly believe that the budget should be for jobs and the economy, and that the SNP Government has failed to produce such a budget. Instead, it has slashed funding to housing, further education and councils—directly hitting the economy, jobs and crucial front-line services.

It is inexplicable that the budget for housing is halved. We need good-quality housing. Elaine Murray eloquently presented the effect of poor housing on people's health and education—the human cost of poor housing. If preventative spend were an objective of the Government, housing would surely be foremost.

Where is the Government's manifesto commitment to 6,000 social rented houses a year? It has gone. As others have said, output in the construction sector has fallen by 1.2 per cent in the past quarter. That has affected our economy and jobs, and no apprenticeships are coming out of the housing sector. Investment in housing would not only help the people in need of good-quality housing; it would provide jobs and a much-needed boost to our economy.

The fuel poverty budget is part of the housing budget and was slashed last year, yet the Government has the cheek to boast of an increase

this year, coming from an all-time low—it will not reach its previous levels in this session of Parliament. If this is the progressive policy that the First Minister boasts about, we are all in deep trouble.

Others have mentioned retrofits, and Patrick Harvie spent some time—

Kevin Stewart: Will the member give way?

Rhoda Grant: Yes.

Kevin Stewart: Ms Grant says that we are all in deep trouble. That is the problem: we are in deep trouble and it is of her Government's making. Gordon Brown sold us all a pup and left us in debt—£1 trillion-worth.

Rhoda Grant: It is interesting that Kevin Stewart talks about the deficit that was left by the Labour Government bailing out the banks. This week, his leadership has said that it would be unable to bail out the banks in an independent Scotland. We would not have a problem with a deficit; we would not have a bank. The member should think again about that one.

I want to make an extremely important point about retrofits. Retrofits not only tackle fuel poverty, which is hugely important; they tackle carbon emissions and create jobs. If we are going to have “happy healthy bairns”—to quote Clare Adamson—retrofits are needed to ensure that people live in good-quality houses.

Many members have talked about young people, and unemployment among young people is one of the most important issues that we face. It is soaring, and we have the prospect of a lost generation, as Hugh Henry pointed out. Young people need the colleges and it is therefore unacceptable that the Scottish Government has chosen to slash college budgets by more than 20 per cent. If young people cannot get jobs in the economy, they need to obtain skills so that they are ready to work when the economy improves.

Clare Adamson: Is the member aware that John Birt of Angus College recently stated:

“It does seem likely now that Angus College, working collaboratively with local and regional partners, will be able to deliver the same number of funded student places as in previous years and this will assist us in meeting the Scottish Government's commitment to young people”?

Rhoda Grant: I welcome that intervention, but can Clare Adamson guarantee that every college can form such partnerships and that every college can give a guarantee on student numbers? I do not believe that every college can.

We need to ensure that the apprenticeships and training that colleges offer are meaningful and are not just exercises in manipulating numbers to take people off unemployment registers for short

periods of time. People are bringing evidence to me about that. We need investment in housing, for example, to create meaningful apprenticeships and take young people off the dole.

Bob Doris (Glasgow) (SNP): Will the member take an intervention?

Rhoda Grant: I have taken several interventions, and I want to make progress.

As other members have mentioned, the local government cuts are attacking front-line services. The Government promised to fund the council tax freeze, but it has failed to do that, and the people who deliver our front-line services are experiencing the brunt of the cuts. I am talking about people such as classroom assistants, home carers and people who provide services to our vulnerable people. It is about preventative spend again. If we do not spend on the most vulnerable people in our society, overall spending will rise, as the cost of picking things up later will be much more.

We need to consider the people who are affected by the job cuts in front-line services, a disproportionate number of whom are women. Women are put on zero-hours contracts so that the job cuts are ignored or hidden. If we are really going to invest in preventative spend, we must ensure that that spend is on the front line.

I want to touch on comments that other members have made. Liam McArthur talked about the air discount scheme and its removal from business travel to and from the islands. That is a tax on business; it is an anti-growth tax. That removal has been followed by the removal of the road equivalent tariff from hauliers in the Western Isles this week. Making the Western Isles hauliers pay for the roll-out of RET to the Argyll islands is robbing Peter to pay Paul. It is a house tax on people on those islands, with increases of more than 100 per cent on the cost of taking a lorry there.

The Government has looked to cut the freight facilities grant, which is another preventative spending initiative. There are cost savings on road maintenance through that grant, which has been cut, as Malcolm Chisholm and others have mentioned. There are also cuts to active and sustainable transport. Preventative spend options have had their budgets slashed.

I turn to the myth that the Government wishes to put forward about revenue-to-capital spend. It tells us that it will change £750 million from revenue to capital over the spending review period. As Gavin Brown pointed out, some £250 million of that is capital spend savings from the Forth crossing. One could ask, as the Forth crossing has not been built, how can there be savings? The Government also has £256 million revenue-to-capital spend on

enterprise agencies. The enterprise agencies tell us that that happens year on year, so it is not a change in spending.

It is ironic that the SNP Government has chosen today to launch its consultation on the separation referendum—a day when it refuses to use the powers that it has to improve the lives of the people of Scotland. It simply does not add up. Could it be that the Government is not using its power in order to create the impression that it needs separation to make a difference? If that is the case, it is unforgivable.

16:50

John Swinney: I am not sure whether I am making progress in my discussions with the Labour Party, given that Rhoda Grant rather closed off the opportunity for progress with her opening sentence, in which she said that the budget was so wide of the mark that it was unsupportable and irreparable.

It takes me back to the position we were in 12 months ago, when I suppose I was at the other end of the spectrum. I offered the Labour Party absolutely everything it asked me for in the budget and it still voted against it. I ask the Labour Party to think for a moment about the political strategy of which that was a part—a political strategy that led the Labour Party to the circumstances of the 2011 election and its somewhat denuded position in the Scottish Parliament.

Mr Macintosh had the brass neck to say that modern apprenticeships came about only because of the Labour Party. The Labour Party was offered 25,000 modern apprenticeships as part of the negotiations on last year's budget and it voted against the budget. Forgive me if I do not attach much credibility to the line of argument that Rhoda Grant is advancing in this afternoon's debate. That is in contrast to Mr Park's point, in a substantive contribution, about how Government procurement can be used to intensify skills training opportunities and the roll-out of the living wage and about taking every opportunity to utilise public sector procurement to maximise capability in those areas.

As I have explained to the Local Government and Regeneration Committee as part of its inquiry into the subject, the Government has communicated with the European Commission on the ability to include the living wage in the criteria under procurement regulations, because the position is far from clear at this stage. I have assured the committee that the Government will keep it fully informed of the response from the Commission.

John Park: I am sure that the cabinet secretary will recognise that there are various legal and

political opinions on whether the living wage can be delivered in the sense that I described earlier. Would he agree that where the legal position varies, taking things forward and ensuring they happen is often down to the political will of the Government?

John Swinney: I assure Mr Park that there is no absence of political will on these benches about the living wage. As Mr Park said, it has made a difference in the areas in which we have applied it, in relation to remuneration of staff, and we will continue to pursue it in that respect.

As time goes by, progress is made on different issues. I was sorry that Mary Scanlon did not complete her analysis of absence reduction strategies. She could have completed the picture with the information, which I think is at her disposal—if not I will ensure that it is—that there has been a 15 per cent reduction in one year in absence levels in the Scottish Government. Absence levels are down in the police service, the health service and the teaching profession into the bargain. I hope that Mary Scanlon will accept that we are making progress on some of the issues that she has raised in the past.

A great deal has been said in the debate about the utilisation of resources to support housing and colleges. I want to make a number of remarks on both issues.

On housing, Gavin Brown rather scoffed at the point that my colleague Maureen Watt advanced about using other financial instruments to deliver the same outcomes in relation to building affordable houses. That is an unusual approach for Mr Brown to take, because he is always in the vanguard of encouraging the Government to find better ways of delivering value for money for the public purse, so let me give him some examples.

Under the traditional form of support for the development of affordable homes, spending £1 million of public money generally gets us 40 houses. Under the national housing trust, which is one Government initiative, with £1 million of public money we get 350 houses. Why? Because it is a different and inventive financial model that my colleague Mr Neil has developed—and I am delighted that he is here to hear me saying these things about the project.

What matters is the outcome that is achieved. In that respect, the Government is absolutely confident that the commitments that we have given to construct 30,000 affordable homes over the five-year period will be achieved given the funding arrangements that we have put in place. We should not shy away from finding inventive financial models that enable us to build houses for a cheaper price.

Gavin Brown: I will never shy away from such models, but I will make this point. If the Scottish Government had been putting in an additional £100 million, ministers would have been boasting about it and telling us how many jobs it would create and what a great job it would do for the economy, whereas if ministers take out £100 million, apparently it makes no difference.

John Swinney: Mr Brown walks on to the territory beautifully; I thank him for obliging. If we had another £100 million that had not been taken away from us by the UK Government, perhaps, ipso facto, we might have been able to build more houses—which is the preposterous proposition that the Conservative Party has advanced today.

Gavin Brown: Will the cabinet secretary give way?

John Swinney: For a further round of entertainment, I will give way.

Gavin Brown: The cabinet secretary says what he might do if he had another £100 million. Can he confirm to Parliament the total Barnett consequential for 2012-13?

John Swinney: The total Barnett consequential in 2013 will be about £130 million, but let us put the figures in their proper context. Before the autumn budget statement, the cuts in our capital budget were 36 per cent. What is the crowning total after all the benevolence of the UK Government? The cut has been taken back to 32 per cent—and we should apparently consider ourselves lucky that we have been spared the horror. That puts the figures in their proper context.

The other big issue that has been raised is that of college funding. I appreciate the strength of opinion that has been expressed across the parliamentary chamber—although it was interesting that the quote from the principal of Angus College that my colleague Clare Adamson read rather deflated the argument that was being advanced by front-bench members of the Labour Party. At no stage in this debate did any Opposition member acknowledge that the Government has put in more money since the draft budget was published, with the £15 million college transformation fund that I have agreed with the Cabinet Secretary for Education and Lifelong Learning to put into the mix.

Ken Macintosh: Let me use the argument that the cabinet secretary has just applied to the Opposition. If he takes £70 million out of the college budget and then gives £15 million back, he should not pretend to us that that is an increase.

John Swinney: I presented it as an antidote to the miserable moaning that we have had from the Opposition today. That is all it was—something to

try to help them to recover from the miserable state that they have all been in this afternoon. That is why I advanced that argument in the way I did.

In the course of this afternoon's debate, I have been asked to increase the level of funding to tackle fuel poverty and for local government, housing, colleges, the air discount scheme and the road equivalent tariff. There are financial constraints on the Government, but I will consider all of the issues as I always do. I hope that the Labour Party will not close off the route to discussions that we might have; I am always keen to talk.

Finally, I say to Hugh Henry, who bemoaned the financial settlement for local government and the terrible situation that is emerging in Renfrewshire Council, that the SNP-led council was delighted that, among the supporters of its annual budget this year, was the Labour group in Renfrewshire Council.

Business Motion

17:00

The Presiding Officer (Tricia Marwick): The next item of business is consideration of business motion S4M-01810, in the name of Bruce Crawford, on behalf of the Parliamentary Bureau, setting out a business programme.

Motion moved,

That the Parliament agrees the following programme of business—

Wednesday 1 February 2012

2.30 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Ministerial Statement: Higher Education and Further Education Governance Reports

followed by Scottish Government Debate: The Year of Creative Scotland 2012

followed by Appointment of the Scottish Information Commissioner

followed by Business Motion

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Thursday 2 February 2012

9.15 am Parliamentary Bureau Motions

followed by Scottish Conservative and Unionist Party Business

11.40 am General Question Time

12.00 pm First Minister's Question Time

2.15 pm Themed Question Time
Finance, Employment and Sustainable Growth

2.55 pm Scottish Government Debate: Scotland's Next Generation Broadband Infrastructure Plan

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Wednesday 8 February 2012

2.30 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Stage 3 Proceedings: Budget (Scotland) Bill

followed by Business Motion

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Thursday 9 February 2012

9.15 am Parliamentary Bureau Motions

followed by Scottish Government Business

11.40 am General Question Time

12.00 pm First Minister's Question Time

2.15 pm Themed Question Time
Justice and the Law Officers;
Rural Affairs and the Environment

2.55 pm Scottish Government Business

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business—[Paul Martin.]

Motion agreed to.

Parliamentary Bureau Motions

The Presiding Officer (Tricia Marwick): The next item of business is consideration of five Parliamentary Bureau motions. Before I ask Paul Martin to move the motions, I point out that the motion on variation to standing orders has been withdrawn because of a technical issue. A revised section A has been issued.

I ask Paul Martin to move motions S4M-01811 and S4M-01812, on the approval of Scottish statutory instruments, motion S4M-01813, on the establishment of a committee, motion S4M-01814, on the designation of a lead committee and, finally, motion S4M-01815, on the office of the clerk.

Motions moved,

That the Parliament agrees that the Public Services Reform (Social Services Inspections) (Scotland) Amendment Regulations 2012 [draft] be approved.

That the Parliament agrees that the Social Care and Social Work Improvement Scotland (Excepted Services) Regulations 2012 [draft] be approved.

That the Parliament shall establish a committee of the Parliament as follows:

Name of Committee: Welfare Reform Committee

Remit: To keep under review the passage of the UK Welfare Reform Bill and monitor its implementation as it affects welfare provision in Scotland and to consider relevant Scottish legislation and other consequential arrangements.

Duration: For the remainder of the current session of the Parliament.

Number of members: 7

Convenership: The Convener will be a member of the Scottish Labour Party and the Deputy Convener will be a member of the Scottish National Party.

Membership: Jamie Hepburn, Margaret Burgess, Annabelle Ewing, Kevin Stewart, Michael McMahon, Drew Smith, Alex Johnstone.

That the Parliament agrees that the Justice Committee be designated as the lead committee and that the Local Government and Regeneration Committee be designated as a secondary committee in consideration of the Police and Fire Reform (Scotland) Bill at Stage 1.

That the Parliament agrees that between 1 February 2012 and 31 January 2013, the Office of the Clerk will be open on all days except: Saturdays and Sundays, 6 and 9 April, 7 May, 1, 4 and 5 June, 30 November, 24 (pm), 25 and 26 December, and 1 and 2 January.—[*Paul Martin.*]

The Presiding Officer: The questions on the motions will be put at decision time.

Decision Time

17:01

The Presiding Officer (Tricia Marwick): There are six questions to be put as the result of today's business. The first question is, that motion S4M-01773, in the name of John Swinney, on the Budget (Scotland) Bill, be agreed to. Are we all agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Adam, Brian (Aberdeen Donside) (SNP)
 Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Brodie, Chic (South Scotland) (SNP)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Eadie, Jim (Edinburgh Southern) (SNP)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Finnie, John (Highlands and Islands) (SNP)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hyslop, Fiona (Linlithgow) (SNP)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Keir, Colin (Edinburgh Western) (SNP)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 Mackenzie, Mike (Highlands and Islands) (SNP)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West Scotland) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMillan, Stuart (West Scotland) (SNP)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Robison, Shona (Dundee City East) (SNP)

Russell, Michael (Argyll and Bute) (SNP)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)
 Torrance, David (Kirkcaldy) (SNP)
 Urquhart, Jean (Highlands and Islands) (SNP)
 Walker, Bill (Dunfermline) (SNP)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

Against

Baillie, Jackie (Dumbarton) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Bibby, Neil (West Scotland) (Lab)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Dugdale, Kezia (Lothian) (Lab)
 Eadie, Helen (Cowdenbeath) (Lab)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Findlay, Neil (Lothian) (Lab)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Harvie, Patrick (Glasgow) (Green)
 Henry, Hugh (Renfrewshire South) (Lab)
 Hume, Jim (South Scotland) (LD)
 Johnstone, Alison (Lothian) (Green)
 Kelly, James (Rutherglen) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Macintosh, Ken (Eastwood) (Lab)
 Malik, Hanzala (Glasgow) (Lab)
 Marra, Jenny (North East Scotland) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 McArthur, Liam (Orkney Islands) (LD)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDougall, Margaret (West Scotland) (Lab)
 McMahon, Michael (Uddingston and Bellshill) (Lab)
 McMahon, Siobhan (Central Scotland) (Lab)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Murray, Elaine (Dumfriesshire) (Lab)
 Park, John (Mid Scotland and Fife) (Lab)
 Pearson, Graeme (South Scotland) (Lab)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Rennie, Willie (Mid Scotland and Fife) (LD)
 Scott, Tavish (Shetland Islands) (LD)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Drew (Glasgow) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Stewart, David (Highlands and Islands) (Lab)

Abstentions

Brown, Gavin (Lothian) (Con)
 Carlaw, Jackson (West Scotland) (Con)
 Davidson, Ruth (Glasgow) (Con)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Annabel (West Scotland) (Con)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McLetchie, David (Lothian) (Con)
 Milne, Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Smith, Liz (Mid Scotland and Fife) (Con)

The Presiding Officer: The result of the division is: For 64, Against 40, Abstentions 14.

Motion agreed to.

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

The Presiding Officer: The next question is, that motion S4M-01811, in the name of Bruce Crawford, on the approval of a Scottish statutory instrument, be agreed to.

Motion agreed to.

That the Parliament agrees that the Public Services Reform (Social Services Inspections) (Scotland) Amendment Regulations 2012 [draft] be approved.

The Presiding Officer: The next question is, that motion S4M-01812, in the name of Bruce Crawford, on the approval of an SSI, be agreed to.

Motion agreed to.

That the Parliament agrees that the Social Care and Social Work Improvement Scotland (Excepted Services) Regulations 2012 [draft] be approved.

The Presiding Officer: The next question is, that motion S4M-01813, in the name of Bruce Crawford, on the establishment of a committee, be agreed to.

Motion agreed to.

That the Parliament shall establish a committee of the Parliament as follows:

Name of Committee: Welfare Reform Committee

Remit: To keep under review the passage of the UK Welfare Reform Bill and monitor its implementation as it affects welfare provision in Scotland and to consider relevant Scottish legislation and other consequential arrangements.

Duration: For the remainder of the current session of the Parliament.

Number of members: 7

Convenership: The Convener will be a member of the Scottish Labour Party and the Deputy Convener will be a member of the Scottish National Party.

Membership: Jamie Hepburn, Margaret Burgess, Annabelle Ewing, Kevin Stewart, Michael McMahon, Drew Smith, Alex Johnstone.

The Presiding Officer: The next question is, that motion S4M-01814, in the name of Bruce Crawford, on the designation of a lead committee, be agreed to.

Motion agreed to.

That the Parliament agrees that the Justice Committee be designated as the lead committee and that the Local Government and Regeneration Committee be designated as a secondary committee in consideration of the Police and Fire Reform (Scotland) Bill at Stage 1.

The Presiding Officer: The final question is, that motion S4M-01815, in the name of Bruce Crawford, on the office of the clerk, be agreed to.

Motion agreed to.

That the Parliament agrees that between 1 February 2012 and 31 January 2013, the Office of the Clerk will be open on all days except: Saturdays and Sundays, 6 and 9 April, 7 May, 1, 4 and 5 June, 30 November, 24 (pm), 25 and 26 December, and 1 and 2 January.

The Presiding Officer: That concludes decision time.

Holocaust Memorial Day 2012

The Deputy Presiding Officer (John Scott):

The final item of business today is a members' business debate on motion S4M-01700, in the name of Stewart Maxwell, on Holocaust memorial day 2012. The debate will be concluded without any questions being put.

Motion debated,

That the Parliament notes that 27 January 2012 marks Holocaust Memorial Day, the 67th anniversary of the liberation of Auschwitz-Birkenau and an opportunity for schools, colleges, faith groups and communities across Scotland to remember the six million men, women and children murdered by the Nazi regime in occupied Europe; further notes that the theme of Holocaust Memorial Day 2012 is Speak Up, Speak Out; values the Holocaust Educational Trust's Lessons from Auschwitz Project, which gives two post-16 students from every school and college in Scotland the opportunity to visit Auschwitz-Birkenau; applauds Katie McKenna and Dominic Bradley, two former students of St Ninian's High School in East Dunbartonshire, who took part in the project and who will deliver the Parliament's Time for Reflection message on 18 January 2012; celebrates the Holocaust survivors who have enriched Scotland as a nation, and re-commits to ensuring that racism, sectarianism and bigotry are never allowed to go unchallenged in Scotland.

17:04

Stewart Maxwell (West Scotland) (SNP):

Presiding Officer, 2012 is the 70th anniversary of the start of the programme of extermination of the Jews in the Birkenau chambers at Auschwitz. Friday 27 January, Holocaust memorial day, marks the 67th anniversary of the liberation of Auschwitz-Birkenau.

The theme for this year's Holocaust memorial day is "Speak up, speak out" and is based on a famous poem by Pastor Martin Niemöller:

"First they came for the Communists
And I did not speak out
Because I was not a Communist
Then they came for the Socialists
And I did not speak out
Because I was not a Socialist
Then they came for the trade unionists
And I did not speak out
Because I was not a trade unionist
Then they came for the Jews
And I did not speak out
Because I was not a Jew
Then they came for me
And there was no one left
To speak out for me."

That poem sums up the impact of not speaking out against the wrongs that we see.

Although there were terrible concentration camps in Germany, such as Bergen-Belsen and Buchenwald, the Nazis built their extermination camps—the ones that were designed primarily to kill and not as labour camps—deep in Poland.

There were six of them: Auschwitz-Birkenau; Belzec; Chelmno; Majdanek; Sobibor and Treblinka. That is where they carried out their programme to exterminate the Jewish people.

Between 30 January 1933, when Adolf Hitler came to power, and 8 May 1945—victory in Europe day—approximately 6 million Jews were killed. We know that number so well from our history. It is quite unimaginable, but it meant the extermination of almost two out of every three Jews living in Europe and almost one Jew in three in the world at that time.

Of course, the Nazis killed not only Jews. Possibly as many as 200,000 Gypsies were murdered. Homosexual men, Communists, trade unionists and any people who opposed the regime were also slaughtered. Indeed, it has been estimated that the Nazis may have murdered as many as 15 million citizens, including millions of Slavs.

Faced with such evil, where do we begin when we wish to pick one example to highlight the extent of the horror? It is an impossible choice. However, I want us to think today about the euphemistically named Aktion T-4, the programme to murder physically and mentally disabled people.

Between September 1939 and August 1941, that programme of compulsory euthanasia resulted in more than 70,000 of the most defenceless people in society being murdered. It started with children and toddlers, who had to be reported to the authorities if they showed signs of physical or mental retardation. It moved on to adults: schizophrenics, epileptics and people with Down's syndrome were all targets. They were deemed to be—I find the phrase almost unbelievable—"life unworthy of life".

In the face of such inhumanity, what can we do today to make a difference? We can start by supporting the efforts of the Holocaust Educational Trust, which has been working since 1988 to educate young people about the Holocaust.

The Parliament heard last week from Dominic Bradley and Katie McKenna, who had been on a Holocaust Educational Trust trip to Auschwitz. I am delighted that the Minister for Learning, Science and Scotland's Languages has pledged £230,000 in 2012-13 to allow students to take part in the Holocaust Educational Trust's lessons from Auschwitz programme. That will allow 380 pupils from Scottish schools and students from colleges to visit Auschwitz in the coming year.

One of the problems that the Holocaust Educational Trust faces in the 21st century is how to keep the memory of the Holocaust immediate and relevant as the number of witnesses diminishes. However, there are ways that we can

pass the story on to future generations. I will give a personal example.

On 1 May 2011, I attended the Yom Hashoah event in Giffnock, the theme of which was the story of Irena Sendler, a Polish woman who rescued Jewish children from the Warsaw ghetto. I was lucky enough to hear Piotr Zetinger—a man whom Irena Sendler had saved—speak about his experiences.

More important, my daughter, who was 13 at the time, was with me. She has now heard at first hand the experiences of a survivor of the Holocaust. Her experience of listening to that direct witness of Nazi horror means that the story will be projected some 60 or 70 years—or more, I hope—into the future. She will be able to tell her children and grandchildren that she heard the story at first hand. I encourage as many members as possible to ensure that their children get the opportunity to carry the story forward.

I was delighted to learn of a project called gathering the voices, which has been produced by Glasgow Caledonian University. The project has involved recording the oral testimony of Holocaust survivors who moved to Scotland. The interviews and accompanying photographs will go online at the end of the month at the university's spoken word archive, which will ensure that those voices will never fall silent.

That is important because anti-semitism, unfortunately, is still alive today—even here in Scotland. In a recent written question, I asked the Scottish Government about the number of religious hate crimes that were recorded in 2010-11. Out of 696 charges, 16 were derogatory to Judaism. On the face of it, that does not seem very many, but the Jewish community in Scotland is small, so unfortunately the figures convert to 2.5 charges per 1,000 members of Judaism in Scotland, which was the highest incidence per 1,000 for any religion. To put that in context, the next most targeted religion was Catholicism, with 0.5 charges per 1,000 members—a fifth of the number of charges involving crimes against the Jewish community.

We all need to speak out when we see discrimination or when we are aware of people being taunted for their race, religion, sexuality or disability. The Government can play its part by legislating against hate speech, but in the end, the responsibility for building a society in which prejudice is eliminated lies with each one of us. Each of us is responsible for the things that we say and the things that we do. In the end, morality is individual, not collective.

I started by quoting the poem by Pastor Niemöller in which he makes the point that, if you do not speak up publicly for others, there will be

no one left to speak up for you. I end with a very different idea: that speaking up means challenging not just public figures and institutions but ourselves and those closest to us.

The writer Gitta Sereny wrote a book about her interviews with Franz Stangl when he was in prison in Dusseldorf. Stangl was the commandant of the Treblinka extermination camp. Ms Sereny also interviewed Stangl's wife, and she asked her this question:

"Would you tell me ... what you think would have happened if at any time you had faced your husband with an absolute choice ... either you get out of this terrible thing or else the children and I will leave you."

Frau Stangl told her:

"I believe that if I had ever confronted Paul with the alternatives: Treblinka or me ... he would in the final analysis have chosen me."

After that interview, Gitta Sereny wrote:

"I felt strongly that this was the truth. I believe that Stangl's love for his wife was greater than his ambition and greater than his fear. If she had commanded the courage and the moral conviction to force him to make a choice, it is true they might all have perished, but in the most fundamental sense, she would have saved him."

17:12

Stuart McMillan (West Scotland) (SNP): I congratulate Stewart Maxwell on securing this evening's debate. I apologise at the outset that I will be unable to stay for the duration of the debate.

I spoke in a similar debate on 5 June 2008. My recollection is that all the members who contributed were resolute in their support for the Holocaust memorial day commemorations and the Holocaust Educational Trust.

In the motion, Stewart Maxwell mentions Katie McKenna and Dominic Bradley, two former students of St Ninian's high school in East Dunbartonshire, who took part in the Holocaust Educational Trust's lessons from Auschwitz project and who delivered the Parliament's time for reflection on 18 January. Katie and Dominic provided a telling recollection of their experience, which I know that, in the future, they will look back on and appreciate even more. They also provided the exact reason why it is vital that today's young people have the chance to learn about the atrocities of the past. We must not allow future generations to forget about those events.

Jamie McGrigor (Highlands and Islands) (Con): Recently, I visited the Holocaust exhibition at the Imperial War Museum in London, which is an example of excellence and will certainly be a way of keeping the memory of what happened alive.

Stuart McMillan: I welcome that contribution from Jamie McGrigor. I have not been there, but if it is as he says, I certainly recommend that people go along.

The lessons from Auschwitz project, which reaches across the whole of the United Kingdom, is an excellent initiative and certainly has a long-term future.

I have been to Auschwitz. I was there in 2000 as part of an InterRail trip to eastern Europe. There were three camps at Auschwitz: the main one, Birkenau and Monowitz, which had been a munitions factory. In 1947, the new Polish Government decided to create the Auschwitz-Birkenau state museum. Everyone who has been to Auschwitz will recognise that that was an important decision and an important landmark in teaching people about the history of that location. I am sure that members will know that Auschwitz receives around half a million visitors every year from across the world.

When I walked through the gates under the "Arbeit macht frei" sign, I had the strangest and most surreal experience—the first thing that I heard was people speaking German. Some German school pupils were there to learn. I recoiled for a few moments, but then I gathered myself and realised that that was a wonderful thing.

Anyone who has been to Auschwitz—I hope that we will hear from members who have been there—will have their own story to tell about how the experience affected them and their thinking about some of the activities that go on in the world today. The first thing that people notice when they go into Auschwitz is the silence and the second is the terrible atmosphere. I would encourage everyone to go to Auschwitz or Dachau or any of the other camps that still exist. It is important that not only the present generation but future generations learn about the past and how cruel and callous the human race can be.

Every member has a duty to ensure that education about the holocaust is never allowed to be removed from the curriculum. Knowing the people around me in the chamber and the parties that are represented in the Parliament, I do not expect that it ever will be, but we should continue to ensure that it forms part of the curriculum.

I congratulate Stewart Maxwell on securing the debate, and I am sure that the Parliament will continue to be unanimous in its support for the Holocaust Educational Trust.

The Deputy Presiding Officer: Due to the number of members who still wish to speak in the debate, I am minded to accept a motion without notice to extend the debate by up to 30 minutes.

Motion moved,

That, under Rule 8.14.3, the debate be extended by up to 30 minutes.—[*Stewart Maxwell.*]

Motion agreed to.

17:17

Siobhan McMahon (Central Scotland) (Lab): I am grateful for the opportunity to speak in the debate, which is the first of its kind to take place in the Scottish Parliament, and I thank Stewart Maxwell for facilitating it. I also thank the Holocaust Educational Trust, which works with schools, colleges and communities across the United Kingdom to ensure that the memory of the Holocaust is preserved.

Not only did the Holocaust destroy lives; it redirected the tides of history. The traditional Jewish communities of eastern and central Europe were swept away and, after much suffering, their remnants were washed ashore in Israel, America and, in some cases, the UK. For 6 million Jews, the Holocaust marked the end of the story; for countless others, it marked the beginning of a radically altered destiny.

Although the legacy of the Holocaust persists, it continues to elude understanding and interpretation. Why should so much hatred and violence have been directed against a single religion and culture? What caused a prejudice and intolerance that had existed for many centuries to descend into genocide on such a grand scale? So horrific were the events of the Holocaust, and so far beyond the bounds of normal human experience, that many people lack the imaginative sympathy to make sense of them.

Time and distance play a part in that—the further removed the events of the Holocaust, and the fewer the survivors, the more difficult it will be to keep alive its memory. That is why we must support the work of organisations such as the Holocaust Educational Trust. Time and distance influence our perception of history, but so does place. The physical and human landscape can be incredibly evocative; it can awaken memories and encourage understanding and empathy.

Since 1999, more than 14,000 students and teachers have visited Auschwitz-Birkenau as part of the Holocaust Educational Trust's lessons from Auschwitz project. I have not had the opportunity to visit Auschwitz, but it is clear to me from the testimony of those who have—such as the two student ambassadors, Dominic Bradley and Katie McKenna, who addressed the Parliament so eloquently at last week's time for reflection—that it is an informative and profoundly moving experience.

When he recalled his visit to Auschwitz, Dominic described the effect of seeing the photographs that were taken of prisoners shortly after their arrival at the camp. Many were smiling. To smile in the face of a camera is an instinctive response for some people but, as Dominic said, the smiles could also be interpreted as a defiant expression of self-worth. A darker truth is that the smiles signified the prisoners' ignorance of what awaited them. It is difficult and distressing to imagine their dawning realisation of that, just as it is distressing to imagine their eventual fate. However, although such speculation is disturbing, we must remember that imagination is the key to understanding, and understanding the key to the empathy that lies at the core of our humanity.

Katie McKenna, the other student ambassador at time for reflection, quoted a survivor who said that we must never allow ourselves to become indifferent to the suffering of others. In many ways, indifference is the worst of human sentiments. To be indifferent is to be callous, uncaring and uninterested. It signifies a lack of curiosity about other people and a supine acceptance of events. I am pleased, therefore, that the theme of this year's Holocaust memorial day—"Speak up, speak out"—is an outright attack on indifference. The need to attack indifference is well known in Scotland, where sectarianism remains a problem.

Further evidence of the need to speak out, if such evidence were needed, comes in the shape of the recent revelations about the Nazi drinking games in which students from the London School of Economics and Political Science indulged during a skiing trip. That privileged, well-educated individuals descended to such depths is one thing; that they reacted to a Jewish student's objections with taunts and violence is quite another. The student in question recounted how, as the game escalated, he felt that he could no longer allow the jibes to continue. He is reported as saying:

"The comments built up to the point where I couldn't forgive myself if I let it slide."

He was bombarded with abuse and given a broken nose for his trouble.

Speaking up and speaking out is not always easy. I have often heard people justify racist or intolerant remarks by saying, "It's just a joke. I didn't really mean it." Such short-sightedness is ill advised and inexcusable. It is unfortunate that the gap between the everyday and the unspeakable is not as wide as many of us think it is. In his memoir, "The Single Light", Ernest Levy, a Holocaust survivor who settled in Giffnock and Clarkston in East Renfrewshire, wrote:

"Although in some respects we have advanced ... the lessons of the past are yet to be learned; namely, that prejudice, intolerance and sustained animosity can lead to

persecution, murder then to mass-murder, which so quickly degenerates into genocide.”

If we are truly to learn the lessons of the past, we must unite in opposition to hatred and discrimination in all their guises.

17:22

Humza Yousaf (Glasgow) (SNP): I thank Stewart Maxwell for securing this members’ business debate. His work with the Jewish community, in particular, throughout his time in the Scottish Parliament, does him great credit.

History teaches us many lessons and it is our duty not only to learn them but to promise never again to make those mistakes. Something that is perhaps lost on us when we reflect on the Holocaust is that it was not just a horrific moment in our history, an overnight occurrence or even something that built up over just a few years but the culmination of centuries of anti-Semitism and hatred throughout Europe. Jews were accused of crimes that they did not commit. Lies and myths were spread about their practices and rituals. They suffered systemic discrimination and abuse, and the end result of all that was the massacre of an entire people.

We can see that an increasingly worrying wave of Islamophobia is spreading across Europe when we consider the banning of headscarves in France, the prohibition on minarets in Switzerland and the continual peddling of the myth of the Islamisation of Europe. We recently saw the danger of propagating such myths; we need only cast our minds back to the terrifying actions of Norway’s Anders Breivik.

If the tragedy of the Holocaust has taught us anything, it is that we must remain alert to injustice against our minorities. As Dr Martin Luther King famously said,

“Injustice anywhere is a threat to justice everywhere.”

Like other members, I commend the Holocaust Memorial Day Trust for all the work that it does. Many of us have been moved to tears when we have heard the tragic stories of the women, children, elderly and disabled people who suffered a fate that was worse than death.

Among the stories of tragedy are also stories of great human endeavour. There are stories of not just the bravery of survivors but the incredible courage and compassion of the people who sheltered potential victims of the gas chambers.

The on-going conflict in the middle east between Israel and Palestine often makes people think that the relationship between the Muslim and Jewish communities is a difficult one and one of animosity. However, that is simply not true. People of those faiths share a long-lasting friendship that

can be traced back through history. In fact, the Holocaust provides us with one of the greatest examples of that. I recently read the story of Abdol Hossein Sardari, a Muslim Iranian diplomat who gave up his diplomatic immunity and luxurious lifestyle to save as many Jews as possible from the terror of the gas chamber. With considerable danger to his personal safety, he issued blank Iranian passports to whole families, so providing safe passage through Nazi-occupied Europe for 2,000 to 3,000 Jews.

As well as congratulating Stewart Maxwell, I congratulate Glasgow Caledonian University on its gathering the voices project, which has collected and recorded oral histories of Holocaust survivors with a specific focus on their lives in Scotland and the positive contribution that they have made to our nation. By recording the stories of those who came to our country seeking refuge from atrocities, we are reminded of our social contract with the rest of humanity. Today, we have jostled over the referendum, talked about independence and made our cases to and fro about the Scotland that we want. However, regardless of where we sit in that debate, we all agree that Scotland has a duty to be a beacon of peace and humanity for those who seek sanctuary from injustice, regardless of where they come from. We owe it not to the victims of the Holocaust or of any other genocide but to ourselves and future generations never to repeat the horrific mistakes of our predecessors.

17:26

Annabelle Ewing (Mid Scotland and Fife) (SNP): I am pleased to be called to speak in this important and timely debate on this year’s Holocaust memorial day. From the speeches thus far and from my general knowledge of goings-on in the Parliament, I know that there is support for the debate right across the chamber and that, since the Parliament was reconvened in 1999, the tenets that inspire the debate have had many champions from all parties. I, too, congratulate my colleague Stewart Maxwell on securing the debate. I commend him for his hard work over the years in seeking to ensure that lessons are learned and that we meet the challenge of tackling anti-Semitism, racism, bigotry and sectarianism wherever they occur.

On the 67th anniversary of the liberation of Auschwitz-Birkenau, some might ask what the purpose of the debate is. I would say that we are here to commemorate—which is to say, to bear witness to—the 6 million Jews who were murdered by the Nazis and to educate so that we are on constant watch to ensure that such atrocities and mass state-sanctioned murder never happen again.

I, too, have visited Auschwitz-Birkenau, in the summer of 1982, when I was a young postgraduate student studying at Johns Hopkins University's Bologna centre, which had an exchange programme with the Jagiellonian University in Kraków. As part of our visit there, we had the opportunity to go to Auschwitz. I remember my visit as if it were yesterday. Like my colleague Stuart McMillan, I remember coming to the gates of what had been a labour camp at Auschwitz, which beckoned people with the words "Arbeit macht frei". I remember the smiling faces of the young twins in photographs that covered an entire wall and which were taken before the grotesque experiments of the butcher Josef Mengele. I remember the shoes and the industrial-scale ovens in Birkenau. I remember the train tracks that came right into the death camp. I ask myself how it could be that ordinary people—people like you and me, Presiding Officer—could be in Paris or Amsterdam one day and then be taken like cattle on trains from the centre of those grand European cities to end up in Auschwitz-Birkenau. I ask myself how it could be that Europe descended into such obscenity.

On the day of my visit, some of the international students pulled out of the trip, saying that they could not go because they would find it too distressing. I could neither understand nor agree with that view, because I felt—as I still feel strongly—that it was my duty and the collective duty of all of us who have lived and enjoyed basic human rights to visit the death camp and to bear witness to man's inhumanity to his fellow man. My experience of visiting Auschwitz-Birkenau has stayed with me and has informed my views and inspired me to fight for human rights and dignity and for the freedom of the individual.

I, too, commend the work of the Holocaust Memorial Day Trust, particularly its focus on education. As we have heard, the Holocaust is taught widely in Scottish schools, and post-16-year-olds have the opportunity to visit Auschwitz-Birkenau. I am sure that their visits will leave an indelible mark on their lives. I believe that that is for the good, for we will not create a better society if we do not understand and learn from the history of our world.

17:30

Jackson Carlaw (West Scotland) (Con): Jews were being persecuted for generations before they began arriving in Glasgow in significant numbers from around 1900. They gradually migrated from the centre of Glasgow out to Newton Mearns, Whitecraigs and Giffnock—the community into which I was born 53 years ago. I grew up surrounded by Jewish friends and families, many of whom had very direct experience of the

atrocities that took place during the Nazi persecution, but they said nothing of it. It was not something that they shared outwith their community until much later. I would say that that began sometime in the 1970s, as television programmes started to take a greater interest in what had happened and Holocaust deniers began to emerge to suggest that no such atrocities had taken place.

We should remember that the collapse of Nazi Germany was latterly an organised collapse, but was rapid in its early stages. However, it was not so rapid that the Nazis were not able to dismantle and destroy evidence of camps, of which Treblinka was one, as Stewart Maxwell mentioned. I was therefore fascinated to read last week that new evidence is emerging at the Treblinka site through use of new technologies such as underground radar, which has established the existence of five mass-grave pits and two structures that were the gas chambers. Because of Jewish tradition the graves cannot be disturbed, but people are now in the process of mapping out where the graves are so that, in camps that the Nazis destroyed—and which some people would like to deny existed—there will be an opportunity for future generations to pay their respects and for us to commemorate those atrocities.

In 1947 at Auschwitz, which is mostly as it was during the second world war, a bottle was buried. The Auschwitz museum has for the first time released the contents of that bottle—sketches that are the only artwork that survives documenting the exterminations at Auschwitz-Birkenau. They represent entirely the stories that we have heard about children being ripped from their parents' arms while guards smirked, cattle trucks and corpses littering the ground, with chimneys in the background. There are some 6,000 such works from Auschwitz that have yet to be seen but which are now gradually being released.

I knew that because of my upbringing it would be a difficult visit for me to Auschwitz, so I organised a personal guide. He was a man called Robert Novak, whom I have made friends with and stay in touch with to this day. I asked him, as someone whose grandparents had lived adjacent to the camp and who had operated there as a guide for some 18 years, how he kept his tour and the story fresh. He told me of a tour that he had done the previous week. As he was going round with the group, he noticed the mark on one man's wrist and realised that he was talking to—it is a rare occurrence now—somebody who had survived. He lost sight of him at one point during the trip and went back to find him in a room. He asked, "What's up?" The man replied, "I think this is the room where my father was murdered, so I wonder if I could, with your permission, have just a few minutes to say goodbye." We must not forget,

when we talk about the large numbers involved, that every murder was the murder of an individual and that those are individual stories that amount to a collective atrocity.

People ask “Why?” I commend to them Professor Ian Kershaw’s book “The End: Hitler’s Germany, 1944-45”, which was published last year. It paints a picture of the maelstrom of the final days of the war and of the death march from Auschwitz, and demonstrates that ordinary Germans sought to try and give some comfort or food to Jews on the death march and were, themselves, summarily executed for their trouble.

Let us reflect today, with a Jewish community that is shrinking in Scotland, on how important it is now that what was once the memory of the Jewish community has become the collective memory of all in Scotland of what happened. Let us just remember on Burns night that more “inhumanity to man”—to use his expression—

“has been done by man himself than any other of nature’s causes.”

17:35

Bill Kidd (Glasgow Anniesland) (SNP): I, too, congratulate Stewart Maxwell on securing this debate on an issue that is of great importance to all humanity.

Those who were born in the 1950s, as I was, will remember that the second world war was a regular topic of conversation throughout their childhoods, and that television programmes such as the historical series, “All Our Yesterdays”, and dramas such as “A Family at War” were frequently on the television screen. However, we did not see much at all about what happened in the concentration camps, possibly because it was too close to the time when those events took place to screen programmes about them.

Although my generation was spared the rigours and sacrifices of the war, people we knew who lived through it had experiences that they often related—although, as Jackson Carlaw mentioned, perhaps not those who had been in Auschwitz or Treblinka.

Since then, however, even the cold war and the then ever-present threat of the mushroom cloud seem—I emphasise the word, “seem”—to have faded from people’s everyday consciousness. Now, schoolchildren and young people in Scotland are, thankfully, even further in time from such a conflagration. However, because of that, it is imperative that we do not take our eye off the ball that is war and “man’s inhumanity to man”. War is the responsibility of all of us, as are the effects that it has on our fellow human beings. Therefore, to enter into a war for reasons of political expediency, dogma, philosophy or a twisted

religious faith leaves us open to responsibility for giving support to the gross excesses of the behaviour of the combatants.

Six million Jews, 200,000 Roma, 200,000 mentally and physically disabled people, Poles, Russians, socialists, communists, Christians, Jehovah’s Witnesses and homosexuals—all were the direct victims of the Nazis’ hate and sectarianism, and many millions more died in the war for Hitler’s imperial expansionism. Those human beings were killed not by monsters or aliens but by other human beings.

Civilians were also killed around the world because they were in the wrong place at the wrong time. The atomic bombs that were dropped on Hiroshima and Nagasaki killed 430,000 civilians and created the hibakusha—the survivors and their children who were affected by the radioactive fallout. Also among the dead are the unknown numbers of people who died in Japanese forced labour camps in the far east. All those people are victims of what Studs Terkel, in his wonderfully sad book of witness statements, called “the good war”.

It is for those reasons that I believe that I have been privileged to attend Garnethill synagogue in Glasgow for a remembrance of Kristallnacht. It is also for those reasons that we need to keep alive the memory of Jane Haining, the Church of Scotland missionary who refused to abandon the 400 Jewish orphan girls who were in her care in Budapest, and who died with them in Auschwitz two months later.

We need the Holocaust survivors and the hibakusha to continue to speak to the children of today. We need the Holocaust Educational Trust’s lessons from Auschwitz project to impart first-hand knowledge to our young people. We all need to remember that bigotry is not a joke and war is not a fun adventure, because its impact on people lasts longer than a lifetime.

17:39

Liam McArthur (Orkney Islands) (LD): I congratulate Stewart Maxwell on securing this debate and on the eloquent way in which he set the tone of the debate, which others have ably followed. So eager was I to support Stewart Maxwell’s motion and the campaign that I think that I might have tried to sign it twice—an example of voting early and often that I suspect will not have gone unnoticed by the parliamentary authorities.

The initiative is truly worthy of the extensive cross-party support that it undoubtedly enjoys, not to mention the impressive and enthusiastic engagement of civic Scotland. A key part of that engagement is with schools throughout Scotland,

including in my constituency. I am looking forward to rolling back the years on Friday when I head back to Kirkwall grammar school to see how pupils and staff there are marking the occasion. Under the theme of “Your voice is yours: use it”, secondary 2 pupils at KGS have been using film, drama, presentations, pledge cards and other means to reinforce the importance of using our voice to challenge what we believe to be wrong.

Delivering that message is—as other members have mentioned—something that Dominic Bradley and Katie McKenna did powerfully and compellingly at time for reflection last Wednesday. The visit to Auschwitz—an experience that they gained through their involvement with the Holocaust Educational Trust—clearly had a profound and, surely, lasting effect on those two young individuals. Katie McKenna’s disbelief at how ordinary people could stand by while such atrocities were visited on European Jews and other minorities during the state-sponsored terror of the Holocaust was a reaction that is doubtless familiar to us all. Katie asked:

“Why did no one speak up?”—[*Official Report*, 18 January 2012; c 5351.]

She may still be no closer to an answer, but her determination to speak up and speak out was plain.

“Speak up, speak out” is the central theme for Holocaust memorial day 2012, and it is absolutely fundamental. Any complacent assumption that anti-semitism, racism or bigotry are scars of the past demands the most robust and full-throated rebuttal; so, too, does any suggestion that they are problems that are only found somewhere else. The Parliament can be proud of its record on speaking up and speaking out, and on taking action against crimes of hate. I expect that to continue, and this evening’s debate is an important part of that process. I may disagree with the Scottish Government’s recent approach to legislating against sectarianism, but the renewed focus that that gave to the debate about how we tackle a long-standing scourge on too much of Scottish society was very welcome indeed.

As a Liberal and a staunch defender of free speech, I have always felt that we tread a difficult line when we place curbs on that freedom. However, when that freedom is used to incite hatred and even violence towards others—especially vulnerable people and minorities—and to rewrite history in the hope of fuelling conspiracies, stirring up deep-rooted enmity and prejudice and possibly encouraging the past to repeat itself, we are right to place limits on that freedom in order to safeguard wider freedoms.

Hanzala Malik (Glasgow) (Lab): I thank Stewart Maxwell for bringing the debate to the

chamber. Does Liam McArthur agree that although the Holocaust is an example for humankind, and a scar on society from which we must learn lessons, we are still making the same mistakes around the world, for example in Bosnia, Africa and so on? It is crucial that the Parliament and the people of Scotland learn our lessons from what happened in the Holocaust and ensure that it is not repeated anywhere else.

Liam McArthur: Mr Malik makes a very pertinent and important point. The scale of what the Nazis did 70 years ago is perhaps unprecedented, but the horrific shadow of genocide hangs all too shamefully over our more recent history. Cambodia, Rwanda, Bosnia and Darfur all stand as poignant reminders that, as Robert Burns would have observed, the capacity for “man’s inhumanity to man” remains undiminished.

Defining genocide is not without controversy, as the political debate in France and the US over Ottoman atrocities against Armenians demonstrates. Legal disputes also exist over whether Mladic and Karadzic are guilty of genocide or merely of crimes against humanity. As important as that debate may be, however, it is immaterial to victims and requires of us no less a commitment to speak up and speak out.

With the passage of time, first-hand testimonies of the Holocaust are disappearing, but that should not mean a fading of the individual—or, indeed, the collective—memory. Holocaust memorial day, the Holocaust Educational Trust, the visits to Auschwitz and the other camps and the integration of those issues into curriculum for excellence all help in that respect, as will the excellent gathering the voices oral history project at Glasgow Caledonian University to which Humza Yousaf and other members referred.

There is cause for optimism, but there is no reason for complacency and every need for vigilance. I leave the final word to Katie McKenna, who reminded us last week that

“we have a voice and we all have a responsibility to use that voice to speak up for those who cannot speak up for themselves.”—[*Official Report*, 18 January 2012; c 5352.]

17:44

Fiona McLeod (Strathkelvin and Bearsden) (SNP): I join fellow members in commending Stewart Maxwell for bringing the debate to the chamber this evening.

Holocaust memorial day is a relatively recent date in our calendar, but it is an important one. As a history graduate, for me it is important because it is, “Lest we forget”.

In 2012, the theme of speak up, speak out is another important milestone in the journey. It is important for those who have survived, but it is also important for those who must hear. Stewart Maxwell talked about the chain of evidence going down the generations, and I take great pride in the young people in my constituency who are hearing and speaking out.

Katie McKenna and Dominic Bradley, who are ex-St Ninian's high school pupils from Kirkintilloch, have been mentioned more than once. As members have said, they led time for reflection last week. Stewart Maxwell and I had the honour—I think that honour is the right word—of having lunch with Dominic and Katie beforehand, and they shared their memories with us, as they did later with the chamber. Siobhan McMahon has highlighted one of Dominic's key memories—the smile as, hopefully, a statement of self-worth—and Liam McArthur has just repeated Katie's concluding remarks about using our voice responsibly to speak up for those who cannot speak for themselves.

I am delighted that that is also happening this week in Kirkintilloch high school. Kirkintilloch high school sent Andrew Anderson and Caitlin Thomson to Auschwitz-Birkenau in 2011, and they shared their memories and feelings of the visit across the school. For the past four years, Kirkintilloch high school has held a week-long Holocaust project, which involves every year and every subject across the school. Members will not be surprised to hear that, as an ex-school librarian, I am delighted that the school library is involved in that project throughout the week to ensure that the young people receive evidence and not prejudice or misinformed stories, as can happen. The project is viewed within Kirkintilloch high school as an integral part of the respect agenda. It was interesting that last year's assembly left the pupils with a clearer understanding of the scale, the horrors and the tragedy of the Holocaust. It also ensured that the pupils' respect for others and for themselves will continue to flourish in that school.

As a history graduate, I conclude by supporting the work of Holocaust day and the Holocaust Educational Trust. Long may such learning continue on humanity's journey to peace.

17:47

John Mason (Glasgow Shettleston) (SNP): I thank Stewart Maxwell for raising this matter.

The Holocaust Educational Trust makes it clear that the people who suffered during the Holocaust included gays, blacks and Roma Gypsies as well as, overwhelmingly, the Jews. In September 2009, along with Jo Swinson, I was a guest of the trust

on a visit to Auschwitz-Birkenau with a group of Glasgow pupils and journalists. Such journeys involve a day of preparation before the visit and a debriefing and school projects afterwards. Different things affect people on the visits. One of the journalists on our visit was struck by a pair of shoes among the pile of shoes because he had a little girl and realised that the shoes would have fitted her. I was challenged in different ways, one of which related to the position of Roma Gypsies in our society today. Frankly, some people still despise that group—as they did then—and would not want to live next to them. The visit brought it home to me that, in some ways, attitudes have not changed very much.

The physical aspect of the camp that struck me most was the railway, which has been mentioned by Annabelle Ewing. Some members will know that I am a fan of railways and like travelling by train. Most railways are built for good purposes, although they might occasionally be used for bad ones. However, the railway in the camp, which was built with the sole purpose of killing people more quickly, struck me as particularly awful. It was built to get the Hungarian Jews into the camps as quickly as possible quite late on in the war. The last thing that I did on my visit was walk along that railway track.

I have visited other sites—including Terezin, near Prague, and Yad Vashem, in Israel—which I also found overwhelming. The Jews were not the sole victims of the Holocaust, although they were the largest group to suffer. As the Holocaust Educational Trust is good at reminding us, we should oppose all discrimination against all minorities.

The Jews have suffered a lot historically. Back in biblical times, they were treated as slaves in Egypt. They were expelled from Rome during the Roman empire. In 1290, England became the first European country to expel Jews—a situation that lasted until 1656. They were expelled from Spain in 1492 and from Portugal in 1497. It has been said that Scotland is the only European country not to have exercised state persecution of Jews, but Stewart Maxwell reminded us that anti-Semitism is—sadly—alive here as well.

Why have the Jews been subject to so much hatred historically? There are superficial reasons—for example, the Jews killed Jesus, but Jesus was Jewish, too. All Jesus's early followers were Jewish, and the whole early Christian church was Jewish.

What are the lessons to be learned from the Holocaust? One is that we need to be peacemakers and not just peacekeepers. It is difficult to separate the Jews from Israel. Some Jews oppose the current existence of Israel, and many oppose particular policies of the Israeli

Government. However, I fear that, for some people, being anti-Israel on the surface can be a cover for being anti-Jewish underneath.

On the home front, we need to learn to treat minorities better, including the Jews, disabled people, gay folk, those who are in poverty and other groups. On the foreign front, a lesson to be learned is how to deal with the middle east. It is easy to be a strident supporter of one side or the other, but surely one role for us in this country would be to be peacemakers in the middle east.

The Deputy Presiding Officer: I call the minister, Roseanna Cunningham, to wind up this moving debate. [*Interruption.*] I ask for her microphone to be switched on, please.

17:52

The Minister for Community Safety and Legal Affairs (Roseanna Cunningham): I will start again—I am not quite sure what happened to the console that I tried to use.

Few people who see the film footage of the opening of the concentration camps at the end of the second world war come away with any emotion other than sheer horror, so we should congratulate Stewart Maxwell on obtaining the debate to focus on Holocaust memorial day 2012. The debate gives all of us an opportunity to remember that 11 million people were executed because of their race, their religion, their sexuality or their disability. They were ordinary men, women and children. When all the numbers are added up, they come to twice Scotland's population. That figure is astonishing, staggering and almost unbelievable.

This year, Scotland's national Holocaust memorial day commemoration will be held in Dundee tomorrow, when John Swinney will represent the Government. A full programme of events has been planned, and I am sure that everybody in the chamber joins me in sending our best wishes for a successful event.

It goes without saying that the Scottish Government is committed to tackling all forms of discrimination and to promoting a multifaith and multicultural society that is based on mutual trust, respect and understanding. We can build that only if we do not allow ourselves to forget those who suffered and died in the Holocaust and those who continue to suffer because of genocide.

A number of members have mentioned the funding to ensure continued support for the Holocaust Educational Trust's lessons from Auschwitz programme. The extra funding will enable a further 380 pupils from schools and colleges to participate in the four-part programme. Stewart Maxwell and Siobhan McMahon talked

about the importance of that experience for young people.

The trips to Auschwitz offer an important link to the terrible events and their continuing implications for society. There are lessons and attitudes about discrimination and diversity to be learned. Since the Scottish national events were set up in 2000—we should commend those who were involved in doing that—public awareness of the Holocaust and other genocides has been greater.

Stewart Maxwell eloquently read out Pastor Niemöller's poem, so I will not repeat it. It is the inspiration for this year's Holocaust memorial day speak up, speak out theme, and it challenges us to think about the responsibility and duty that we all have to speak up when we see or hear something that we believe to be wrong, not just on a mass scale, but on a small scale. The poem concludes with a powerful and challenging observation:

"Then they came for me
And there was no one left
To speak out for me".

It challenges us to learn about what happens when we do not speak out and about what can happen when we use our voice.

Humza Yousaf reminded us that many people did not turn away, even in the midst of the horror, and even at great personal danger—such people existed then, too. Bill Kidd put a name to one of those people when he talked about Jane Haining. Over the weekend, I heard about a similar individual: Edith Stein, who is now a saint.

We should, of course, always speak up and speak out in our lives. By remaining silent and taking the position of bystander, we may think that the problem will disappear, but we could be enabling vile and despicable behaviours that, as we are only too aware, can have tragic and far-reaching consequences. There is the old cliché, which is really not too clichéd, that for evil to triumph, it only needs good men to stay silent. Such behaviours and consequences are utterly unthinkable, but the reason why we acknowledge Holocaust memorial day every year is that such unthinkable atrocities actually took place within living memory.

Stuart McMillan talked about how cruel and callous humans can be. Sadly, the Holocaust was not the last attempt at genocide. Members have mentioned one or two other attempts. I scribbled down the attempt in Cambodia, which has not been mentioned so far. I vividly remember the dreadful events there. In fact, at the time, I knew Cambodians who heard nothing more from any of their family ever again—that was it. However, they were lucky because they lived in Australia and did not experience what was happening. There is also

what happened in Srebrenica in the Balkans. We have only to think about what happened a few years ago to know that we could still be doing such things if we are not vigilant. I have named only two places. Such dreadful events continue to happen, so education is vital.

We know that, during times of economic challenge, tensions can become exacerbated and can sometimes lead to a breakdown in community cohesion. Maintaining vigilance internationally and domestically is vital.

Annabelle Ewing talked about ordinary people being in Amsterdam or Paris one day and finding themselves in a concentration camp the next day, and about how utterly disorientating and shocking that was. While she was speaking, I thought about other ordinary people. There were ordinary people in Germany—people like us—who became the perpetrators of horror. We are not absolved of responsibility if we see ourselves only as victims and do not remember that ordinary people sometimes become perpetrators. We must be vigilant about that.

I do not know how much longer I have, Presiding Officer.

The Deputy Presiding Officer: That is up to you.

Roseanna Cunningham: I do not want to try people's patience.

It is extraordinarily important to remember that there are two sides and that ordinary people find themselves on both sides, as victim and as perpetrator. That is why we must engage with one another and establish dialogue with a range of groups and individuals. Dialogue brings us together, removes the fear of the unknown, helps us to find common ground and build friendships, and challenges stigmatisation, which holds back many individuals and communities. It offers us the chance to embrace the full diversity of life, to have first-hand experience of cultures that we did not grow up with, and to learn that more pulls people together than pulls them apart.

The Scottish Government believes in one Scotland of many cultures and faiths. It believes in a nation that values diversity and recognises that a multicultural society is vibrant, successful and energetic. It believes in a nation in which people from all backgrounds can live in peace and in which people of all faiths and ethnic backgrounds can achieve their potential. We should take pride in being the only nation in Europe that has never had official state-sponsored discrimination against the Jews, but we should not allow that to lull us into a false sense of complacency, because none of us here is free from the possibility that, if we are not careful, we could wake up one day and discover that we, too, are perpetrators. We may

have simply dodged that, but, in truth, we may have come close to behaving in just as awful a way many times.

Jackson Carlaw: That point—*[Interruption.]*

The Deputy Presiding Officer: Your microphone is not on.

Jackson Carlaw: I have taken my card out. Can I shout?

The Deputy Presiding Officer: Your microphone needs to be on for the purposes of the official report.

Jackson Carlaw: Two ladies from the Channel Islands were deported to Auschwitz with the co-operation of the population in the Channel Islands, which had been occupied by Nazi Germany. It is too easy for us in this country to hide behind the notion that ordinary people here would not have behaved as ordinary people elsewhere did. It is a chilling thought and one that we must always carry with us. That is why the education of young people today is so crucial.

Roseanna Cunningham: It is vital that we remember that. We were not under occupation, and we do not know how people would have reacted if we had been and how many would have been prepared to collaborate in doing precisely the same thing—perhaps to different groups of people or to more groups of people than elsewhere. That is why vigilance can never be relaxed. Every time vigilance is relaxed anywhere in the world, something happens. That reminds us that we as human beings have a capacity for violence that is unmatched elsewhere in the animal kingdom.

Holocaust memorial day provides us with an opportunity to develop a fuller understanding of race, equality and tolerance, and the importance of being constantly vigilant so that discrimination and prejudice do not creep into what we do as a society.

Meeting closed at 18:01.

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