



The Scottish Parliament  
Pàrlamaid na h-Alba

## Official Report

# MEETING OF THE PARLIAMENT

Wednesday 5 September 2012

Session 4

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## Scottish Parliament

*Wednesday 5 September 2012*

[The Deputy Presiding Officer *opened the meeting at 14:00*]

### Business Motions

**The Deputy Presiding Officer (John Scott):**

Good afternoon. The first item of business is consideration of business motion S4M-04008, in the name of Bruce Crawford, on behalf of the Parliamentary Bureau, setting out a revision to the business programme for tomorrow, Thursday 6 September.

14:01

**The Cabinet Secretary for Parliamentary Business and Government Strategy (Bruce Crawford):** The purpose of the change is to allow for a debate on the appointment of Scottish ministers.

I move,

That the Parliament agrees the following revision to the programme of business for Thursday 6 September 2012—

delete

*followed by* Financial Resolution: Local Government Finance (Unoccupied Properties etc.) (Scotland) Bill

*followed by* Parliamentary Bureau Motions

5.00 pm Decision Time

and insert

*followed by* Financial Resolution: Local Government Finance (Unoccupied Properties etc.) (Scotland) Bill

*followed by* Scottish Government Business: Appointment of Scottish Ministers and Scottish Junior Ministers

*followed by* Parliamentary Bureau Motions

5.30 pm Decision Time

*Motion agreed to.*

**The Deputy Presiding Officer:** The next item of business is consideration of business motion S4M-03992, in the name of Bruce Crawford, on behalf of the Parliamentary Bureau, setting out a revision to the business programme for today.

**Bruce Crawford:** Presiding Officer, you will recall that, yesterday afternoon, I said that we would bring a ministerial statement on ferry services to Orkney to the chamber. That is the purpose of the change.

I move,

That the Parliament agrees the following revision to the

programme of business for Wednesday 5 September 2012—

delete

*followed by* Business Motions

*followed by* Parliamentary Bureau Motions

5.00 pm Decision Time

and insert

*followed by* Ministerial Statement: Ferry services to Orkney

*followed by* Business Motions

*followed by* Parliamentary Bureau Motions

5.30 pm Decision Time

*Motion agreed to.*

## Scottish Government Question Time

### Education and Lifelong Learning

14:03

#### School Maintenance (North Lanarkshire Council)

**1. Jamie Hepburn (Cumbernauld and Kilsyth) (SNP):** To ask the Scottish Government what recent discussions it has had with North Lanarkshire Council regarding the condition and upkeep of schools. (S4O-01226)

**The Minister for Learning, Science and Scotland's Languages (Dr Alasdair Allan):** Ministers and Government officials meet local authorities on a regular basis to discuss a range of issues related to the school estate.

**Jamie Hepburn:** The minister may be aware that there is before the Scottish Futures Trust an outstanding bid—which I whole-heartedly support—from North Lanarkshire Council for the next available tranche of funding for a new campus for the excellent Greenfaulds high school, which is the largest secondary school in the council's area. What information is there about when the Scottish Futures Trust is likely to make a decision on the matter?

**Dr Allan:** I expect to make an announcement by the end of the month, although the member will appreciate that I am unable to speak about specific projects or applications at this stage.

#### Non-UK European Union Students

**2. Liam McArthur (Orkney Islands) (LD):** To ask the Scottish Government what action it has taken to progress its plans for a management fee for non-UK European Union students. (S4O-01227)

**The Cabinet Secretary for Education and Lifelong Learning (Michael Russell):** I have raised the matter of a management fee with the European commissioner, most recently at the Bologna conference of higher education ministers, where I also discussed the issue with the appropriate Austrian minister, who has similar issues. We are considering how the management fee might work in Scotland in the context of European law.

**Liam McArthur:** Since the last election, the cabinet secretary has repeatedly informed Parliament that discussions with the Commission and others on introducing a charge for EU students studying in Scotland are progressing, yet

15 months on we seem to be no nearer to a resolution. Given the First Minister's announcement yesterday of his legislative programme, will the cabinet secretary confirm whether he has asked for any assessment to be carried out of the cost to a future Scottish Government of having to pay fees for rest-of-UK students studying in an independent Scotland? If so, will he publish those figures?

**Michael Russell:** I have to say that there is a very simple solution to the issue and that I would welcome the opportunity for rest-of-UK students to be treated as EU students. The simple answer is independence. With independence we can resolve the issue once and for all, and I look forward to doing so.

#### "Unlocking Scotland's Potential"

**3. Marco Biagi (Edinburgh Central) (SNP):** To ask the Scottish Government what its position is on NUS Scotland's report, "Unlocking Scotland's Potential". (S4O-01228)

**The Cabinet Secretary for Education and Lifelong Learning (Michael Russell):** Widening access is a priority for this Government. We are determined to encourage aspiration and promote ambition so that students from all sections of society can reap the benefit of higher education. The National Union of Students has been extremely helpful in assisting us to develop our policy, and I expect that to continue as we introduce statutory widening access agreements as part of the post-16 bill. I regard "Unlocking Scotland's Potential: Promoting fairer access to higher education" as yet another helpful and supportive contribution to the debate.

**Marco Biagi:** One aspect of the report was that it focused exclusively on the Scottish index of multiple deprivation 20 area measure on widening access. It might surprise members to learn that that leaves out—in Edinburgh alone—Gorgie, Drylaw, Leith, Oxbgangs and Sighthill. Does the cabinet secretary agree that, in the forthcoming legislation, given the importance of the agreements, a wide range of metrics should be used in order to capture an accurate picture of whether universities are successfully opening their doors?

**Michael Russell:** I have no difficulty with that. The Scottish Government recognises that we have a diverse universities sector and a diverse education sector. The contribution to widening access will vary across the sector. Equality of access is fundamental, so we have to start with that issue and with the importance of student retention. We must learn from projects such as the University of Glasgow project, which shows that those who are admitted through special schemes can do better at university than others. Widening

access is not a quick fix; it is important that the agreements that we are putting in place also support activity with schools to build aspiration, achievement and long-term success.

**Neil Bibby (West Scotland) (Lab):** How will the cabinet secretary monitor performance on widening access? What targets will be set for widening access?

**Michael Russell:** As Mr Bibby will be aware, the process of finalising the outcome agreements with Scotland's universities continues. There will be clear commitments within those agreements, but it is not a one-size-fits-all commitment. Each university will approach the issue differently. They will have to be encouraged to move in the right direction. Some have already moved much further than others.

Rather than set an overall global target in Scotland, we must ensure that the performance of every university is improved and that universities that are the poorest performers have the biggest improvement. That is what we are seeking to do through the outcome agreements.

**Liz Smith (Mid Scotland and Fife) (Con):** At the time of the NUS document's publication, it was suggested that the Scottish Government might look at the possibility of accepting students from disadvantaged backgrounds with slightly lower qualifications. Will the cabinet secretary give a response to that suggestion?

**Michael Russell:** One just has to look at the University of Glasgow scheme, which I visited some weeks ago, to see that although nobody wants to say that the bar should be set less high, because academic achievement is very important, some flexibility within the system is important too. Indeed, the University of Glasgow scheme allows students to drop a grade in one or two subjects if their performance in the scheme has been such that the university believes that they can make a success of going to the university.

This is about judging young people in the round and on the richer basis of attainment rather than on a single set of examination results. All of us, across the chamber, would probably agree with that approach. It is about the young person's achievement and what they can go on to achieve rather than a single set of results, but nobody is talking about lowering the bar and certainly nobody is talking about reducing the quality of those who go to university.

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

**4. Lewis Macdonald (North East Scotland) (Lab):** To ask the Scottish Government whether changes will be made to the arrangements for funding further education. (S4O-01229)

**The Cabinet Secretary for Education and Lifelong Learning (Michael Russell):** In line with the shift to regionalisation, our plan is for college funding to be based on the needs of a region in future. Our policy paper, "Putting Learners at the Centre", set out the principles of a simpler, needs-based system. We shall consult on those proposals soon.

**Lewis Macdonald:** Is the cabinet secretary aware of this morning's "Northern Lights: One Year On" report from PricewaterhouseCoopers, which concludes that maintaining the supply of appropriately skilled labour continues to be the greatest threat to Aberdeen's ability to become a global energy centre of excellence? Will he assure us that, in assessing needs on a regional basis, he will take into account the need for skilled labour in industries that can lead Scotland's economic growth, such as the energy, marine and engineering industries? Will he assure us that they will be central to the future funding of further education?

**Michael Russell:** I welcome Mr Macdonald as a trailblazer in his party, because he has got exactly the point about college regionalisation and college change that I have made to his colleagues for some time. He sees precisely that we must focus the outcomes of further education on a region's employment needs.

I saw the report, which justifies the process that we are going through. I very much welcome Mr Macdonald's support for that, which I hope will spread quickly among his less enlightened colleagues.

**Duncan McNeil (Greenock and Inverclyde) (Lab):** Has the cabinet secretary further considered those who are most vulnerable, who need the support of our further education colleges and who do not naturally go into employment—those with special needs?

**Michael Russell:** Absolutely. I have made it clear throughout the regionalisation process that all learners' needs must be taken into account. Often, we need to consider most intensely the needs of those who are furthest from the labour market.

I really welcome the fact that Mr McNeil is moving close to Mr Macdonald. Others should follow that route.

#### **Youth Unemployment Fund (West Dunbartonshire Council)**

**5. Jackie Baillie (Dumbarton) (Lab):** To ask the Scottish Government what funding it has allocated to West Dunbartonshire Council from its youth unemployment fund. (S4O-01230)

**The Minister for Youth Employment (Angela Constance):** West Dunbartonshire Council receives £96,592 to support delivery of opportunities for all, which includes 16-plus learning choices and activity agreements. That funding enables the council to ensure robust transition planning for all young people from secondary 4 onwards, which enables them to access positive destinations.

West Dunbartonshire Council is also benefiting from European social fund funding of more than £1.2 million until September 2013 and more than £166,000 of European regional development fund funding until July 2014.

**Jackie Baillie:** I am sure that the minister recognises the scale of the challenge that faces West Dunbartonshire, and I am disappointed to note that nothing was allocated to the local authority from the youth unemployment fund. She knows my view that had funding been based on the percentage of the population that was unemployed, the council would have received support, because of its huge and increased unemployment levels. When she meets the council in the near future, will she consider further what assistance her Government can give to get young unemployed people in West Dunbartonshire into work?

**Angela Constance:** Jackie Baillie refers to only one rather specific strand of funding, although it is important. With my national responsibilities, it is important for me to maximise the use of every pound and to try to reach as many young people as possible.

Jackie Baillie refers to the £9 million that was given to six local authorities in areas where the challenges are most acute, although that is not to say that the situation is not extremely challenging in West Dunbartonshire. The allocation methodology was based on high numbers of young unemployed people and high percentages.

I reassure Ms Baillie that I very much look forward to meeting Councillor Rooney. All local authorities will have opportunities in relation to future ESF funding, and I am sure that Ms Baillie will be interested in the results of the third sector challenge fund, which will be announced soon.

### **College Sector (Information Technology)**

**6. Chic Brodie (South Scotland) (SNP):** To ask the Scottish Government how much will be spent on information technology systems by the college sector in 2012-13. (S4O-01231)

**The Cabinet Secretary for Education and Lifelong Learning (Michael Russell):** Colleges are responsible for taking their own spending decisions, for which they are held to account. It is therefore not possible to predict how much they

will spend on information and communications technology systems in 2012-13. However, there is a strong commitment in the sector to secure efficiencies in the use of ICT and to improve existing processes. For example, colleges contributed actively to the McClelland review of ICT infrastructure in the public sector, which reported in June 2011, and they are taking forward its recommendations. Current and future college mergers will create the opportunity to develop common systems and deliver important financial savings.

**Chic Brodie:** In the past few months, we have heard reports of information technology systems in other Government departments that were signed off before 2007 and that are now deemed not fit for purpose. Can the cabinet secretary advise what the current contracted expenditure is on IT systems in the college sector, what the actual expenditure is to date on the systems since contract and how many of the systems were replicated across the sector? Will he ask Audit Scotland to instigate a full review of existing systems regarding their fitness for purpose and the plans for the future development of such systems in the new college infrastructures?

**Michael Russell:** Given the detailed nature of those questions about exactly how many systems there are and how much they cost, I think that they would be better addressed to the colleges themselves. As I said in my initial answer, colleges are responsible for making their own spending decisions. Nevertheless, I would like to be helpful to Mr Brodie, so I will ask the chief executive of the Scottish Further and Higher Education Funding Council to write to him about those issues and to see whether we can provide more information.

### **Rural Schools (Moratorium on Closures)**

**7. Dennis Robertson (Aberdeenshire West) (SNP):** To ask the Scottish Government whether it considers that local authorities will adhere to the spirit of the moratorium on rural school closures. (S4O-01232)

**The Cabinet Secretary for Education and Lifelong Learning (Michael Russell):** Given the current uncertainty regarding the outstanding judicial appeal of the case between Scottish ministers and Comhairle nan Eilean Siar, and given the resulting delay of the report from the commission on the delivery of rural education, the Scottish Government fully supports the Convention of Scottish Local Authorities, which has asked councils to use their best judgment and to avoid consulting on closures while the commission finalises its report for publication.

**Dennis Robertson:** In my constituency, a school was due for closure prior to the moratorium. Since that time, the school roll has



increased significantly and it has a new headteacher. Does the cabinet secretary agree that closure should be a last resort and that Logie Coldstone primary school is a perfect example of that?

**Michael Russell:** Yes, I warmly agree with that. We have seen case after case in which, with the right approach and the right policies, the size of a rural primary school that is under threat has been increased. One of the many purposes of setting up the commission on the delivery of rural education was to share good practice and find out how that could be done.

The closure of a rural school should always be regarded as a last resort. In coming to its decision, a local authority must be able to demonstrate that it has considered all viable alternatives first. That is a key part of the policy that underpins the Schools (Consultation) (Scotland) Act 2010 and will remain very much in my mind as we determine how we should move forward.

Mr Robertson will be aware that, in the case of Logie Coldstone, ministers last year refused to grant consent for Aberdeenshire Council to close the school. Consequently, the school remains open and I understand that its roll is increasing.

### Colleges (Mergers)

**8. Margaret Burgess (Cunninghame South) (SNP):** To ask the Scottish Government what recent progress has been made regarding college mergers. (S4O-01233)

**The Cabinet Secretary for Education and Lifelong Learning (Michael Russell):** I am delighted that Margaret Burgess will be joining the ministerial team. It is always great to see a former election agent of mine do well—she has gone on to reach much greater heights.

I am delighted to say that last week I laid before the Parliament two separate orders that will have the effect of merging two groups of colleges. First, the Scottish Agricultural College will join our three land-based further education colleges to form a single institution on 1 October. On the same date, Stevenson College, Telford College and Jewel & Esk College will combine to form the new Edinburgh college. Both those ventures are the product of considerable vision and commitment by the partners involved. Subject to the approval of Parliament, we will see in each case the creation a new institution of scale and distinction on Scotland's educational landscape.

The majority of colleges are looking at merger, creating the scope as early as next August for single colleges in Ayrshire, the lower Clyde, Fife and the north and south of Glasgow. Those mergers are being driven by the belief that learners derive the maximum benefit from

provision that closely matches the needs of the economy—as Lewis Macdonald has rightly pointed out this afternoon—and which eliminates waste and needless duplication.

**Margaret Burgess:** The cabinet secretary will be aware that the new Ayrshire college will be a merger of Ayr College, Kilmarnock College and the Kilwinning campus of James Watt College, which is in my constituency and is the largest of the Ayrshire campuses. There is a genuine willingness among all parties to make the merger work for the benefit of learners in Ayrshire. However, there are still concerns about the Kilwinning campus, which is, in effect, part of a college and does not have parity with the other two colleges. What reassurances can the cabinet secretary give to the staff and students of the Kilwinning campus that it is a true merger and not a takeover? Will he come to Kilwinning campus with me to hear those concerns?

**Michael Russell:** I will be delighted to come to Kilwinning with the member; indeed, it will not be the first time that I have visited the Kilwinning campus of James Watt College. However, I assure the member that all mergers should entered into on the basis of equality and parity of treatment. Kilwinning will be one of three partners making up the Ayrshire college, and I am absolutely certain that it will bring to the Ayrshire college very considerable advantages and distinctions in learning and teaching. I hope that the three partners will go forward on that basis, and I am very happy to encourage them to do so.

**Liam McArthur (Orkney Islands) (LD):** The cabinet secretary will be aware from his recent visits to Shetland and Orkney that similar concerns to those expressed about Kilwinning have been expressed about the implications of the college regionalisation agenda in the Highlands and Islands. In that context, will he confirm the remit of the group chaired by Michael Foxley and when he expects to receive the group's recommendations?

**Michael Russell:** I will meet Michael Foxley again tomorrow. The group's remit is to take the outline agreement that I secured from the colleges and the University of the Highlands and Islands about how they will restructure in the new era, in which they have title and are forming a further education and a higher education institution, into a final organisational structure. The group is working on that.

I took advantage of my visit last week to Shetland and Orkney to meet both colleges—they are the only two unincorporated colleges in Scotland—and we had very productive discussions. They have an enormous amount to contribute to the regionalisation of education in the Highlands and Islands while at the same time maintaining exactly the kind of very strong local

focus on, for example, local employability that Mr Macdonald—I am going to repeat what he said all day—highlighted earlier. In those circumstances, I look forward to their doing so and will work closely with them and the constituency members.

**Neil Findlay (Lothian) (Lab):** My question is in the same vein as Margaret Burgess's. Over the summer, I was contacted again by concerned staff and students at the land-based colleges in the east of Scotland who feel that that merger is more akin to a takeover by the Scottish Agricultural College. Are their concerns justified?

**Michael Russell:** As Mr Findlay knows—because he was there—I have met some of those staff and students. At that stage, considerable changes still had to be made to the final arrangements. I do not regard the move as a takeover; it is a true and honest merger and I will do everything I can to ensure that the various parts come together—as they have done—in a constructive and equal way. Given that, in such circumstances, it is very important to encourage and be quite straightforward about change, we need to tell those involved the truth about these matters and ensure that they are encouraged to put their all into ensuring that these moves happen. I am happy to do that; indeed, if Mr Findlay invites me to take part in further discussions to help matters, I will always be happy to do so.

### **Schools (Building and Refurbishment Programme)**

**9. Bill Kidd (Glasgow Anniesland) (SNP):** To ask the Scottish Government what progress is being made on the programme of school building and refurbishment using the Scottish Futures Trust. (S4O-01234)

**The Minister for Learning, Science and Scotland's Languages (Dr Alasdair Allan):** I expect to be able to announce which schools have been successful in securing funding in the third and final phase of the Scotland's schools for the future programme by the end of September 2012.

**Bill Kidd:** Does the minister share my concern at Glasgow City Council's failure to make any significant bids for additional school rebuilding or refurbishment projects, despite its being invited to do so in February? Furthermore, does he agree that that represents a lost opportunity for children in my Glasgow Anniesland constituency who attend schools, including Broomhill primary school and Blairdardie primary school, that are in great need of such work?

**Dr Allan:** Although, as the member is aware, these are matters for Glasgow City Council, I certainly commend him for his diligence in pursuing the council on these issues.

**Hugh Henry (Renfrewshire South) (Lab):** The minister will be aware that East Renfrewshire Council's previous funding bid for a new Barrhead high school was unsuccessful. Now that the council has submitted another application, will the minister look favourably on its bid for a new Barrhead high?

**Dr Allan:** The member will appreciate that, as I have said previously, I cannot discuss individual applications from individual local authorities here. However, I can tell him that every application is looked at extremely carefully on its merits.

**Willie Coffey (Kilmarnock and Irvine Valley) (SNP):** The minister will also be aware of the dreadful condition of many schools in Scotland that were left behind by Labour in its pursuit of private finance initiative schemes for a few. Having visited some of those schools in my constituency last Friday and seen some of the conditions that our children and teachers have to endure—*[Interruption.]*

**The Deputy Presiding Officer:** Order!

**Willie Coffey:** Can the minister assure me that the programme will reach as many schools as possible to ensure that learning and teaching can take place in an environment fit for the 21st century?

**Dr Allan:** The member will be aware that the Government has a manifesto commitment to halve the number of pupils in crumbling schools, which we are well on the way to achieving. In 2007, we had some 60 per cent of pupils in good-quality school buildings; by 2010 that figure had risen to 82 per cent. We continue to improve the situation and we are confident that we will meet that manifesto commitment nationally.

### **Pupils (Attainment at Standard Grade)**

**10. Gordon MacDonald (Edinburgh Pentlands) (SNP):** To ask the Scottish Government what proportion of pupils left education in 2012 with standard grades at level 7 only. (S4O-01235)

**The Minister for Learning, Science and Scotland's Languages (Dr Alasdair Allan):** The Scottish Government does not routinely produce that information for standard grade 7 only. The recent Scottish Qualifications Authority results—pre-appeals—show an increase in the pass rates at grades 1 to 6. There is also an increase in those achieving grades 1 to 3.

Following the valuable work of the headteacher-led attainment group, the Scottish Government is working with partners to raise the attainment of all learners and to address the long-standing link between deprivation and attainment.

**Gordon MacDonald:** The Wester Hailes education centre in my constituency has made great strides in raising student attainment in recent years. This year, 21 per cent of pupils achieved five or more standard grades at credit level—a dramatic increase on previous years. Will the minister join me in congratulating the staff and pupils who made that achievement possible, and will he examine the measures that were introduced in the school to identify whether they can be rolled out to other areas?

**Dr Allan:** I am very happy indeed to congratulate the staff and pupils on their very considerable achievement, which has been brought to my notice by the member and by others. I will be happy to visit the school as part of my on-going programme of school visits. I understand that Education Scotland will be conducting a follow-up inspection next month, and I look forward to reading the results of its findings.

#### **Non-UK European Union Students (University Fees)**

**11. Hugh Henry (Renfrewshire South) (Lab):** To ask the Scottish Government how much it will cost to meet the university fees of non-UK European Union students in 2012-13. (S4O-01236)

**The Cabinet Secretary for Education and Lifelong Learning (Michael Russell):** The information is not currently available. Although students were encouraged to apply for support from April this year, the official closing date for applications for the 2012-13 session is not until 31 March 2013.

**Hugh Henry:** I noted what the cabinet secretary said in reply to Liam McArthur earlier about resolving the issue. The cabinet secretary has been saying for almost two years that the problem will be fixed. Can he tell the Parliament when it will be fixed?

**Michael Russell:** The description of the issue as a problem is misguided. There are regulations that exist. It would be helpful if we could charge a fee to European Union students and I would like to be able to do so, but there are many obstacles and we are trying to negotiate our way through them.

However, I repeat what I have said before: I would happily try to move forward on the issue on the basis of independence, because that would be the right basis on which to run Scotland's education system. We are lucky in Scotland to have such a strong education system—and in particular such a strong university system. The system is based very strongly on the right of access to education and on the tradition of free access to education. I hope that Hugh Henry and

his colleagues will remain honest to that. If they do, I think that the opportunities for Scottish education remain great.

#### **Scotland-domiciled Students**

**12. Stewart Maxwell (West Scotland) (SNP):** To ask the Scottish Government how many Scotland-domiciled students have been accepted by Scotland's universities for 2012-13. (S4O-01237)

**The Cabinet Secretary for Education and Lifelong Learning (Michael Russell):** Applications are still being processed, but the Universities and Colleges Admissions Service statistics show that by 22 August 2012, the number of Scotland-domiciled students accepted to study higher education in Scotland in 2012-13 stood at 25,945.

**Stewart Maxwell:** Despite the scare stories, the fact that a record number of Scottish students will start university this year is clear evidence of the importance of free education in this country. However, given the on-going budgetary pressures brought on by United Kingdom cuts, what assurances can the cabinet secretary give that the Scottish Government will continue to protect university places for future Scottish school leavers?

**Michael Russell:** Our record investment in the higher education sector over this spending review period and the steps that we took to ensure that funding was focused on Scottish students will ensure that we continue to protect places at Scottish universities for Scottish students. By also taking steps to support widening access, we will support school leavers from all parts of Scotland to access higher education opportunities. We should remember that a record number of Scottish young people are studying at Scottish universities—opportunities have never been greater. We should celebrate that across this chamber.

#### **Further Education (Assistance for Areas with Low Participation Rates)**

**13. Paul Wheelhouse (South Scotland) (SNP):** To ask the Scottish Government what funding has been given to assist areas identified by the Scottish Further and Higher Education Funding Council as having low participation rates in further education. (S4O-01238)

**The Cabinet Secretary for Education and Lifelong Learning (Michael Russell):** I also welcome Mr Wheelhouse to the ministerial team and a job that I was fond of performing myself. I am sure that he will enjoy it greatly.

The Scottish funding council has identified Ayrshire, the Borders, central, Dumfries and Galloway, the Highlands and Islands and

Lanarkshire as the college regions with a significant gap between need and current provision. To bridge that gap, the council has allocated £8 million in the academic year 2012-13 to fund additional student places in those regions. We shall shortly consult on proposals to move to a simpler, needs-based system across Scotland.

**Paul Wheelhouse:** I thank the cabinet secretary for his answer and his kind words.

As the cabinet secretary has identified, several areas in the south of Scotland have low participation rates. In particular, the Scottish funding council's report "Scottish Participation in Further and Higher Education 2005-06 to 2009-10" identified Dunbar in East Lothian and Eyemouth in the Scottish Borders as appearing to have participation at less than half the average.

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

**Paul Wheelhouse:** Will the cabinet secretary meet me to discuss potential options for increasing participation among people from those areas?

**Michael Russell:** I will be happy to meet the member. I commend the actions of Dumfries and Galloway Council's new administration, for example, which decided last week to increase funding for the Crichton campus. That will allow the ambitious developments proposed for the Crichton to grow there, and will encourage further access. That is a positive step forward.

#### **Edinburgh Napier University (Craighouse Campus)**

**14. Jim Eadie (Edinburgh Southern) (SNP):** To ask the Scottish Government what recent discussions it has had with Edinburgh Napier University regarding the future of the Craighouse campus. (S4O-01239)

**The Cabinet Secretary for Education and Lifelong Learning (Michael Russell):** I am not aware of any discussions. Universities are independent, autonomous institutions and, as such, the Scottish Government does not intervene in institutional matters such as decisions regarding their estates strategies.

**Jim Eadie:** I thank the cabinet secretary for that answer, but is he aware of the significant amount of local concern about the sale of the Craighouse campus by Edinburgh Napier University? It is seen as a valuable community asset. Notwithstanding Napier's independence, does the cabinet secretary agree that the university has an obligation to achieve best value for the taxpayer, to ensure that all transactions are open and transparent, and to ensure that any assets are disposed of in a way that continues to provide benefit to the local community?

**Michael Russell:** Yes, I am keen that the indissoluble link between universities and the communities that they serve is recognised. The Scottish Further and Higher Education Funding Council requires colleges and universities to seek its prior approval for the disposal of publicly funded property when the proceeds are likely to exceed £3 million. As part of the approval process, the Scottish funding council requires colleges and universities to demonstrate that they have obtained an appropriate professional valuation from a reputable property agent. I will ask the council's chief executive to write to the member to reassure him on this matter, and I will be happy to meet him as well.

**The Deputy Presiding Officer:** Question 15 is from Drew Smith. *[Interruption.]* Can members make sure that all electronic devices are switched off, please?

#### **Postgraduate Students (Funding)**

**15. Drew Smith (Glasgow) (Lab):** To ask the Scottish Government what steps it is taking to ensure that postgraduate students are able to access the funding necessary for their studies. (S4O-01240)

**The Cabinet Secretary for Education and Lifelong Learning (Michael Russell):** The Scottish Government is committed to supporting all students to realise their ambitions. Many postgraduates will have already received direct support as undergraduates. Under the postgraduate student allowances scheme, postgraduates might also be eligible for a loan of up to £3,400 to help pay some of or all their tuition fees. Further information is available from the Student Awards Agency for Scotland.

**Drew Smith:** I have been contacted by a student who wants to study for an MSc in educational psychology. Although the SAAS will provide a small loan, the amount will not cover her course fees, never mind the other living costs that she would accrue. If my constituent lived in England, her fees would be paid and she would receive bursary payments. Will the minister confirm whether the training and recruitment of educational psychologists is a priority for the Scottish Government?

**Michael Russell:** Arrangements were in place for the training of educational psychologists, but we have tried to standardise the arrangements for postgraduate support because that means that we can support more postgraduates to achieve more. I have to point out that this is the first Scottish Government that has moved to support postgraduates. It is one of my ambitions to expand support for postgraduate education.

Prior to the current academic year, the postgraduate student allowances scheme provided some money. We now have a much better scheme that has been substantially expanded. I hope that, rather than seeing a half-empty glass, the member might see a glass that is certainly filling up and allowing us to support Scottish students in their ambitions to contribute everything that they can.

### Young Carers

**16. Claudia Beamish (South Scotland) (Lab):** To ask the Scottish Government what it is doing to ensure that young carers are identified by schools at an early stage so that they can be given appropriate support. (S4O-01241)

**The Minister for Children and Young People (Aileen Campbell):** We recognise the dedication of young carers and the support that they need. That has resulted in greater impetus at local level to ensure identification and support in schools. We fund the Scottish young carers services alliance to produce resources to equip primary school teachers with the necessary skills and knowledge to identify and support young carers. Similarly, resources for secondary schools—also funded by the Scottish Government—will be taken forward.

We will shortly publish a long-term plan for implementation of the Education (Additional Support for Learning) (Scotland) Act 2009, which will include actions to support schools in identifying and supporting young carers. The proposal in the proposed children and young people bill to have a named person for every child will take into account caring responsibilities.

**Claudia Beamish:** I note the initiatives that the minister highlighted. However, I joined hundreds of young carers at the young carers festival earlier this summer, and one of the key issues that they raised with me and other MSPs who were present from across the parties was the patchy nature of support for them in schools at present. That is an urgent matter as it is clearly an on-going issue for them. Will the minister pledge to look at it again in the near future to see what she can do to ensure that all young carers receive the same level of support, regardless of their local authority?

**Aileen Campbell:** I recognise and respect the deep interest that Claudia Beamish has in the subject; no doubt she has experience of it from her professional life. I also attended the young carers festival, which the Scottish Government is committed to help with for another two years.

I take on board the points that Claudia Beamish made and the other issues that young carers raised, and I will continue to engage with young carers to ensure that we provide the services and support that they need. I will always be willing to

have a door open to ensure that those messages are loudly heard by the Government, but initiatives are in place to ensure that schools support young carers, and there are toolkits to ensure that young carers can come forward and disclose the sensitivities of their personal backgrounds.

### Postgraduate Students (Diploma in Legal Practice)

**17. Sarah Boyack (Lothian) (Lab):** To ask the Scottish Government what proportion and number of students studying for a diploma in legal practice in 2012-13 will receive the maximum postgraduate tuition fee loan. (S4O-01242)

**The Cabinet Secretary for Education and Lifelong Learning (Michael Russell):** That information is not available at present as the closing date for applications is 31 March 2013. I can say, however, that because the loan is not means tested, all students can apply for the maximum loan, although some may choose not to do so.

**Sarah Boyack:** I thank the cabinet secretary for his reply. Will he outline the rationale for the decision to change postgraduate student allowances scheme funding for DLP students from grant funding to a loan system and what impact that has had on the cost of the scheme?

**Michael Russell:** I will use a set of figures that show the rationale. In 2011-12, 300 funded DLP places were available at Scottish institutions on a discretionary basis. The move to tuition fee loans allows us to expand support, meaning that 700 students will be funded this year. That action addresses previous concerns about the selection process at institutions for access to places with funding support and will allow more young people to move forward in their careers and to get support in postgraduate education. As I said earlier, that is something this Government is very keen to encourage. Professional and career development loans are available for all those students—deferred-payment bank loans that help to pay for vocational training leading to employment in the United Kingdom or in the European Union. Therefore, support is available. However, if we are to continue to support young people moving from undergraduate to postgraduate work, we need to support the tuition fee element. We are able to do so for more students, which I think should be welcomed across the chamber.

### Rural Schools (Transport)

**18. Aileen McLeod (South Scotland) (SNP):** To ask the Scottish Government whether the commission on the delivery of rural education has considered the issues regarding school transport and the current statutory limits for this. (S4O-01243)

**The Cabinet Secretary for Education and Lifelong Learning (Michael Russell):** The commission has taken evidence on a wide range of issues affecting the delivery of rural education, including school transport.

Local authorities have a duty under the Education (Scotland) Act 1980 to make such arrangements as they consider necessary for the transport between home and school of pupils residing and attending schools in their area.

Rural authorities provide free transport for pupils who live more than the statutory walking distance from the school, which is 2 miles for children aged under eight years or 3 miles for children aged eight or more.

**Aileen McLeod:** The cabinet secretary will be aware that the more rural an authority—I am talking about authorities such as Dumfries and Galloway Council—the more significant such issues are. Many parents in Dumfries and Galloway have asked me whether there cannot be a better solution than the uncertainty of grace-and-favour places. Will the cabinet secretary undertake to work with rural authorities to help them to find the best solutions to the problem?

**Michael Russell:** Yes, the Government is always happy to work with local authorities. However, I stress that, as the member knows, responsibility for the provision of school transport rests with local authorities. They are best placed to know what should and what should not be supported in their own areas. That includes working within the safe routes to schools project, through which we ensure that every child is safe on their way to and from education.

## Scottish Government's Programme

**The Deputy Presiding Officer (John Scott):** The next item of business is the continuation of the debate on the Scottish Government's programme. I advise members who know that they will be speaking in the debate to please put their microphones up.

14:40

**The Deputy First Minister and Cabinet Secretary for Infrastructure, Investment and Cities (Nicola Sturgeon):** You know that it has been a long parliamentary debate when you start it in one Government job and end it in another. *[Laughter.]*

Let me take the opportunity, as it is available to me, to say a few words about the Government changes that the First Minister confirmed earlier today. First, I want to say, from the bottom of my heart, that it has been an extraordinary privilege to serve as Scotland's health secretary over the past five years. I am very proud of what has been achieved in those five years, in what have been extremely challenging times. We have the lowest waiting times and the lowest hospital infection rates on record, and patient care is safer than it has ever been. I am particularly proud to have steered through the Parliament the groundbreaking, world-leading legislation on minimum pricing, which I hope to see implemented as soon as possible.

I want to thank everyone with whom I have had the privilege of working over the past five years—officials in the Scottish Government, managers in our health service and the chairs of health boards, trade unions and interest groups. Above all, I want to thank those people who work in the front line of our national health service. We are incredibly lucky in having the health service that we have and the people who work in it. I am particularly proud of having been able to protect not just the budget but the founding principles of our NHS, and I know that Alex Neil will continue to do just that as he takes over as health secretary.

I am extremely excited to be taking on new responsibilities in Government. The new responsibilities that I take over as of today closely reflect the twin priorities of the programme for government that we are debating, which the First Minister outlined yesterday. As Cabinet Secretary for Infrastructure, Investment and Cities, I will be pleased to work with the First Minister and John Swinney on the Government's strategy for economic recovery. In that regard, I look forward to working with my ministerial colleagues Keith Brown and Margaret Burgess—whom I particularly

welcome to her new post as Minister for Housing and Welfare—to pursue the procurement bill and the better regulation bill, as well as all the other priorities.

In taking on responsibility for infrastructure and investment, I have very big boots to fill—I say that only in the hope that Alex Neil says the same about his predecessor in the new role that he takes over today. At this moment in time, nothing can be more important than responding to the real pressures that individuals and families across Scotland face. We must do everything that we can within our powers and our resources to get our economy growing, to create jobs and to challenge as vigorously as we can the disastrous economic policy of the Tory-Liberal coalition.

I repeat the message that the First Minister has already sent loudly and clearly to the United Kingdom Government: our economy needs capital stimulus and it needs it now. We have the shovel-ready projects. It is now incumbent on the UK Government to provide the funds. If it cares at all about the human cost of unemployment, it will not delay in doing so. I want to be able to do so much more than lobby an unresponsive UK Government for a sane economic policy—I want to be in a Government with the power to make for ourselves the decisions that we need to make to get our economy growing.

That brings me to the second part of my new Government responsibilities. For all my adult life, I have believed that Scotland should be an independent nation. For me, it has never been about flags or status symbols; it is all about how we make this country of ours the best that it can possibly be. That is based on the fundamental belief that if we want a strong economy, we must have access to all of Scotland's resources—not just the portion of Scotland's resources that the UK Government chooses to give us. It is based on the inescapable reality that if we want to tackle, once and for all, the scandal of child poverty, we must be able to make our own decisions on tax and benefits—and we must be able to prioritise spending on the early years of our children's lives over spending on weapons of mass destruction. It is based on the irrefutable logic that if it is right—and it is right—for this Parliament to take decisions on health, education and justice, it cannot be anything other than right for this Parliament to also take decisions on the economy, welfare and defence.

I believe passionately that the best people to take decisions about Scotland are those who live here. I look forward immensely with my colleagues to making that honest, positive and upbeat case over the next two years, and I look forward to winning the independence referendum in 2014.

14:46

**Richard Baker (North East Scotland) (Lab):**

Just as I was putting the finishing touches to this speech over lunch, so much happened. Indeed, there appears to be rather more excitement in the lobby and, in particular, on the Scottish National Party benches over the Scottish Cabinet reshuffle than over this legislative programme, which is entirely understandable. However, although I welcome Nicola Sturgeon to her new role at infrastructure and capital investment, that central move of the reshuffle reflects what is at the heart of the legislative programme that was announced yesterday—at the end of the day for the SNP, breaking up the United Kingdom is the be-all and end-all. Nicola Sturgeon has quit the health brief so that she can spend more time on debating independence, although I can tell her that the infrastructure and capital investment brief is not only time consuming, but crucial.

I would like to say how sorry I am to see Mr Neil move on from infrastructure and capital investment to his new role, but we all know that that would be stretching the bounds of credibility—something that Mr Neil does all too often. Actually, I do wish him well.

**Jackie Baillie (Dumbarton) (Lab):** No, you do not.

**Richard Baker:** No, I do not.

Mr Neil's performance in his former brief also speaks of where this legislative programme fails. Although we will look forward with interest to the sustainable procurement bill, the fact is that in that key area of policy the Scottish Government's underperformance has been damaging to our economy and to key sectors, including the construction industry.

When it comes to the key issue of the economy, too often we have had warm words and not the action required from the Scottish Government. Yesterday, the First Minister talked again about shovel-ready projects, but his Government has delayed a host of key infrastructure projects at a time when our construction sector is crying out for work.

**Mark McDonald (North East Scotland) (SNP):**

Over the summer, I wrote to Mr Baker to ask whether, as Labour's capital investment spokesperson, he would back the Scottish Government's calls for the UK Government to bring forward shovel-ready projects. To date I have received no reply. Perhaps he would like to give me the answer now.

**Richard Baker:** Well, I did not get a letter. I say to Mr McDonald, "Just keep trying, Mark. Eventually you'll get there—persistence will pay off. Try not to be too disappointed about today."

Even with the best will in the world and my many abilities, if I do not get a letter, I cannot reply to it.

As for the construction and capital investment that should be taking place, we find today that, on the basis of a draft report, the budget for the Edinburgh to Glasgow rail improvement programme was cut by £350 million. In Aberdeen, our energy sector requires 120,000 new recruits. Where is the plan to deal with that crucial issue for the economy of not just Aberdeen but Scotland?

The call in the PricewaterhouseCoopers report for an energy academy has come at a time when the SNP is slashing college budgets. We heard yesterday that because Aberdeen City Council will not back the First Minister's pet project, the Government is withdrawing support for new development in the city—and, in so doing, failing Aberdeen again.

**Kevin Stewart (Aberdeen Central) (SNP):** Will the member give way?

**Richard Baker:** No.

In the previous session of the Parliament we were told that the Government's overarching purpose was to secure economic growth. To emphasise the point, the issue was referred to as "the Purpose", with a capital P. However, the debate about the Government's programme has shown a Government that has taken its eye off the ball on the economy and whose purpose is only Separation, with a capital S.

We will engage on the sustainable procurement bill, but Mr Neil has told us again and again that he cannot take the action that is needed on procurement because of European Union rules. We need to ensure that by using community benefit clauses and awarding smaller contracts we give small and medium-sized enterprises in Scotland a better chance of benefiting from public sector investment, thereby growing the economy. Far from blocking such action, the EU has proposed a directive that will encourage contracting authorities to divide public contracts into lots, to make them more accessible for SMEs, and which will oblige contracting authorities that decide not to do that to provide an explanation. Why does not the Scottish Government take such action, for which a bill is not needed? Why is it doing the opposite and creating contracts that are so big that only big businesses can bid for them?

**The Cabinet Secretary for Health and Wellbeing (Alex Neil):** Will the member give way?

**Richard Baker:** I had better take him.

**Alex Neil:** Let me confuse the member with some facts: 75 per cent of all the contracts that are let through the Scottish Government's portal go to small and medium-sized enterprises.

**Richard Baker:** Mr Neil never lets the facts get in his way or confuse him. I refer him to the Jimmy Reid Foundation report that contradicts many of his comments on procurement.

Yesterday, the First Minister said that the Government will

"ensure that community benefit clauses are included in all ... public sector contracts".—[*Official Report*, 4 September 2012; c 10901.]

Why has not that been done already? On the Forth replacement crossing, the ship has sailed and Scottish firms have lost out, which is unfortunate.

We know how important new housing is to our economy and our construction industry. However, the most recent budget slashed housing investment by £86 million, and the vaunted housing bill that was expected in the current programme is conspicuous by its absence. That is not an auspicious record for Mr Neil to take to the health department.

It is not good enough to say that everything will be sorted after separation, as if that would free us from Tory Governments, when the SNP's proposal on monetary policy is that future UK Governments, whatever their political complexion, will still make key decisions on our economy, with zero influence from politicians in Scotland.

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

**Richard Baker:** I am in my final minute. I apologise to Margo.

Separation is the SNP's obsession, but it is no solution. For all that the SNP says that the economy is its focus, the current programme of bills and today's events show that the SNP Administration has its eye well and truly off the ball when it comes to taking the action that we need to restore Scotland to growth. That is why we need to get beyond the process of the referendum and get on with making the decision, so that once Scotland has decided to maintain our membership of the United Kingdom we can all get on with what we should be doing in this devolved Parliament: delivering on the priorities that really matter for the people whom we represent.

14:53

**Marco Biagi (Edinburgh Central) (SNP):** Our programme for government focuses on opportunities for Scotland, not least by ridding ourselves of the economics of Westminster and, I hope, the kind of speeches that we heard yesterday from Johann Lamont and today from Richard Baker, which I politely characterise as ideas-free zones. It is not enough to come to the chamber and repeatedly criticise SNP ideas, with



all the positivity of someone who is chewing on a wasp, without suggesting alternative courses of action that could be taken using the powers that are available. We are perfectly aware that there is much that the Scottish Parliament can do and so much more that we could do if we had the full powers of independence and were a normal nation that was able to govern our affairs.

**Liam McArthur (Orkney Islands) (LD):** In the spirit of his request for ideas, will Marco Biagi comment on where we might be with shovel-ready projects if ministers in the previous session had taken up the proposal to mutualise Scottish Water and make it a public interest company, which is what John Swinney seems to be intent on doing anyway?

**Marco Biagi:** Perhaps Liam McArthur might be able to provide the assurance—which his Lib Dem colleague in the Treasury was never able to provide—that the UK Government would not take advantage of the ability to claw back all the money. The privatisation of Scottish Water has enough flaws to begin with as an idea, but to suggest that it could happen and we could end up even worse off is quite ridiculous. Perhaps that is one of the reasons why no one ever takes the Lib Dems seriously any more.

I want to talk about two bills in the legislative programme. The first is the post-16 education reform bill, which will set down legal frameworks for some of the changes that are already in progress, such as changes to colleges and rest-of-UK student fees, and will also—crucially—deliver a wholly new process of widening access agreements for universities.

Yesterday, Liz Smith said that the widening access debate should not be restricted to universities. It should certainly go beyond them and include schools. I look forward to the day when our state schools are so good and well performing across the whole country that people will look back bewildered and wonder why anybody would ever pay £21,000 to send their children anywhere else. We must recognise that there are steps to be taken right now to extend the work that universities have done for many years to reach out and bring in recruits and applicants from schools that are perhaps not currently sending as many people to them.

**Liz Smith (Mid Scotland and Fife) (Con):** Will the member give way?

**Marco Biagi:** No, thank you.

A series of steps has already been taken. We have free higher education in Scotland and the highest-ever support for students to deal with their living costs. All the steps have helped, but looking ahead, it is hardly revolutionary to suggest that admissions teams that look at potential applicants

should consider the wider pupil—not simply how the pupil has done before, but how they may do. They could be like job panels, which take into account the person's previous employment record without it being the sole circumstance. The definitive study from England of 8,000 A level students found that an independent or grammar school pupil with two As and a B will perform just as well at university as a comprehensive pupil with three Bs. No wonder. At university, the state school pupil sits next to the Eton graduate and they go to the same lectures and seminars. We should see universities as having the levelling effect that they have. If Liz Smith would like to explain the levelling effect of £9,000 a year tuition fees, I would be happy to take an intervention from her.

**Liz Smith:** I do not disagree with some of what Marco Biagi says, but does he accept that there has been huge and very satisfactory progress in Scottish universities on widening access, and that it is the universities themselves that have made the decisions? Perhaps we do not need legislation for that.

**Marco Biagi:** I certainly welcome the action that universities have taken and the progress that has been made. As long as we work in that spirit and spur them to go even further, we can achieve remarkable results. I look forward to considering the post-16 education reform bill in the Education and Culture Committee.

The other bill that I want to single out is also a landmark. It will focus on opportunity and will directly affect perhaps only 2 per cent of Scotland's population, but it is a sign of where we want to go to as a country. As I grew up, gay people were censored out of existence in schools. When I came out, we had relatively recently won at the European Court of Human Rights the right to join the armed forces and an equal age of consent. Adoption rights, civil partnerships and legal protection from shops being able to put up signs saying "No gays allowed" were all yet to come. This far on, it is easy to forget how bitterly all those steps were opposed.

Research just this year from the University of Cambridge found that 54 per cent of young Scots who come out in their teens are driven to self-harm by the attitudes that they hear often every day. The issue should not divide religion and the secular; this is a division of opinion. In my constituency, there are five congregations that wish to perform same-sex marriages. This is not the middle ages. It is not for the state to choose sides. I look forward to supporting the marriage and civil partnership bill so that, in marital rights, we do not have to sit at the back of the bus.

14:59

**Jackson Carlaw (West Scotland) (Con):** We meet this afternoon in the shadow of the kerfuffle of the reshuffle of the Scottish Government. Never in the short life of this Parliament has the reception of a Government's programme been so lacklustre that the First Minister has felt it necessary to reshuffle his team within 24 hours of it being announced, but that is what we have seen today. I note that we are to debate the changes tomorrow afternoon and I look forward to commenting in my own way on some of the new ministerial appointments.

I want to congratulate Nicola Sturgeon on a personal level. She has been an effective cabinet secretary for health and I thank her for the courteous way in which she has conducted business. I have previously put on record the fact that I believe that she has proved herself to be an extremely capable pair of hands in a crisis, and I can therefore well understand why the First Minister has felt it necessary to put her in charge of the SNP's constitutional debate, such is the mess that has been made of it over the summer.

There are some worthwhile measures in the Government's programme. I look forward to the progress of the adult and social care integration bill. It has relatively few words in the programme, but I think that getting it through Parliament and getting it right will be a much more complicated matter than the simple title suggests.

The children and young people bill and the procurement reform bill are to be welcomed, and the Forth estuary transport authority bill seemed a sensible proposition at the point when we progressed the Forth crossing.

The land and buildings transaction tax might prove to be a difficult measure—any new tax is, and I will be interested to see exactly how the Government unfolds the detail of that, and what support for it can be found among the wider Scottish public.

The marriage and civil partnership bill, which Nicola Sturgeon has spoken courageously on, and which I understand that Alex Neil will take forward, is a bold piece of legislation. On a personal level, subject to the provisions of the bill, I hope to be supporting the bill as it goes through Parliament.

Yesterday, the First Minister described the initiatives as

"good things to do at any time".—[*Official Report*, 4 September 2012; c 10905.]

However, over the course of the summer, is that what the SNP's talk was full of in the briefings that it gave to the media? Was that the centre of its discussion? No. Its discussion centred on an internal row about the membership of NATO—oh,

how some of those rash heads must be regretting the bold stand that they took on that issue this afternoon. It was about the future of the BBC; Scolympia; and independence.

Yesterday, on television, the Cabinet Secretary for Finance, Employment and Sustainable Growth said that the Government was focused on the economy. Would that it were. It is clear from the reshuffle that we have seen this afternoon that the reshuffle and the Government are focused on only one question—independence—at the expense of the wider debate in Scotland.

Yesterday, the First Minister said:

"the people of Scotland recognise that Scotland's referendum should be made here in Scotland."—[*Official Report*, 4 September 2012; c 10902.]

But by whom? Not with the participation of the leaders of any of the other elected representatives in this chamber who, in trying to participate in the construction of a question, have been loftily dismissed; and not by members of the legal establishment, who were told by Mr Russell that they were nothing but a kangaroo court.

This is not a debate that has been shaped here in Scotland. This is a debate about Scolympia, being shaped on Mount Scolympos, for Scolympians, by McZeus, by the SNP, by Alex Salmond, who will decide this matter unilaterally, on behalf of the people of Scotland.

The only encouraging thing that the First Minister said on the issue yesterday was that he would be meeting the Prime Minister in a few weeks' time and would come to an agreement. I hope that we can come to an agreement sooner rather than later. I hope that we can have the debate sooner rather than later. I hope that we can have the vote sooner rather than later. What the people of Scotland want is a debate and a vote on a single clear question—the question that the SNP has a mandate to put: whether Scotland becomes an independent nation from the rest of the United Kingdom.

The Government's record on health is quite good. I paid tribute to Nicola Sturgeon before. I do not stand here as an Opposition politician and simply say that everything that the Government does is dreadful, because I do not believe that to be true. Some of its decisions—such as dismissing the outcomes of the Stracathro pilot, which were encouraging and perhaps offered a model, and the move to free prescriptions—are decisions for which there are consequences. I think that there is a fraying at the edges of the health service, with fewer nurses, and there are considerable challenges, regardless of the finance that is available to the NHS.

However, I would particularly like to see progress being made on cancer. The programme

for government states that the Government is keen to identify cancer in advance in order to try to reduce premature mortality. We advanced a proposal for a cancer drugs fund. Such a fund operates in England and some 12,000 people had benefited from it by January. I recognise that, although that remains our policy, it does not command support elsewhere in the chamber. However, we are in an era in which drugs are being developed that can potentially radically improve the life chances of people with diseases for which, for all our lives, we have hoped there would one day be a cure. I will write to the new cabinet secretary and see whether there is an opportunity to find some common ground between the parties and a way in which we can embrace the introduction of new technologies for the benefit of the health of the people of Scotland.

**Nicola Sturgeon:** I am sure that the new health secretary will be delighted to receive Jackson Carlaw's letter. Does Mr Carlaw agree that the biggest challenge around cancer is getting it detected much earlier? In that vein, will he join me in welcoming the groundbreaking new advertising campaign to encourage women to report earlier with symptoms of breast cancer?

**Jackson Carlaw:** Absolutely. Of course I welcome that.

The previous SNP Government was a minority Government that reached across the chamber. I think that history will judge it more favourably than this one. This Government has to be careful, because it is becoming belligerent and showing a lack of candour and an inability to accept error. It refuses to accept advice and is becoming arrogant and showing hubris. A focus on the agenda of Scotland must take precedence over a focus on an independence agenda for Scotland.

15:06

**Jamie Hepburn (Cumbernauld and Kilsyth) (SNP):** With all that talk about Scolympia, it is quite clear that Jackson Carlaw had been drinking Skol before he started to speak. I am not quite sure how to follow that performance, but I can say to my colleague Mark McDonald that it is quite clear that we can identify at least one shovel-ready project that Richard Baker is willing to support—I refer, of course, to Johann Lamont's leadership of the Labour Party.

I am delighted to be able to speak in the debate. Yesterday, it was interesting to hear criticism of the Government's programme as being somewhat legislation light. My understanding is that in any given parliamentary year an average of 12 bills are passed, but the Government programme includes 15 bills.

I found it interesting to read the 2011 debate on the programme for government. Jackie Baillie said, in criticism of the Government's programme:

"What about the bold measures that could have been brought forward to deliver a better integration of health and social care?" —[*Official Report*, 8 September 2011; c 1478.]

Iain Gray said:

"Why is there no reform of procurement?" —[*Official Report*, 7 September 2011; c 1384.]

Murdo Fraser criticised the absence of an independence referendum bill and John Lamont talked of the absence of legislation on victims' rights. What do we have this year? We have an adult health and social care integration bill, a procurement reform bill, a victims and witnesses bill and a referendum bill. I must have missed the welcoming of all those articles of legislation that were demanded last year and which were announced yesterday.

**Jackie Baillie:** Let me leave the member in no doubt that I do indeed welcome them, because where Labour follows—[*Laughter.*] I know, I know. As the member knows, where Labour leads, the SNP will follow.

**Jamie Hepburn:** What can I say? I very much welcome that intervention by Jackie Baillie.

I will consider in a little more detail some of what was said in yesterday's debate, then—I hope that I have enough time—talk about some of the specific legislation that I particularly welcome. It was interesting to hear criticism yesterday that the NHS budget has been cut by £300 million. Of course, we know that the NHS revenue budget has in fact been protected and that by 2014-15 we will see a record £11.6 billion resource funding for health in Scotland, which is £826 million more than was provided last year. That might explain why more people now are satisfied with Scotland's health service than in the 2005 Scottish social attitude survey under a previous Administration.

It was also interesting to hear the leader of the Labour Party talk about the Scottish Government policy on physical education being a sham. We know that 84 per cent of primary schools provide two hours of PE per week to all pupils, which is up from the figure under the previous Labour-Liberal Administration. We also find that 92 per cent of secondary schools are providing two periods of PE in secondaries 1 to 4, which is double the figure of 46 per cent in 2004-05, when the survey was last carried out. It is important to place those facts on the record because, as far as I am concerned, some of what we heard yesterday was, frankly, a travesty of public debate.

I turn to some of the specific pieces of proposed legislation in the programme for government,

beginning with the proposed marriage and civil partnership bill. I very much support the principles behind that proposed bill. The comments yesterday from Patrick Harvie and Willie Rennie—I appreciated the first half of his speech, if not the latter part—and today from Marco Biagi that the issue is about freedom of religion were well made, and we should reflect on them. We need to see the final details of the bill, but I look forward to looking on it sympathetically and I hope to be able to support its passage into law.

I also want to discuss the proposed children and young people bill because, during the recess, I became a father again. My experiences with my children make me all the more determined to support the ambition, which my friend Aileen Campbell has stated so often, to make Scotland the best country in the world to grow up in. That is a noble and well-stated ambition and surely one that we can all support. We should all unite around a bill that is designed to embed a new approach that is based on prevention, appropriate early intervention and child-centred service delivery. That proposed legislation is particularly welcome. The First Minister was right that the bill is all the more relevant in the context of the UK Government's welfare reform agenda.

This is not a specific part of the programme for government that was announced yesterday, but I also look forward to the regulations on passported benefits that the Scottish Government will introduce. Those will be important and I look forward to considering them as part of the Welfare Reform Committee.

The welfare reform agenda is a huge reason why the referendum bill is so important. With independence, we would no longer be subject to the vagaries of an unelected Tory Government with its welfare reform agenda and austerity measures. It is interesting to see the Labour Party getting involved in the better together campaign with a party that is taking forward such an agenda. I am sure that Labour members will come to rue the day that they got involved in that and I hope that, when we become independent, they will apologise to the people of Scotland.

15:12

**Ken Macintosh (Eastwood) (Lab):** I join in with the general welcome back to the new parliamentary year. I hope that everyone has had a good recess and an enjoyable break, if they had one. I was going to say that it is great to see everyone again, but that is probably stretching things a little far.

**The Minister for Commonwealth Games and Sport (Shona Robison):** Oh, thanks.

**Ken Macintosh:** It is great to see most members, Ms Robison.

Of course, the start of the new parliamentary year is an opportunity for the Government and Parliament to reaffirm our purpose and our sense of mission. It is a chance to refresh our thinking on where we are heading as a country, to consider our key policies and to think again about what we are trying to achieve—or, failing that, to have a reshuffle. I take this opportunity to congratulate Nicola Sturgeon and her colleagues Alex Neil, Margaret Burgess, Paul Wheelhouse, Joe FitzPatrick and Humza Yousaf on their ministerial appointments. I also offer my thanks to Stewart Stevenson, Bruce Crawford and Brian Adam for their substantial contribution to the Government over many years.

Equally important, the start of the new parliamentary year is an opportunity to assess our progress towards the goals of the Government. When looking back at the past five years of the SNP Administration, it is difficult for me to get a sense of progress towards anything other than a referendum on separation. When I was out and about on the doorsteps during the summer, as I am sure many colleagues were, there was absolutely no doubt that the economy was the number 1 issue on everyone's minds. There is scarcely a family in the country that has not been affected one way or another. People are worried about bills, petrol costs, wage freezes or cuts and their job security or lack of employment. Times are tough and too many people are feeling the pinch.

"Jobs" and "growth" were the watchwords of the Cabinet Secretary for Finance, Employment and Sustainable Growth, yet we are still not seeing economic growth and there are precious few jobs.

A survey out last week suggests that real unemployment—the joblessness that affects families and communities across Scotland—is far worse than the official figures suggest. Even for those in employment, too many are becoming part of the working poor and are stressed and struggling to keep their heads above water.

Our country is in the grip of a double-dip recession, but the only answer that the Scottish Government keeps coming up with is to ask Westminster for more money or to blame the Tory Government for everything. I am not saying that there are not problems emanating from the Tory Government, but surely we can do more with the powers that are at our disposal here in Scotland.

The construction industry—which should be the spark to get the economy going—is in the doldrums, yet the SNP's response in last year's budget was to cut £100 million from the housing budget. Unemployment is running at record levels. Youth unemployment in particular is a hallmark of

the recession and one that could scar a whole new generation, yet the SNP's answer has been to cut college budgets by more than £70 million.

In answer to Mark McDonald, I say that, yes, of course more capital to spend on shovel-ready projects would be a huge help, but why is the SNP delaying its own projects, which could be shovel ready, such as the sick kids hospital in Edinburgh? Why is it ripping hundreds of millions of pounds out of projects such as the Edinburgh to Glasgow improvement programme?

Even the programmes that are in the gift of Scottish ministers, such as the Forth crossing, could be used to better advantage in the Scottish economy. Instead, the droopy mantra that we hear repeatedly from the Scottish Government is that only independence will give us the levers of control that will allow us to reshape our economy. We heard that yet again from the First Minister yesterday and from the Cabinet Secretary for Education and Lifelong Learning today—that sounds to me less like a policy and more like an excuse.

**Nigel Don (Angus North and Mearns) (SNP):** I am delighted to see everybody back from the holidays because I am glad that we are all here.

Ken Macintosh has asked for expenditure in three more areas—which is to be commended—yet he has criticised the Government for saying that it wants more money from Westminster. Given that all our money comes from there, what would he want us not to spend money on so that we can balance the account?

**Ken Macintosh:** I also welcome Nigel Don back to the chamber—[*Interruption.*] And Christine Grahame—[*Laughter.*] Please stop now before we get to my—

**The Deputy Presiding Officer (Elaine Smith):** Yes, you are coming into your last minute.

**Ken Macintosh:** Mr Don says that the only thing that we can do is to ask for money from Westminster—surely that cannot be the limit of his ambition. If the Government were to grow the economy, more money would be generated. There are so many things that could be done to reshape the budget, but the whole point about the Scottish budget is that it is not designed to grow the economy, it is designed to appease popular sentiment.

**Nigel Don:** Will the member take an intervention?

**Ken Macintosh:** Not now.

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

**Ken Macintosh:** I suggest that promising jam tomorrow—independence in two years' time—is

no answer to the problems that the Scottish people are facing today.

Let me make it clear that there will be areas where the Labour Party will work with the SNP and the Scottish Government, such as on preventative spend, childcare and working to protect our NHS and to care for our elderly. We will work with the Scottish Government where we can. However, we need to remind ministers that the difficulties and unfairness that blight communities and families today need answers today, not the promise of jam tomorrow.

We need a Government that is driven by the need to get Scotland working again; to get people back into jobs and to ensure they are not paid poverty wages; to boost housing and construction and get the economy firing on all cylinders; to offer childcare to those who need it and education, skills and training to those who want it; to use the purchasing power of the Government to greater benefit; and to use all the powers of this Government and Parliament to build a better Scotland today.

15:19

**Christine Grahame (Midlothian South, Tweeddale and Lauderdale) (SNP):** I am delighted to see Mr Macintosh back.

To call the programme “legislation lite” is not doing justice to justice. The members of the Justice Committee will know that because they have three bills coming before them, and I will address those if I have time.

First—as referred to by Jamie Hepburn—is the victims and witnesses bill. The bill is important because it will enable support for witnesses from the point of the police investigation. That support should run not only through to the discharge of the prisoner—if proved guilty—but for a period thereafter. However, I have a caveat—it must always be remembered that the victim is the alleged victim and will be the prime witness until the case is proved beyond reasonable doubt by the Crown with a presumption of innocence. Sometimes we are sloppy in the use of language and we must always be wary of that.

However, there is no doubt that when people take the trouble to report to the police and end up in the court process, they become bewildered. They have no idea what plea bargaining is. Whispering goes on at the desk in front of the sheriff and somehow the case is discharged. They do not know what has happened and they do not know what the disposal is. That is still happening, despite years of trying to change it.

Sometimes, the alleged victim has no idea at the end of the court process what the disposal is.

The sheriff says something and, when they come out, they do not know what has happened. Sometimes, the case does not proceed on the day that they expected. That is all very unsettling for a witness and an alleged victim. It is important to deal with the issue, so that people feel free to come forward to report to the police in the first instance and to continue through the court process. They should also know thereafter that it is not an end for them and, if somebody is put in prison, they should know when that person is being released and what will happen in the community. Indeed, the committee will have a debate on the role of the media in dealing with court proceedings in criminal matters, because there are concerns about people being seen on television going into a court to give evidence, which might create difficulties for them in their communities.

The bill also contains the very important suggestion of a victim surcharge, which means that the accused has to pay for the distress or loss to the victim. In practice, that might be quite difficult to deal with, but it is important that we test the proposal out and possibly deal with it in legislation.

I think that the criminal justice (Scotland) bill will be quite controversial—it certainly is for me. My first comment about the Carloway recommendations is that they were the recommendations of Lord Carloway himself. Before the Justice Committee, he made it plain that they were not his committee's collective recommendations.

I have concerns about the abolition of corroboration. Sandy Brindley from Rape Crisis Scotland thinks that it will make prosecutions for rape much more successful, but I take a divergent view. If it is simply about the credibility of the accused and the credibility of the witness—the alleged victim—it is perfectly open to the defence advocate to conduct a rather brutal cross-examination of the alleged victim on behalf of his client. Some people will look like victims and some will not. Some people will look like rapists and some will not. In addition, we retain majority verdicts. Remember that the Crown must prove its case beyond reasonable doubt. If a member of the jury says—rightly, it is about credibility in such a serious case—“I have a wee bit of a doubt,” there may be many more acquittals or not proven verdicts. The issue for me is that we cannot take away corroboration without looking at majority verdicts and the not proven verdict.

I am not prepared, as a back bencher—I make this plain as the convener of the Justice Committee—to roll over on the matter. For me, if members forgive me for saying this, the jury is out on abolishing corroboration in serious cases. We

need to look at what has happened elsewhere, where there is no corroboration in serious cases. In such jurisdictions, there are unanimous rather than majority verdicts and there is no place for the not proven verdict. We must compare apples and apples, not apples and pears. It is time to have a really good look at the recommendation, bearing in mind that it was Lord Carloway's view alone, rather than the view of his entire committee. I do not know what its view was, but the recommendation was his view alone.

It would be unfair not to mention tribunals, which are very important in relation to mental welfare and private rented housing. I am glad that we will deal with the issue and make the tribunals more user friendly, because a lot of people feel out of their depth and unable to deal with day-to-day issues. Having said all that, surely what we are discussing belies the argument that for the next year this Parliament will not be dealing with serious issues that matter to ordinary people. We certainly shall.

**Drew Smith (Glasgow) (Lab):** On a point of order, Presiding Officer. Is it in order for so few members of the Government to be in attendance for the debate, given the serious and important concerns that the previous speaker just raised? The First Minister appeared to be present purely to have his photograph taken. The Deputy First Minister opened the debate today but has now left us.

**The Deputy Presiding Officer:** That is not a point of order, but it gives me the opportunity to remind members that this is the continuation of the debate. Members who have taken part should be in the chamber for the closing speeches.

15:25

**Mark McDonald (North East Scotland) (SNP):** Drew Smith's comment kind of made the point that I will make. The better together contributions to the debate have been a combination of the ad hoc, the ad hom and the ad nauseam. That was started yesterday by Johann Lamont's lamentable lament, which set the tone for today's debate.

Richard Baker told me not to be upset. I say to him that the only thing that was upset was my digestion while I listened to his speech. Apart from that, I am perfectly chipper, thanks very much, Mr Baker.

There is much to be positive and ambitious about in the legislative programme. It is unfortunate that the better together parties are trying to criticise a substantial legislative agenda. For example, Johann Lamont rather pooh-poohed the better regulation bill when she suggested that nobody would look back and welcome it in 50 years' time. That is a judgment call for her to

make, but she is obviously not speaking to members of the business community, who have welcomed the bill and who I am sure will have raised their eyebrows at her contribution.

I heard Patrick Harvie say that he hoped that the better regulation bill would not be simply a deregulation bill. It is important for the regulatory landscape to strike a balance—it must work for wider society and for business, to ensure that businesses are not inhibited unnecessarily. I am sure that the Government will bear that balance in mind as it introduces the bill.

I will focus a little on capital expenditure. The Government must bring forward projects where it can. It is restricted in doing so by the cuts—of 30 per cent since 2009—that are being brought to bear on the capital budget. To lever in funding, we are forced to ask Westminster to release more funding, as we have no borrowing powers. I say to Mr Macintosh that saying to Westminster, “Please give us more money,” is not a choice that we make; it is the only game in town as long as the money that is available to us is restricted.

In response to the reasonable intervention by my colleague Nigel Don, Mr Macintosh seemed to perform bizarre gymnastics of logic to say somehow that the limit of our ambition is to ask Westminster for more money. I am afraid that that is the limit of the ambition of the Labour Party, the Tories and the Liberal Democrats for this Parliament. If they have their way, that will continue to be the situation—the Parliament will continue to have to hold out its hands and say to Westminster, “Please, sir, I would like some more.” We want this Parliament and this nation to control their own destiny and to shape their own future by taking control of powers over capital expenditure and borrowing, of the levers of the economy and of welfare and pensions—things that matter greatly to the people whom Ken Macintosh and I represent and which are currently not in the Parliament’s competence.

**Ken Macintosh:** What would Mr McDonald do with any of the powers to which he refers? Would he borrow more money? Would he raise or cut taxes? Does he want control over the Bank of England and over the currency? I want to know what he would do with any one of the powers.

**Mark McDonald:** We have made it clear that we believe in sustainable borrowing to stimulate the economy through, for example, investment in shovel-ready projects, which create more jobs and increase the income tax take, because more people are in employment. That is a simple economic argument, for which I believe that Mr Macintosh’s colleagues south of the border are arguing in a pan-UK context, so I do not understand why he has such difficulty with it in a Scottish context.

I will describe the simple point that Mr Macintosh fails to realise and which Mr Don neatly nailed. As Labour Party members have stood up in the past day and a bit, I have listened carefully for suggestions of areas in which to reduce spending in order to increase spending for their pet projects and other areas in which they wish spending to be increased. I have yet to hear a single suggestion. That is simply not credible for an Opposition that aspires at some stage to be the Government again. It is Labour’s responsibility to present itself as a credible alternative and, in order to do that, it must demonstrate that it would be able to spend the money that is currently allocated to the Scottish Government in what it perceives to be a more suitable way.

**Margo MacDonald:** Will the member give way?

**Mark McDonald:** I will in a second.

Labour members cannot simply stand up and tell us to spend more money on colleges and housing without, as a consequence, telling us to spend less money on this or that. That is simply pulling the wool over the eyes of the Scottish people and assuming that there is some money hidden somewhere. Maybe there is a money tree in East Renfrewshire and Mr Macintosh could take us to it later so that we can harvest it and use it to pay for some of our priorities.

I give way to Margo MacDonald.

**The Deputy Presiding Officer:** Very briefly, as the member is closing.

**Margo MacDonald:** I will be very brief. There is an alternative—we could be a parish council.

**Mark McDonald:** I hear Tony Blair’s description of this place echoing in my head.

The referendum ties all of this together. Only by gaining full control of the powers of our nation can we drive it forward to a better future, taking control of welfare, pensions, capital expenditure, foreign affairs and defence—things that matter fundamentally to the people whom we represent. We have demonstrated over the lifetime of this Parliament that we can run health and education—there is no reason why we cannot run those other things. That is why we need to be an independent Scotland.

15:31

**Neil Findlay (Lothian) (Lab):** I am afraid that the First Minister’s speech yesterday will have reinforced the belief among a growing number of people outside the chamber that politicians and those whom they represent live in different worlds. The reality of life in Scotland is not the nirvana that the First Minister attempts to portray. Contemporary Scotland is a pretty ugly and brutal

place for people who are out of work with no savings or who are ill, disabled or vulnerable. It is a place where almost a million Scots live in relative poverty and 160,000 children live in absolute poverty. It is a place where 650,000 households are experiencing fuel poverty at the same time as the six big energy companies are making £15 billion in profit—and the situation is getting worse through Scottish Government inaction. Do not take my word for it; listen to Brenda Boardman, the person who coined the term “fuel poverty”. This week, she criticised the “feeble, inadequate and namby-pamby” approach of the Scottish Government in tackling increasing fuel poverty.

**Mike MacKenzie (Highlands and Islands) (SNP):** Will the member give way?

**Neil Findlay:** Not at the moment.

Scotland is a place where, in our most deprived communities, people are living almost 19 years less than those in affluent areas. It is a place where, for those who are in employment, wages are cut or at best frozen, conditions are reduced and rights at work are threatened. It is a place where people are going without food, as Citizens Advice Scotland reported this week, and where we see the demand for food parcels dramatically rising.

It is a scandal that we sit here, in this very comfortable building, on our very generous salaries, and there is no national outcry—no coming together or genuine collective effort—to bring people and parties together to concentrate our efforts on providing for the most basic needs of our people, especially through the provision of nutritious food.

**Kevin Stewart:** I do not disagree with anything that Mr Findlay has said. I live in the 35th poorest data zone in Scotland, which is in Aberdeen—some folk do not believe that. Does Mr Findlay not agree that, in order to tackle many of the issues that he has raised, including taxation of fuel companies and various other things, we need the levers of power here? To deal with the things that he wants to see righted and which I want to put to rights as well, we need those powers. We could do better. Why is he quite happy for Westminster Tory Governments to control the reins of power on those important issues?

**Neil Findlay:** If Mr Stewart is correct, why were those things not among the First Minister's six big demands when he went to meet Cameron after the election? Why did he not demand the power for the Scottish Government to take action on poverty issues? What did he prioritise instead? Broadcasting, to get his mug on the telly more often.

**Joan McAlpine (South Scotland) (SNP):** Will the member give way?

**Neil Findlay:** Not at the moment—I could not bear it.

If this Parliament does not act on this issue, it betrays the mandate that it was given when people supported its establishment in the first place. The words on the mace at the front of the chamber are no more than window dressing for tourists. That is Scotland's real shame and not one word in the legislative programme will address it.

In his speech, the First Minister made great claims about the economy and employment, but, in the real world, youth unemployment in towns and villages in my region is running at 30 per cent. Such levels have not been seen since the 1980s. Seventeen hundred workers—and many more in the supply and contractor chain—will be threatened with the dole if the Dutch multinational closes the Hall's meat processing plant, and that is not to mention the knock-on impact on the agricultural industry. Nevertheless, I give credit to the Cabinet Secretary for Finance, Employment and Sustainable Growth, who has been very active on this front.

Looking back at last year's legislative programme, I remember being told that the Government's top priority was to accelerate the recovery, boost jobs and promote economic security. It was claimed that capital investment had increased construction jobs by 11.6 per cent, compared with a 0.2 per cent drop across the rest of the UK. This year, Scottish construction jobs have fallen by 6.6 per cent, while there has been a 1.8 per cent growth in such jobs in England and Wales. Sole traders, small businessmen, joiners, painters and roofing contractors—many of whom I have previously worked with—tell me that they have never seen the construction industry so bad. This is the reality of the world out there.

The First Minister tells us that he is creating demand by freezing council tax, but the hard facts are that 27,500 public sector jobs are being lost and a centrally imposed tax freeze is exacerbating service decline. What demand are those redundant workers who cannot spend money on food, clothing or services fulfilling? How does a strategy of mass public sector job loss square with the stated priority of providing economic security? Although we are told that the no-compulsory-redundancy policy will continue in the NHS and Scottish Government, nurses and civil servants are flying out the door. If the Government is so serious about no compulsory redundancies, it should let the chamber legislate for the policy.

**The Deputy Presiding Officer:** Please come to a conclusion.



**Neil Findlay:** With regard to procurement, Patrick Harvie raised the issue of tax avoidance and we need to come back to that during scrutiny of the procurement bill. Finally, I have to ask why it needs a Labour MSP to introduce a member's bill on the living wage when the SNP Government knows that it can bring in the measure but, instead, chooses to hide behind EU directives.

15:37

**Clare Adamson (Central Scotland) (SNP):** The last speakers in a debate are always worried that some of their speech might already have been covered by other members. However, this afternoon's debate has been very interesting. I was particularly taken with Jackson Carlaw's Scolympia and Mount Scolympus. At first, I thought that he was moving a bit far from the Government's programme, but then I realised that Mount Olympus is a place far from here, where the fate of individuals and nations is changed at the whim of a select few elite individuals who are far removed from the mere mortals whose lives they affect and who have no mandate to do so. Perhaps, then, he was quite close to the mark.

I am, of course, very excited about the referendum bill, because it gives us an opportunity to discuss and debate the issue and engage with all Scotland's people on the type of country we aspire to and the type of constitution that we want to live under. However, I want to concentrate on what this Government is doing and delivering for Scotland's young people.

Over the past two days, the debate has varied in tone and content. However, listening to the speeches, I have become increasingly surprised at the rewriting of history by, and the somewhat collective amnesia of, some of those on the opposing benches and have to wonder what message some of the comments made in the chamber yesterday are sending to our young people, our teachers and our parents.

The delivery of more than 25,000 modern apprenticeships is a success story. Every one of the 26,427 young people in modern apprenticeships in 2011-12 should be congratulated on their commitment and dedication to the training that they have undertaken to reach their goals. Grahame Smith, general secretary of the Scottish Trades Union Congress, has said of apprenticeships that they

"offer a real chance of a job and a decent future. And few would argue that, with two-thirds of people in work given no training by their employers, it is a good thing to at least offer them the chance to train and gain a qualification through an apprenticeship."

**Neil Findlay:** Will the member give way?

**Clare Adamson:** Yes, please.

**Neil Findlay:** To make a serious point, does the member accept that there is a real difference between an apprenticeship and vocational training?

**Clare Adamson:** Of course there is, but the modern apprenticeships are defined as such—modern apprenticeships. Attacking the fact that young people in work are taking up that opportunity sends out a message that they are somehow a different class of apprentice, somehow undeserving of their position, when we should be celebrating them. What is worse is that we are sending out a message that that opportunity is costing another young person a job, which is simply not true. We should be celebrating all our young people who are taking advantage of the modern apprenticeship programme.

I also make it clear that the modern apprenticeship programme exists and runs under the same terms and conditions as it did under the Labour-Lib Dem coalition. In 2006, when Labour was in power, 49 per cent of apprenticeships were given to young people who were already in work. Under this Government, the most recent figure for apprenticeships given to 16 to 24-year-olds who were already in work is 23 per cent, so to claim that somehow we are fiddling the figures or doing anything inappropriate is simply not true.

There also seems to be a bit of confusion among Labour members about council tax in particular, which was mentioned by Mr Findlay today and by Hugh Henry yesterday. Labour stood under a manifesto commitment to maintain the council tax freeze, but yesterday Hugh Henry called into question why we have universal benefits such as the council tax freeze, free prescriptions and free personal care.

In what was almost an aside in his speech, Mr Henry also commented that current nursery pupils would be lucky if the curriculum for excellence was being delivered when they were university students. What message does that send out to our young people who are currently studying and preparing for their exams in the curriculum for excellence, to their parents and to the teachers working hard to deliver the curriculum for excellence? It is fit for purpose and we should commend our teachers and the people who are delivering it. I wonder what message Mr Henry's comment sends out to Labour North Lanarkshire Council, whose educational director has commented in the press that the council is going to be in a position to deliver the curriculum for excellence. What irony to cast doubt on the delivery of the curriculum when, in March, Mr Henry stood in this Parliament on a motion to delay the curriculum for excellence even further.

Mr Findlay mentioned the rights of workers in his speech—what trade union legislation did Labour reverse in its 13 years in power?

The Government is committed to our young people. The children and young people bill will be transformational for the young people of Scotland. By providing £274 million to support early years, implementing the curriculum for excellence, implementing a national domestic abuse delivery plan to help our most vulnerable young people, rolling out family nurse partnerships for our youngest and most vulnerable people, and introducing minimum pricing for alcohol, which will tackle some of the problems that blight our young people—

**The Deputy Presiding Officer:** Will the member come to a conclusion, please?

**Clare Adamson:** Westminster has delivered for us Thatcherism, the de-industrialisation of Scotland, the poll tax, illegal wars, nuclear weapons and the Trident replacement. However, Labour seems to have written out things such as the 10p tax rate, which attacked the most vulnerable and low-paid workers in our country.

15:44

**Paul Wheelhouse (South Scotland) (SNP):** I whole-heartedly commend Clare Adamson for her excellent speech.

One of the most powerful motivations for us all as parliamentarians is to secure the brightest and best outcome for the nation's children and to ensure that they grow up in communities that are safe, secure and offer opportunities to them regardless of their backgrounds.

Throughout my 19-year career prior to entering Parliament, I took a keen interest in the role of tertiary education in facilitating economic development and social mobility. We are often told that information is power, and that is absolutely true. A well-informed population that is given a good quality of education is an empowered population with empowered communities. It is therefore crucial that as a Parliament we focus on ensuring that education provides the people of Scotland with the opportunities to equip themselves with the vocational and life skills that they need to succeed. It is for that reason that the Government's post-16 education reform bill is so important.

On the form of governance, in a previous life I was involved in reviewing the governance of Scotland's colleges, and I whole-heartedly endorse the intention of creating better links with employers, communities and stakeholders because there have been weaknesses in the Scottish college sector in the past—although they

were not deliberate but a result of the structures within which the colleges were working.

I was pleased to hear that Borders College has been designated as a lead college within the Scottish Borders region and is not to be absorbed into a larger region. That was warmly welcomed locally, and it gives local stakeholders the opportunity to work with their local lead college in delivering skills that the Borders economy needs.

As Marco Biagi outlined, widening access in the post-16 learning world is vital. We must recognise the fact that the secondary sector does not work for all pupils. We know that the traditional learning environment does not provide the right methodology and context for many. The tertiary sector is therefore crucial because it can provide a second chance for the achievement of those people's hopes and dreams.

I am also proud of the Scottish Government's commitment to 25,000 modern apprenticeships and its delivery of more than 26,000 modern apprenticeships in the past year. As other members have said, all those apprenticeships are linked to an employment opportunity.

I am proud that the Scottish Government has committed to a capital investment programme that includes a new campus for Kilmarnock College. That is a vital investment following the transfer of jobs from Kilmarnock to Fife.

I have seen for myself the fruits of investment in the Borders with the development of a highly successful modern apprenticeship programme in the textiles sector. It was organised by the Scottish Borders knitwear group training association and is already providing 100 apprenticeships in a fragile rural economy. I hope that it will be an example for others.

Opportunities for all, with its guarantee to those in the 16 to 19 age group, is a tremendous commitment to Scotland's young people. The appointment of Angela Constance as Minister for Youth Employment and next week's summit on women's employment in partnership with the Scottish Trades Union Congress show the importance that the Scottish Government is placing on unemployment among young people and women, with both groups being adversely impacted by the UK Government's austerity programme and welfare reform.

I am going to disappoint Ken Macintosh slightly by referring to independence. The austerity programme and the lack of action on capital investment—one of the means that the Labour Party identified by which we could tackle the economic decline—are very important and could be tackled through constitutional reform. We could also address the cuts to services that impact on Scotland's budget through constitutional reform.

Welfare reform and its impact on children and other vulnerable groups, particularly the disabled, veterans, families on low incomes and young people, can also be addressed through constitutional reform.

**Ken Macintosh:** If this independent Scotland adopts the Bank of England as the lender of last resort, and it sets the borrowing requirements for Scotland, how can we borrow more than the UK Government is currently giving us?

**Paul Wheelhouse:** It is extraordinary for Ken Macintosh to talk about the Bank of England when we have no say in its monetary policy and the interest rates that apply in Scotland. We are talking about a situation in which we would have enhanced powers and more say about the interest rates that are set in the UK. *[Interruption.]*

**The Deputy Presiding Officer:** Order, please.

**Paul Wheelhouse:** My colleague Fiona McLeod says that anything is more than nothing; that is quite true.

Clear education policy differences are emerging between Scotland and the rest of the UK. There is clear water between the UK policy and the approach that we are taking in Scotland, which is about access to education being based on the ability to learn and not the ability to pay. Ken Macintosh and other members referred to college budgets, but they seem to have a lack of humility around the fact that colleges in the rest of the UK are suffering a 7 per cent greater reduction in their budgets than colleges in Scotland. If the Scottish Government had passed on the Barnett consequential in full, I am sure that the Labour Party would have criticised us for that. The Scottish Government has made a smaller reduction in college budgets and is doing everything it can to sustain capital expenditure in the college sector through non-profit-distributing finance.

England has £9,000 per annum fees for English domiciles, whereas in Scotland we have £0 per annum fees for Scottish domiciles. We also have a commitment to a minimum student income. I would have expected a party such as the Labour Party, which believes in social democracy, to strongly support those aims.

I am conscious that my time is passing but I just want to talk about the independence referendum. We have to lift ourselves out of the debate that we had yesterday, when I felt that we dug ourselves into a hole and there was in-fighting between the party groups. We need to look at the benefits that constitutional reform could bring. We are looking for the Labour Party and others who claim to believe in home rule to provide an alternative to the dire message that they produced yesterday.

15:50

**Margo MacDonald (Lothian) (Ind):** Christine Grahame showed why we should not talk all the time about the referendum. She talked about serious stuff that has to be tackled now. By the way, in my opinion Lord Carloway was wrong and Christine Grahame is right about corroboration. However, that is only one bill, and there are umpteen bills in the Government's programme that require our attention.

People outside the Parliament are not living for every wee discussion on devolution. They are fed up with hearing them. They want to know what is going to happen, because there is so much pressure in their lives and they fear so much for their children's futures. We should get on with what we can do and make the best job of it, and we should reserve a space to discuss what might be.

Ken Macintosh, who gave a thoughtful speech, suddenly bobbed up and asked Paul Wheelhouse what he was going to do about the Bank of England. The answer is nothing, because if we are independent we will not have a currency that is the English currency or the Bank of England determining our rates of borrowing. I think that we should have something called the Scottish dollar, because that will be a petrocurrency. It will be serious and it will be controlled in the interests of Scots, in Scotland and by Scots.

**Neil Findlay:** In the same vein, I wonder whether Margo MacDonald has had a discussion with Mr Russell on the Government's front bench, who thinks that we should have the ducat. Where I come from, that is where you keep your pigeons—but Mr Russell has a different view. I wonder what Margo MacDonald thinks of that as a currency.

**The Deputy Presiding Officer:** Before I call Margo MacDonald, I ask members on the Government's front bench to take their conversations outside.

**Margo MacDonald:** I wonder who is speaking.

Was it a ducat? I think that it is a ducat that Mr Russell would want, which I think was a medieval coin. If we decide on that, that is fair enough, but I will go for the dollar. It is a bit more modern and it shows an intention to mix it in today's world.

We took a debate that was meant to be about the Government's economic programme and we allowed it to be overshadowed by the referendum. It is going to be difficult not to have that situation, because a parallel argument runs alongside everything that John Swinney does when he produces his spending plans.

I note the Government's economic strategy is due to be published later this month, and I hope it will separate the reality from what each side in the

referendum is promoting, because that is what is confusing people outside this building. We should not kid ourselves that people have a clear notion of where the demarcation lines lie between devolution and independence or sovereignty. They are not sure about these things and we need to explain them, and it is not fair to take up the time that should be spent attacking the problems of poverty that folk are experiencing now.

We know it is impossible to do all that work on our own. Johann Lamont is far too honest a woman to try to make out that everything to tackle poverty can be done in this chamber. She said yesterday that she was concerned that we are not doing as much as we could do with the limited powers we have. I am with her on that point—we should be doing more—but we should not be kidding on that that would amount to the best we can do.

We can do very much better. If we cannot, it means that the people who live in Johann Lamont's constituency will be thirled to a life of misery, dying earlier than anyone else and with their children having worse health records than anyone else—the worst social statistics in the United Kingdom. That is the record of the union as far as the people living in her constituency are concerned, and she cannot on her own, using the powers of this place, reverse that. She wants to tackle poverty, and I want to help her because it is my fight as much as hers. We have failed to stand up for these people through the British system.

That is why I was very sarcastic about the better together and the better Britain campaigns and so on. There is a case to be proved. If the SNP is being asked to prove the case for independence, the people who support the union must prove the case for the union being a better option. We have the present record to judge it by and it does not come out looking very well. Jackson Carlaw knows that perfectly well. The record of the union does not look good, whether on social policy or economic policy. I give the member the chance to correct me and to tell me how it is. [*Interruption.*]

**The Deputy Presiding Officer:** You have one minute left, Ms MacDonald.

**Ken Macintosh:** In the absence of an intervention from Mr Carlaw, I have a question for Margo MacDonald: was the NHS a creation of the union or a creation of Scotland? It is a creation of us all, and a benefit to us all.

**Margo MacDonald:** That was then and now is now. I give full credit to the people who created the national health service. I can see why, after two world wars and the provision that was available at the end of the industrial revolution, there was a coming together of the interests of working-class people—poor people—across the

kingdom, but we have now reached the stage at which those groups are being denied the best possible remedy because we have allowed the institution to become something of a false god.

**The Deputy Presiding Officer:** I must ask you to come to a conclusion.

**Margo MacDonald:** Ken Macintosh and I must discuss this much more, later.

15:56

**Bob Doris (Glasgow) (SNP):** It is a pleasure to take part in the debate, and I would like to help out the Labour Party. I thought that it was the job of an Opposition party to scrutinise the legislative programme, but Labour Party members have singularly failed to do that at any point over the past two days. I will talk about the legislative programme that is before us, unlike Labour members, who have been more obsessed with the constitution than SNP members have been, which is quite remarkable.

We have 15 pieces of legislation before us. First, I want to look at the rights of children and young people bill. I welcome the bill and, in particular, how it will build on the 20 per cent increase in nursery provision for three and four-year-olds that has been delivered since 2007. It will guarantee a statutory minimum of 600 hours of childcare per year, which once implemented will represent a 50 per cent increase in nursery provision since 2007. That level of growth is remarkable, and we should all welcome and support it.

Some people have levelled the accusation that there might not be a need for legislation, but I believe that it is because childcare must be practical and flexible to maximise the benefit to parents, to children and to the economy that we must legislate. We must ensure that, when local authorities deliver that childcare, they meet their responsibilities to provide it in a flexible way. That is why I believe that legislation is necessary. Therefore, I will follow that aspect of the bill closely, to ensure that such flexible provision is offered to our communities.

I also welcome the move to include vulnerable two-year-olds within the ambit of such nursery provision. Labour members were shamefully disparaging of that move and demanded more provision without highlighting how any additional provision could be funded. It is not the job of the Opposition to do that. I strongly believe that expanding early years provision is the right thing to do and that the Scottish Government's move to provide childcare for vulnerable two-year-olds should be welcomed.

That move can, of course, be built on. I would be keen to know whether there is any prospect of the £18 million for families from the early years change fund that was announced yesterday being used to extend the provision of early years childcare for two-year-olds in some areas of the country. Another avenue that is open to the Scottish Government when it comes to identifying a potential funding stream is to consider using some of the European structural funds for the period 2014 to 2020 to help to deliver additional care for two-year-olds—if Parliament chose to do that.

I would be keen for such an approach to be piloted in a small number of deprived areas in Scotland, and I can think of areas in north Glasgow that would be ideal for such a pilot. I fully accept that, in difficult financial times, the lion's share of such funds is likely to go to attempts to boost employment and infrastructure, but a long-term approach to early years investment could be partly funded from any pot of cash that is spent between 2014 and 2020.

I therefore welcome the rights of children and young people bill, which, importantly, will also make provision for a new kinship care order. I will follow the bill's progress through the Parliament and will help to scrutinise it carefully, which the Labour Party does not seem to be capable of doing.

I also welcome the integration of adult health and social care bill, which is essential to break down the barriers to integrated provision that are often spoken about but not always acted on. Those barriers are often budgetary—I will come back to that in a second—and cultural. It is vital that the public money that is used to support our ageing population is used to keep people happy and healthy in our communities and in their homes for longer. Issues related to when older people are discharged from hospital—indeed, their early discharge from hospital—need to be addressed. Does cost shunting go on from time to time? Many people think that there is cost shunting between local authorities and health boards.

The money that it costs to look after an older person in hospital, at home or in a residential care facility should ideally come from the same budget, and services and budget should be seamlessly integrated. Under the legislation, that will happen. Of course, community health partnerships were supposed to take that forward but, despite some efforts, there has been cultural resistance and progress has been slow.

Placing such integration on a statutory footing is vital to drive change. With Scotland's over-65 population set to rise by 62 per cent by 2031, and the cost of health and social care predicted to rise by an additional £2.5 billion over the next 20

years, it is important such integration happens, and happens very soon. There is no other option.

I was genuinely disappointed that when the ruling administration in Glasgow looked at health and social care integration last week it was seethingly negative towards it. It identified two aspects that it did not particularly like, which were integrated budgets and accountable officers in charge of the money. It was shying away from those two things, which are fundamental to making the integration of health and social care work and on which Jackie Baillie—Labour's health spokesperson in this chamber—agrees with the Scottish Government. I ask Ms Baillie and her national Labour Party colleagues to have a word with Glasgow City Council. We need that council to be on side for health and social care integration, or it will let down the constituents in Glasgow whom I represent, which would be simply not good enough.

I hope that we have some positive and constructive scrutiny of the Scottish Government's legislative programme. If Labour cannot provide it, I will be happy to do so. Labour should really reflect on its attitude over the past two days.

16:02

**James Kelly (Rutherglen) (Lab):** I welcome the opportunity to take part in this afternoon's debate.

After all the hype and spin at the weekend, there is no doubt that the programme that has been brought before us is a triumph of process rather than progress. Nobody in the Parliament will disagree with a programme that introduces better measures for procurement, improves the bankruptcy process and stands up for the victims of crime, but this programme fails to look at the substantive issues on the ground, as Margo MacDonald identified.

What does the programme say to the people in the country—the young people in my constituency who have been unemployed for six months or more, the family who stay in an overcrowded house and cannot get suitable accommodation, and the pensioner whose appointment has been stuck in the bureaucracy of the health service? The answer, from many of the SNP members over the past couple of days, is, "Give us independence. Take us to the land of milk and honey, and everything will be okay."

Look at the process of the referendum bill. The SNP has been in power for five years, and it has taken five years to bring a draft bill to the Parliament. Then we hear that it will be two years before we actually get a vote on independence. Where are all the zealots? Where are all the

principled nationalists? It appears that the bravehearts on the SNP benches are bottling it.

**Mark McDonald:** It is interesting that Mr Kelly seems upset that the referendum bill is taking so long to introduce, given that his party has continually said that we should be focusing on government rather than the constitution. Surely that is a non-sequitur.

**James Kelly:** Since the election, we have consistently said that the issue must be brought forward and resolved, to end all the uncertainty. The sooner that happens, the better.

Let me talk about the priorities of the people of Scotland. There are real concerns in communities in our constituencies. There are families who are £1,200 worse off than last year. Long-term youth unemployment has increased by 270 per cent—*[Interruption.]* That is not something to chuckle about, Mr McDonald. Calls to housing charities have gone up by 40 per cent recently. In my constituency, people on the waiting list for the Rutherglen and Cambuslang Housing Association face an 18-year wait, yet the housing budget has been cut by £100 million.

**Paul Wheelhouse:** Will the member give way?

**James Kelly:** Not now.

Housing is an example of a portfolio area that could make a real difference to the economy. Some 12,000 workers have lost their jobs in the construction industry. More investment in housing would provide not only jobs for those construction workers but more housing for the people in my constituency who are struggling to find adequate housing.

**Margo MacDonald:** I absolutely agree with the member, but there is a difficulty. In Edinburgh, a scheme to preserve the old buildings is waiting to be rolled out, which would create new jobs for stonemasons and so on. The plan is to have more apprenticeships, but nobody wants them—people who have or want to have the skills are not coming forward to fill the jobs. What do we do about that?

**James Kelly:** We need the Scottish Government to bring forward a proper apprenticeship programme to address such issues.

In relation to the £100 million cut to the housing budget, I want to deal with SNP members' questions about how programmes could be funded. Let us be clear: the Scottish Government is wasting a lot of money. We heard recently from Audit Scotland that £133 million has been wasted on information technology projects that have had to be closed early. During the summer, the NHS spent £2.6 million on spin doctors, which includes £0.5 million spent by NHS Lothian. What a great success that was—not.

The priority in the legislative programme should be to look at the forthcoming budget bill and use the armies of civil servants that are available to ministers to identify where money is being wasted, so that the Government can bring forward a proper programme that will address the country's needs, consider issues such as youth unemployment, tackle the housing crisis and make a difference to the people of Scotland.

**The Deputy Presiding Officer:** Before I call Maureen Watt, who will be the final back-bench speaker, I advise that members who participated in this debate over both days ought to be present for closing speeches, unless they have given the Presiding Officer prior notification of absence.

16:08

**Maureen Watt (Aberdeen South and North Kincardine) (SNP):** I am delighted to speak in the debate and to have listened to all the speeches, but I cannot understand the negativity of Opposition speakers—bar a few. Labour speakers tried to convince themselves that the SNP Government has done nothing and will do nothing but concentrate on the referendum and securing independence. I politely suggest that it is the Opposition parties who are obsessed with independence, given that they raise the issue in the Parliament more often than SNP members do.

Let me remind members of a few of the SNP Government's achievements. In relation to justice, most adults rate their neighbourhood as a very good place in which to live. That continues a rising trend, and the success is due in no small part to the fact that we have maintained the presence of 1,000 extra police officers, which has led to the lowest crime levels since 1975.

In health, the majority of people—there has been a rise of 16 per cent since 2005—are either very satisfied or quite satisfied with the way that the NHS runs, and a record 4 million people are registered with NHS dentists, including 99 per cent of six to 12-year-olds. That is a real achievement that is very welcome, especially in the north-east given the shambles that we inherited in the area from the previous Labour-Lib Dem coalition Government.

In housing, the Government has exceeded its target to deliver 6,000 affordable houses. In 2011-12, the figure was 6,882.

In education, a record number of school leavers qualified to at least standard grade level, and a record number of school leavers are in positive destinations. A record 22,292 young Scots will go to university in Scotland this year, and Scotland is one of only three European countries to increase investment in higher education.

On the environment, there has been continued investment to make Scotland greener and in our agricultural sector to provide food and drink. Those exports are at an all-time high.

The concentration on early intervention and preventative spend is making a real difference to many families, and the programme that the First Minister announced yesterday will continue to make Scotland safer, healthier, smarter and greener.

Perhaps the Labour Party does not like to hear about that progress, but the public do. Let me remind the Labour Party of its most recent poll ratings. The SNP is on 47 per cent, which is up 2 per cent, while Labour is on 32 per cent—that figure has not changed. Some 71 per cent trust the Scottish Government to act in Scotland's best interests.

Even in the current economic climate, business confidence in Scotland is the highest in the UK. It used to be the case that, if England caught a cold in recessionary times, Scotland would get the flu. John Swinney's shift of money to capital spend has made a real difference. That is why it is so important that money is released from the UK Government for shovel-ready projects.

That business confidence and other confidence among Scots do not automatically happen. The Scottish Government is creating the conditions for business in Scotland. The confidence comes from the Government but also from other organisations, such as the Aberdeen city and shire economic future, which drives the economy of the north-east. We are all judged by our actions rather than our words. Labour politicians in Aberdeen threaten to pull the funding from that body precisely because it is driving economic growth. Perhaps Richard Baker—who is not in the chamber at the moment—might have a word with Ms Eagle and stop her decrying an Aberdeen-based business for winning a contract in the rail industry. Just what is it that the Labour Party has against Aberdeen? Aberdeen is the economic driver for Scotland and the UK. There are jobs aplenty in the oil and gas industry.

I am not saying that there is not much more to do—of course there is—but we are making progress with one hand tied behind our backs. As Kevin Stewart has said, it would be great if we had both hands on the levers of power.

What does the Opposition want to do? It wants simply to continue chugging along with mediocrity, while the SNP Government wants drive and ambition for our country.

The status quo is not an option. Yesterday, we were told on the radio that

“three quarters of the pain still lies ahead with widespread cuts to spending and benefits likely to have a bigger impact on voters' wallets than the tax rises and reduced investment to date.”

Britain's recovery from the financial crisis is slower than that of other countries. Apart from the Italian economy, the British economy is the only one of the world's 20 biggest economies back in recession and, to our shame, the UK is the fourth most unequal country in the world. Instead of supporting hope and ambition for Scots, Labour members are in bed with the Tories to maintain the status quo and support worsening conditions for our citizens. Shame on them.

**The Deputy Presiding Officer:** We are about to move to the closing speeches, but members who participated in the debate yesterday are still missing. I would be grateful if they could return to the chamber, unless they have previously notified the Presiding Officer of their absence.

16:15

**Liam McArthur (Orkney Islands) (LD):** Like others, I congratulate those who have been promoted to ministerial office today. Like Kenneth Macintosh, I acknowledge the contributions of Bruce Crawford, Brian Adam and Stewart Stevenson. I have always found each of them extremely approachable and willing to listen, even when we have agreed to disagree. I thank them for that and wish them well.

I also put on record my condolences to Astrid and the rest of the Gorrie family. As Willie Rennie reminded the chamber yesterday, Donald Gorrie was a parliamentarian who enjoyed the respect and friendship of members across the chamber for the work that he did. Although Government special advisers were never his favourite species, I am grateful to Donald for the courtesy that he showed me when I was in that role and for his advice and support upon my election in 2007. He will be greatly missed.

Of course, Donald Gorrie would have approved of the Government's plans to introduce legislation on same-sex marriage—not, as Willie Rennie quite rightly observed, so that the state can dictate what happens, but so that we can provide the churches and celebrants with the freedom to conduct same-sex marriages, where they are currently prevented from doing so.

I know from my own mailbag the strength of feeling that exists on the issue. It has not been an easy decision. However, for the reasons that Marco Biagi powerfully set out this afternoon, it is the right decision, and I congratulate Nicola Sturgeon on the way in which she has handled it. It is a shame that she is to be denied the opportunity to pilot the bill through Parliament. I

think that her removal from health to concentrate on the referendum will strike many people in Scotland as indicative of where the SNP's priorities now lie. That is not to dispute the importance of the referendum or the debate leading up to it, but the decision illustrates the problems that have been created by the First Minister's determination to delay until 2014 a decision that, as Margo MacDonald warned, has come to dominate every debate and every issue that we consider in the Parliament.

Some members have commented on the impact that the delay is having. Other members will dispute that and say that the on-going uncertainty is having no effect at all. However, I do not think that there can be any doubt about the extent to which the issue hangs over the work of the Government and, by extension, the Parliament in a way that ensures that other issues and other priorities struggle to get the attention that they deserve.

The SNP's result in last year's election was remarkable. However, one of the crowning achievements of last May was Mr Salmond's success in persuading many Scots voters that they could safely vote SNP without the need to support independence. Although that helped to deliver a dramatic result for Mr Salmond last May, it has left him with a problem ever since. Despite the SNP's success, support for independence has remained static and has even fallen back in recent months. As a consequence, the First Minister has spent more of the past 16 months arguing for a second question that he does not support than for the independence that he does.

Indeed, as Willie Rennie and others have said, over the past 16 months independence has been redefined at a rate of knots, with ever-larger swathes of the British state being clawed back into Mr Salmond's vision of an independent Scotland. It has even got to the stage where a number of Mr Salmond's back benchers have started to come out over the summer and publicly question the leadership's actions. Retribution could be severe, and some of the NATO rebels may yet find themselves playing more of a supportive role in the construction of the new Forth crossing than they might wish.

Of course, following the reshuffle, Alex Neil will now have no hand in that project. I wish him well in his new role, and am grateful to him for the way in which he always engaged in the issues in his previous post. Procurement was key among them, and I welcome the Government's intention to bring forward a bill on that issue. An urgent rebalancing of the procurement process is needed to enable more of our small and medium-sized businesses to bid competitively for public contracts. That need not result in higher costs, and achieving it will be

good for jobs and wealth creation in communities across Scotland, including my own. Nevertheless, Mr Neil has raised expectations, particularly within the SME community, and Nicola Sturgeon must now deliver.

Expectations have similarly been raised in relation to the Government's children and young people bill. I understand the reasons why ministers have chosen to combine the two pieces of legislation, but that will present problems, and not just in relation to the scrutiny of the proposals. From discussions that I have had with children's charities, I believe that the enforcement of entitlements to free early years care and education and the requirements that are placed on councils to assess provision locally might be more difficult as a result of wider-ranging legislation. As Bob Doris noted, welcome though the commitment to additional free early years care and education is, there is a question about why that cannot be put in place immediately, given the SNP's promise to deliver it by 2010.

The same attitude is also evident in the SNP's reluctance to press ahead with changing Scottish Water into a public benefit corporation, which would ensure that its future would remain firmly within the public sector but would potentially release a windfall of £1.5 billion. Up until the previous election, we were told by SNP ministers that they were opposed to such a move in principle. We were also reliably informed that, even if they were to act, the money could not be reinvested immediately. Now, John Swinney has confirmed that he has no principled objection in that regard. Indeed, he is entirely happy to see Scottish Water mutualised or become a public benefit corporation, but only if Scottish voters vote for independence.

That demonstrates that the dither and delay that we have seen on the issue have deprived Scotland of much-needed investment of precisely the sort that ministers and a series of back benchers now claim that they need for the shovel-ready projects. Instead of acting by using the powers that they have to deliver the investment and projects that Scotland needs, SNP ministers are content to delay, blame Westminster and insist that they will not act until they have more powers.

As I have said, there are elements of the legislative programme that I fully support, but there are others that raise serious issues. I agree with Margo MacDonald in that regard. Christine Grahame raised a number of important issues in relation to justice. However, the sense is—and it has been confirmed by our first Scolympian reshuffle today—that the primary focus of the Government over the next two years is on preparing the ground for the referendum. If everything is always someone else's fault, if the



solution to every question is always independence—however quickly that is being redefined—and if a parliamentary majority is wielded in such a way as to suggest that criticisms or concerns about what the Government is doing are somehow unpatriotic or talking Scotland down, we are in dangerous territory. The Government must not conflate the interests of Scotland with those of the SNP.

16:21

**Murdo Fraser (Mid Scotland and Fife) (Con):** I congratulate the new ministers who were appointed today and I pay tribute to Bruce Crawford, Stewart Stevenson and Brian Adam for their service to the Government.

To see a Government's purpose revealed, we must look at its legislative programme. What does the First Minister's statement on the Government's programme tell us about his Government? I think that Johann Lamont put it rather well yesterday when she said that the country is "on pause" while the First Minister pursues the one thing that interests him, which is his constitutional agenda.

We heard about some worthy measures in the legislative programme but, overall, it looks devoid of big ideas to take Scotland forward and address the people's priorities. If we needed confirmation of that, it came today when we saw the Deputy First Minister, the most senior member of the Government bar the First Minister himself, moved away from the health service—a people's priority—to the SNP's priority, which is constitutional change.

I welcome some of what was proposed yesterday. I welcome more focus on early intervention, which is something for which we Conservatives have been calling for years. I welcome more emphasis on childcare, which is also something for which we have been calling for years. However, I note that, even with what is proposed, what will happen in Scotland will not match what is happening south of the border. Of course, what is happening on childcare was promised not just in last year's SNP manifesto but in the SNP manifesto of some five years ago, so it is five years late.

Where are the other bills to cover what was promised by the SNP five years ago? Where is the bill to reduce class sizes to no more than 18 in primaries 1, 2 and 3? Where is the bill to pay off the debts of Scottish students? Where is the bill to replace student loans with student grants? Where is the bill to bring in a first-time buyer's grant of £2,000 per household? Maybe we will have to wait until next year before those come forward.

The claim from the SNP, as we have heard from a lot of its back benchers yesterday and today, is

that there is no money to pay for those things, but it seems that the SNP can find the money when it suits it to pay for the things that it wants. There is more money for students, early intervention and childcare. There is nothing wrong with that in itself, but it shows that there is plenty of money for the SNP to do what it wants. Maybe those Westminster cuts do not look so draconian after all.

The First Minister touched on the economic aspects of the Government's programme yesterday. He talked a lot about improving Scotland's economy and he made much of Scotland's economic performance compared with that of the United Kingdom as a whole, forgetting to mention that that might have something to do with the relative size of the public sector in Scotland or the relative strength of the oil and gas sector in Scotland. However, I remind the SNP that 1 million new jobs have been created in the private sector across the UK since 2010—more than double the number of jobs that have been lost in the public sector.

We have heard a lot from the SNP about the need for greater capital spend. The UK Government has said that it will consider that but, if we are to pay for more capital spend only by borrowing more money, we must remember that that is precisely what got this country into the mess that it is in in the first place. Further, more capital spend will do little good if all the money goes overseas. Anybody who has been out there talking to people in the business community—as some of my colleagues and I did just last week in Fife—will have heard the constant refrain that too many public sector contracts are awarded to overseas contractors, which means that the money goes out of the country. Large infrastructure contracts are awarded to Irish companies that bring in labour from overseas, who then live in portakabins, with the result that hardly any of the spend goes into the local economy. Therefore, more capital spending does not automatically deliver an uplift in economic performance. That is why the procurement reform bill is so important and needs to be scrutinised closely.

I appreciate that there is a difficulty with EU procurement rules. I would be the last to advocate any breaking of EU rules on anything, but we have to get this issue right. Other countries seem to get round EU procurement rules and ensure that their home companies get a fair crack of the whip, so things can be done within the law. That issue is vital.

**Stuart McMillan (West Scotland) (SNP):** Will the member give way?

**Margo MacDonald:** Will the member give way?

**Kevin Stewart:** Will Mr Fraser give way?

**Murdo Fraser:** I have so much choice. I give way to Mr Stewart.

**Kevin Stewart:** If so much can be done to change European procurement rules, perhaps Mr Fraser can tell us what the Tory-Liberal Government in London has been saying at the top table to try to change those rules.

**Murdo Fraser:** I know that Mr Stewart has had a bad day and that he did not get the phone call from the First Minister that he was hoping for, but there is no need to take it out on me. As Mr Stewart well knows, the coalition Government is working hard in the EU on those issues.

Of course, the SNP has powers on the economy, but it has used them to penalise business. One of the hardest-hit sectors of the economy is the retail sector, with retail figures down again yesterday, but the SNP has brought in a specific tax to hit the retail sector. The property sector is in difficulty, with landlords unable to rent their properties at any cost, but the SNP has brought in a new tax on empty properties. Rather than bleat about the need for more powers, the SNP needs to start using its existing powers to help business, not hammer business.

**Margo MacDonald:** Will the member give way?

**Murdo Fraser:** No—I need to make progress.

Only one bill caused any excitement among SNP back benchers yesterday, and that, of course, was the bill to bring forward a referendum on independence. We still have no detail on the timing, no question and no detail on the franchise. Five years on, we have no more detail or information and we still await the consultation outcome that was promised us by the end of the summer. We need to know all that so that we can get on with the real debate and move away from process and on to the issues. The more that people look at the real issues, the more convinced they are that we are better together.

Even SNP members are coming round to that view. It seems that an independent Scotland will be so much like the UK that no one will notice the difference. We are going to keep the Queen, the pound, the Bank of England and common financial regulation, and we may even keep NATO. On that point, I have something to say to the rebel SNP back benchers. That is not a term that we hear very often in this chamber, so let me repeat it—the rebel SNP back benchers. I have a list, Presiding Officer.

**The Deputy Presiding Officer:** Please do not read it, because you have 30 seconds remaining.

**Murdo Fraser:** They are Jamie Hepburn, Jean Urquhart, John Finnie, Dave Thompson, Gordon

MacDonald, Sandra White, Marco Biagi, John Wilson and John Mason. I am sorry if I missed anybody out. They are the notable nine, although I note that none of them was put up for promotion today by the First Minister. I ask them to keep up the good work and keep the rest of us entertained. I hope that Joe FitzPatrick knows what he has let himself in for because—whisper it—if we stay in NATO, how long will it be before we say that we are going to keep Trident on the Clyde?

**The Deputy Presiding Officer:** You must conclude, please.

**Murdo Fraser:** It is not so much independence lite; it is more, “I can’t believe it’s not Britain.”

16:29

**Jackie Baillie (Dumbarton) (Lab):** The programme for government has always marked the start of a new parliamentary year. At its most basic, it forms the work programme for the Parliament over the coming year. At its best, it represents our ambition and aspiration for our people and for Scotland. I genuinely think that people will, in the challenging year that is to come, reflect that this programme has been a wasted opportunity.

The SNP has a parliamentary majority. It can be radical and ambitious, and this was the moment to show Scotland what it could do. Instead, we have timidity and an astonishing paucity of ambition, albeit with one or two notable exceptions. I thank Jamie Hepburn for illustrating so well that Labour has led the debate on issues such as integration of health and social care, and welfare reform, and that the SNP has followed.

Yesterday and today, we have heard much assertion in place of fact: talk instead of action and shouting by SNP back benchers and, of course, by Alex Neil, to cover up the lack of intellectual rigour in the SNP’s proposals. As the First Minister said—on this point, even I agree with him—he does not have a monopoly on wisdom, so perhaps it is worth listening to the other voices in the chamber, rather than simply trying to drown them out by shouting.

I will highlight a couple of areas in the legislative programme, but first I commend the Government and Nicola Sturgeon on bringing forward proposed legislation on equal marriage. I welcome the intention to ensure that that legislation is accompanied by protection of freedom of speech and religion. To that end, the SNP Government has made clear that it wishes amendments to be made to the Equality Act 2010 and that it will work with the UK Government to do so. I ask, therefore, what progress has been made in the dialogue with the UK Government. I wonder whether Alex Neil—who, disappointingly, is not here—will use the

opportunity soon to confirm his support for the legislation, because he has not so far done so.

Secondly, on the proposed integration of adult health and social care bill, Labour supports the integration of health and social care. However, my view is that the bill will not go far enough, given the scale of the demographic challenges that we face. Instead of the radical approach, which I had hoped to see, to ending the postcode lottery of care, to ending delayed discharge and to ensuring that older people do not fall through the net, we have a set of proposals that are, on the one hand, prescriptive and, on the other, are so vague that it is clear that the author has little idea of what the Cabinet Secretary for Health, Wellbeing and Cities Strategy wants. The bill should specify national standards of care as well as outcomes, so that whether a person lives in Dumbarton or Dunbar, Dingwall or Dumfries, a consistent approach can be expected. We would have introduced a bill without a set of confused governance arrangements—reporting to the cabinet secretary, the council leader and the health board chair—and which would have put local councillors in charge. That would bring democratic accountability to parts of the NHS. Surely the SNP would welcome that.

**The Minister for Local Government and Planning (Derek Mackay):** Is Jackie Baillie revealing that, having supported the Scottish Government's plans for health and social care integration, we are now seeing an exhibition of the Labour Party playing politics with that subject, as was revealed by local government Labour in *The Herald*?

**Jackie Baillie:** That is not at all the case. We have been consistent and clear in our plans. My shame is that the SNP has failed to copy the plans adequately or be radical enough in pursuing them.

We would also have introduced a single budget, merging social work and health budgets for older people, rather than there being a confused and convoluted set of negotiations between a number of different partners. Our approach is to focus on the needs of older people. My regret is that the Government's bill is likely to be too timid to produce the cultural change that we need for our older people now. I am happy to work with the Government to get that right. I am sure that Bob Doris will share my disappointment that the approach of SNP councillors in Glasgow was to reject key proposals in the Government's consultation.

On the proposed children and young people bill, although I welcome the increase in nursery hours, I am genuinely disappointed that it has been so long in coming. The SNP promised exactly that in its manifesto way back in 2007. The proposal was then, as it is now, to entitle three and four-year-

olds to a minimum of 600 nursery hours each year. It could well be 2014 before that is delivered—seven long years after the SNP first promised it. Families are crying out for help now. They need more than part-time places. Families need access to affordable wraparound care—access to childminders, and to before-school and after-school care.

Why is childcare more expensive in Scotland than it is in England? We know that improving access to affordable quality childcare is good for families, but it is also good for the economy. Is it not astonishing that a Scottish Government that spends much of its time telling us how progressive it is, is to be trumped by the Tories on provision for two-year-olds? Only 1 per cent of two-year-olds will get a nursery place with an SNP Government, but in England—under the Tories and Lib Dems—37 per cent of two-year-olds will get a nursery place. Where is the SNP's vision and where is its ambition for two-year-olds?

We do not often hear MSPs talk about secondary legislation and it never merits a mention in the programme for government. However, this year there will be a swathe of secondary legislation on welfare reform. Members will not be able properly to scrutinise the regulations, which will cover council tax benefit and a range of passported benefits, because the SNP does not favour transparency. Will the regulations be any different from those that will be proposed at Westminster?

The SNP is very fond of telling us that things would be so much better if only it had the powers, and that everything is the fault of those terrible people at Westminster. I must confess that when I look at Cameron's Cabinet of right-wing millionaires—which is increasingly male, pale and stale, and three quarters of its members went to Oxbridge—I concede that the SNP may have a point. However, it is not good enough to blame someone else. The SNP Government has the power to do things differently. Some of the benefits are now devolved, but instead of protecting the interests of the people of Scotland, the SNP Government simply shrugs its shoulders and passes on the Tory cuts. Where is the ambition?

Let me remind members of Strathclyde Region, which was a model in terms of its protection of its people from Tory cuts, in that it had the vision to have a social justice strategy. It is a shame that the SNP Government does not have the same level of ambition. At a time when the number of people who are receiving food parcels in Glasgow has doubled, it is shameful that the Government's legislative programme is largely technical. When every family in Scotland is £1,200 a year worse off under the SNP, the legislative programme does

not do anything for jobs or for growth. That, too, is shameful.

Johann Lamont was right yesterday, when she said that this is “a country ... on pause”. Forget the real-life problems that people face—unemployment, fuel poverty and child poverty—and let us just talk endlessly about a referendum. This is where I differ from the SNP: the thing that gets me up in the morning is not an obsession with the constitution, but an ambition to tackle poverty, to improve the life chances of our people and to build a strong economy. As someone who is half Portuguese, half Scottish, and was born in Hong Kong, the politics of identity that are espoused by the SNP leave me cold, because I believe in powers for a purpose—not in some half-articulated vague promise of jam tomorrow if people vote for independence, when the SNP Government does not even use the powers that it has now.

The First Minister is very fond of telling us that decisions about Scotland are best made by those who live and work in Scotland. Can someone please explain to me why, if that is the case, the SNP is ceding monetary control to the Bank of England, ceding control of financial regulation to the London-based Financial Services Authority and is about to cede control over much of defence policy to NATO? That hardly represents decisions being made in Scotland.

I welcome the referendum bill. We need clarity about the question and the franchise, but we need to look beyond that to engage in a debate about the best future for Scotland. Let me touch on John Swinney's evasive performance on “Newsnight Scotland” last night. On the basis of John Swinney's discomfort, I am beginning to wonder whether the First Minister has already conceded the second question. We all know that the First Minister wants two questions because he will not get the right answer to the first one, but what John Swinney's performance tells me is that the First Minister has singularly failed to take his back benchers and his party with him.

This is the SNP's golden moment. This is the SNP's once-in-a-lifetime chance to tear Scotland out of the United Kingdom, but no amount of calculation or guile from the First Minister—he is capable of much of both—will stand in the way of its ambition. I understand that Nicola Sturgeon believes that there should be only one question, too. Although I will say more about Nicola shortly, I cannot help but think that we are seeing succession planning before our very eyes. I wish her well.

The independence debate may, to all intents and purposes, be fascinating to us in Parliament, but the real challenges are being faced in our communities, outside Parliament's doors. They are the challenges of putting food on the table, of

clothing children, of heating a home and of getting a job. None of those will be helped by the SNP's referendum. In fact, none will really be helped by the legislative programme or by the reshuffle.

It is interesting that the Tories reshuffled their Cabinet yesterday and Alex Salmond has done his today. It is clear that the umbilical cord stretches to Bute house; I wonder whether they are “better together”.

Regardless of that and of the differences that I have had with the Deputy First Minister, I have always respected her talent and energy and I have always enjoyed working with her. I am not quite sure whether she would say the same of me, but we are missing you already, Nicola. It is a shame that her talent and energy are being diverted. The fact that she has been moved to run the referendum campaign shows the SNP Government's priorities: separation is the first priority, the last priority and the only priority of the SNP.

Nicola Sturgeon's replacement is none other than the Parliament's own pantomime dame. He is a master of diversion if the facts do not suit him, but that will not work with the NHS. I hope that he gets to grips with the job quickly. Yesterday, the SNP said that reshuffles without changing economic policy are meaningless. Yesterday, the SNP launched a legislative agenda that fails to address the pressing economic issues. It has nothing to say to the many thousands of Scots who are worried about making ends meet, about their jobs and about their children getting jobs in the future.

The obsession with separation has been shown yesterday and today and is evident from the Deputy First Minister's having been put in charge of the referendum when problems are emerging in the NHS. Alex Neil faces a challenging agenda. He faces the fact that the NHS has fewer staff than it has had at any point in the past seven years and the fact that the SNP has cut the NHS budget by £319 million. Accident and emergency waits are increasing, cancer-treatment waiting time targets are not being met and basic issues of dignity are not being addressed.

**The Deputy Presiding Officer (John Scott):** I call Mike Russell to wind up the debate. He has 17 minutes—[*Interruption.*]

16:42

**The Cabinet Secretary for Education and Lifelong Learning (Michael Russell):** I thank Parliament for that warm welcome.

Programme for government debates are very much ritual theatrical occasions. I have sat through many of them. I missed those from 2003

to 2007, but it was a pleasure to return to see them, as a minister. I am reminded of a poster that I used to have on the wall of my room at university. It was a historic Pan Am poster that showed a cartoon figure pointing over its shoulder, and the caption said, "The real world's not in here—it's out there." That is the reality of the debate.

Such debates may be theatrical occasions and may have great ritual. The Opposition says that not enough is being done. Murdo Fraser said that

"the country is 'on pause'",

but the legislative programme is some pause. The reality is that an enormous amount of hard work is in the document and that each of us will have to do that work, because bill after bill will require the scrutiny, care and support of the Parliament. My plea to the Opposition, in undertaking its ritual, is not to talk down the achievements that we must all make for the people of Scotland in the next year; let us put our shoulders to the wheel and make them.

Of course, the debate this year has a sharper edge, because another theme has come up again and again. Jackie Baillie just said:

"I believe in powers for a purpose".

In the debate yesterday, Hugh Henry—I shall return to his speech—said:

"tackling poverty and injustice is central to what we do."—[*Official Report*, 4 September 2012; c 10951.]

At the heart of the programme is a bill to tackle poverty and injustice; at the heart of the programme is a bill that will do what each of us in the Scottish Parliament should do, which is make a better Scotland for everyone who lives here. That bill is not an end, but a means to the end that we should all share. That means to an end is a referendum leading to independence.

Part of this ritual, however, is something else that we need to pause to consider. I have found, over the years, that the angrier the Opposition is, the bigger is the vacuum in its own proposals; the angrier the Opposition is, the bigger is its fear of what is being done by the Government. This debate has been starkly illustrative of that.

I will start with the opening of the debate, but will pass over the speech of the leader of the Tories, who has just arrived in the chamber. She had beside her a lean—no, not lean, but hungry-looking—Mr Carlaw. I suspect that his time might be coming, on the back of his performance yesterday.

I say to Mr Rennie that his speech was the best speech that I have heard him make. It was a speech from the heart, although I did not agree with all of it. It is a pity that he has so few

followers, because it was a speech worth listening to.

The real problem in the debate came from the leader of the Labour Party, whose speech was not worthy of her or her party. It was a speech of the most astonishing negativity and pure anger. It was not anger for change in Scotland or anger to ensure that we get that change, but an anger that had its roots—it still has, and regrettably it is taking Labour a long time to get over it—in Labour's failure to achieve office in 2007 and again in 2011. It was an anger born of the sense of entitlement that Labour still shows in this chamber, although that entitlement has gone completely. A party needs to have ideas to earn office, but hers was a speech that was devoid of ideas.

We have heard in the speeches from Labour members yesterday and today great fear and anger—in the knowledge that there is no policy backing what is taking place, but just recognition that they are as far from office as they could possibly be. We have also heard the conflict in those speeches. I will mention two, in particular, because I think that they are significant. I did not disagree much with what Neil Findlay said. He is attempting to be the new Tommy Sheridan, and his sense of anger at some of the things that people in Scotland are suffering is undoubtedly correct, but how conflicted his statement was. He has spent the summer in his red collective, arguing for change in Scotland, but when he gets to the point of what that change should be, he cannot face reality. The logic of what Mr Findlay said was undeniable: the logic is that there must be full constitutional change in Scotland with full powers for this Parliament, then we can act and persuade others to act. Until that happens, Mr Findlay cannot achieve any of his ambitions.

Neither can Mr Hugh Henry achieve his ambitions. I listened with some interest to Mr Henry yesterday. I do not think that any member should—from what one might call the Militant school of rhetoric—lecture us on a variety of issues but refuse to debate. [*Interruption.*] I am happy to accept if he wants to intervene, but he does not want to intervene. One has to go through a speech like that and point out when the so-called facts that have been given might not be facts.

I have here 10 points that I want to draw to Mr Henry's attention—10 things that we need to know about what is happening in Scottish education and in Scotland generally. Let us start with poverty. Mr Henry made assertions about poverty, but in reality the percentage of people in relative poverty fell in 2009-10 and in 2010-11. That was an achievement of the Government against the most appalling economic circumstances and without the full powers that we need. Mr Henry also accused

the Scottish Government of allowing better-off people to flourish and allowing the poor and marginalised to suffer. Between 2009-10 and 2010-11, the proportion of working-age adults in relative poverty fell by 70,000. Could we do better? Yes, we could do better. How could we do better? By having independence. Nevertheless, that figure fell. It did not rise.

Mr Henry then talked about teacher numbers. Circumstances have changed—I will give him that—and we are now in difficult times. Cuts have come that have—as the First Minister said, quite effectively quoting a former Labour Chancellor of the Exchequer—been “deeper” than Thatcher’s.

**The First Minister (Alex Salmond):** “Tougher”.

**Michael Russell:** “Tougher” than Thatcher’s. I am sorry to have misquoted the First Minister.

**The First Minister:** It was both.

**Michael Russell:** “Deeper and tougher” than Thatcher’s. I have got it right now. The First Minister is always a great assistance to me.

However, here is a fact: even in such circumstances, not only have we met our class targets, but we have done better. In 2006—when, I think, Mr Henry was the Minister for Education and Young People—the average primary 1 class size was 23.1. According to the latest census, it is 20.5. In 2006—when, I think, Mr Henry was education minister—there were 16,845 pupils in primary 1 classes of 26 or more. According to the latest census, that figure has been reduced to 609 pupils, which is a 96 per cent reduction. Also, teacher unemployment in Scotland is now lower than anywhere else in the UK.

Mr Henry also dealt with unemployment and, indeed, unemployment amongst women. According to the latest data that have been produced by the Office for National Statistics, unemployment among women has increased—the figure is too high—but we also know that the work programmes are being effective. If Mr Henry had an ounce of fairness in him, he would have reflected that work and the work of the first Minister for Youth Employment in all these islands.

Mr Henry’s next subject was college budgets, which we have heard a great deal about over the past two days. However, what we have not heard about is the reform agenda that we are pursuing in colleges—except earlier this afternoon. I very much welcome Lewis Macdonald’s question on that matter at question time, because he highlighted what is actually taking place: the focusing of colleges on employment need. Our colleges have responded to the challenge. We have the best higher education student support package, colleges are prioritising young learners and the opportunities for all programme is, for the

first time ever in these islands, providing education, training or a job to every young person.

**Lewis Macdonald** *rose—*

**Michael Russell:** Can Mr Macdonald surpass his earlier contribution?

**Lewis Macdonald (North East Scotland) (Lab):** I am very grateful to Mr Russell for giving way. He should develop the habit, because it becomes him.

My point was about the need for colleges to meet the economy’s needs. I alert the cabinet secretary to the fact that the particular colleges—in Aberdeen and Banff and Buchan—that have raised the concerns that I expressed have, as a result of changes to budgets, faced the need to reduce core education and training over the past two years. Will Mr Russell use this opportunity to assure us that that pattern will not be continued?

**Michael Russell:** I see that the thumbscrews have been applied in the course of the afternoon. Mr Macdonald’s earlier helpful contribution has been clawed back.

Core educational opportunities are not being reduced; instead, those colleges are focusing on employers’ real needs. We are also—which Mr McNeil asked about earlier this afternoon—ensuring that we bring together those who need work and training, and that they get both through our college system. Mr Macdonald will want to encourage—not discourage—his local colleges in those activities.

Let us move on to modern apprenticeships. I note that I am on only point seven of 10, and am conscious that time is passing. Despite Labour’s claims, modern apprenticeships have always been open to those who are seeking employment and to those who are in employment. Indeed, under the previous Administration, the balance was tipped further towards training for those who are already in employment. In 2006—was not Mr Henry the education minister at that time?—49 per cent of modern apprenticeship starts aged 16 to 24 had been in employment for more than six months; however, by last year, that figure had fallen to 23 per cent.

**Kezia Dugdale (Lothian) (Lab):** We have been here before. The point is that, in 2006, Scotland’s economy was booming. In 2012, the economy is flatlining but the cabinet secretary still forces the same old jewels about modern apprenticeships from six years ago on to the national youth unemployment crisis that we have now.

**Michael Russell:** I am glad that Kezia Dugdale recognises that times have changed. That was not what Mr Henry did yesterday. We have changed with the times.

**Kezia Dugdale:** How?

**Michael Russell:** Excuse me, Presiding Officer, but I am about to tell the member how things have changed. How many modern apprenticeships do we have now? Last year, we had 26,000—10,000 more than existed back then. We have risen to the challenge. The basic fact remains that the point that was made about modern apprenticeships and training was not accurate.

I am on my last two points—for Mr Henry, at least. In 2007—when Mr Henry ceased to be education minister, I believe—the entitlement to pre-school education was 412.5 hours. We raised it to 475 hours and we are raising it to 600 hours. That is an achievement.

**Margo MacDonald:** I am prepared to concede that the minister has raised a number of points that are pleasing to the whole chamber—when we forget the party-political rhetoric—but there is a point that does not please me. There has been a 7 per cent reduction in PE teachers over the past year. Why?

**Michael Russell:** That is because we have an education system in which local authorities make those decisions, as Margo MacDonald knows. However, I am glad to say that even in the current adverse circumstances, we have made more progress towards the target of PE hours in schools in Scotland than any of our predecessors, and we will go on doing so. Indeed, my colleague, the Minister for Commonwealth Games and Sport, has recently allocated resources to finish that task. That is an achievement.

My final point for Mr Henry is on his question about involving teachers. He asked me directly—and then refused to take an intervention when I was ready to answer him—whether I would involve teachers in the decision making about taking forward the teaching profession, particularly on the issue of nursery teachers. Of course I will. We always involve teachers. Indeed, it was this Government that overruled the decision of a previous Government—in which, I believe, Mr Henry was the education minister. In those circumstances, we managed to put teachers and then parents on the planning board for the curriculum for excellence. We will always involve all the stakeholders in making decisions on education.

I am glad that I have been of assistance to the chamber and to Mr Henry in putting my points, but I will go back to the core issue that we are debating. I want to say a word or two about Margo MacDonald's speech, because she was absolutely right. She appealed to both sides of the argument on the referendum to talk about the positives, and for each side to tell people what it wants to see. There is an obligation on every single one of us to

talk about our plans for change, and to talk about them in ways that show our vision of what we want to achieve, because what we are trying to do is to change Scotland for good. We have a positive vision. The members on this side of the chamber were elected last year on three things. We were elected, first, on the team that we had, which is a team that constantly develops and builds and improves; secondly, on our record in government, which the people of Scotland judged and judged favourably; and, thirdly, on our vision.

It is our vision of the future of Scotland that should be contended and debated. It is a vision that says that there are things that need to be changed. It is a vision that says that we need to have a post-16 reform bill because we have more to do. It is a vision that says that there is more to do with regard to children and with regard to kinship care. It is a vision that says that changes in procurement need to take place. It is a vision that says that our criminal justice system continues to need to change. Those are all visions, but wrapped around them—the real vision—is the vision of what this country can become.

The Deputy First Minister said in her opening speech that she has supported the idea of independence all her adult life. Well, I regret that I went wrong; for a brief period while at university, I was a member of the Labour Party. I publicly repent at this moment, because I believe in social progress. I believe in a change for the better in Scottish society, I believe in empowerment and I believe in eliminating poverty. That leads me inexorably to the view that the only change that we can have in Scotland that will achieve all that, the only change that will produce the Scotland that we want to see, the only change that will be honest to the traditions of the Labour Party as well as to the traditions of every other party—the only change—is to achieve independence.

I am very pleased to be a member of a Government that will give the people of Scotland that choice. Let each of us here, at the conclusion of the debate, make a pledge: we will debate vision, we will debate what we want to achieve and we will give up on the negativity, the anger, the angst and we will, in particular, give up on trying to present things that are not true.

I am pleased to conclude the debate.

## Ferry Services (Orkney)

### **The Deputy Presiding Officer (John Scott):**

The next item of business is a statement by Keith Brown on ferry services to Orkney. The minister will take questions at the end of his statement, so there should be no interventions or interruptions.

17:00

### **The Minister for Transport and Veterans (Keith Brown):**

I am delighted to be able to give my statement so soon after the Scottish Cabinet's successful meeting in Orkney. I also recently had the opportunity to travel to Orkney by ferry, under the new management, and I enjoyed the usual Orcadian hospitality and some very helpful and pragmatic discussions with the islands' council.

I was a little confused when the Labour Party asked for a ministerial statement on ferries to Orkney. I was not confused about the content—the Scottish Government understands the importance of ferries to the communities of Orkney and Shetland—but about the timing. The most recent events regarding ferries to Orkney and Shetland took place during the previous parliamentary term when the Scottish Government concluded its tendering of the northern isles ferry services contract. Serco was announced as the preferred bidder on 4 May. There was a short delay while one of the other bidders appealed the outcome, but the court found in the Government's favour and the contract was signed on 1 June. The new contract commenced as planned on 5 July, following a well-managed handover period on which I must congratulate the staff of the outgoing operator, NorthLink Ferries, and the incoming operator, Serco.

Those events were certainly of public interest and they created understandable, if temporary, concern for staff and ferry users. Some members took the chance to speak to me at the time, but I do not recall any calls from Labour for a ministerial statement. By my reckoning, there were eight weeks between the announcement of the preferred bidder and the end of the previous parliamentary term. If I had been asked for a statement, I would gladly have given it. We are now in a new parliamentary term, looking ahead to new challenges and opportunities, including the new legislative programme announced yesterday by the First Minister. However, we have been asked by the Labour Party to look back for the next 30 minutes, so we will.

I have set out the main milestones that led to the successful handover to Serco on 5 July. Serco has chosen to trade as Serco NorthLink for the provision of the services, thus recognising the

value that the communities attach to the NorthLink brand.

As I mentioned, I had the opportunity to use the ferry service when I travelled to Orkney on 9 July. As always, I was very impressed with the service and I recommend it to all members. The vessels that provide the services are among the best that we have in Scotland, although the latest ferry that we have introduced to the Hebrides, the £25 million MV Finlaggan, is of a similar standard, and the new £42 million ferry for the Stornoway to Ullapool route that I announced on 8 June will be a further step forward in technical prowess. That new vessel will use around a quarter less fuel than the current service, which is an important consideration given the Parliament's climate change targets and ambitions.

The Serco NorthLink staff are, by and large, the same staff who have been providing an outstanding service on board and on-shore for many years. They continue to provide an efficient and courteous service and the on-board facilities are excellent.

There were those who were concerned about the change in operator. I can understand that. Change always brings uncertainty and it is the responsibility of the new operator to prove that it is up to the task. The feedback from customers and stakeholders that I have received is that Serco NorthLink has achieved that. It has adopted the NorthLink brand, employed the existing staff and is deploying the same vessels, so there has been much more continuity than change. The operator has planned improvements for the future that ferry users in Orkney and Shetland will welcome, I am sure.

One change that users, particularly those in Shetland, will notice and appreciate is that Serco NorthLink is taking a fresh approach to vessel overhauls. I understand that during the winter there will be no interruption to services, in contrast to the long dry-dock period of last year. That responds to the representations that I received from the local community, the council and the constituency MSP.

I also received representations from the trade unions about the position of their members. The contract that we put in place ensured the transfer of all those employees who wished it, with their terms and conditions intact. There was a particular concern about pensions, and strike action was briefly mooted by the RMT. Thanks to the contract's provisions and the commendable response of Serco NorthLink management and the RMT in getting around the table, I am pleased to say that the issue was quickly resolved to the satisfaction, I understand, of the RMT. I plan to follow that up when I meet RMT representatives tomorrow afternoon.



In tendering the northern isles ferry services, the Scottish Government was doing nothing different from its predecessors. The Labour Party and, after devolution, the Liberal Democrats, were responsible for the award of three northern isles contracts: the first to P&O Scottish Ferries in 1997, the second to the original NorthLink, which commenced in 2002 and—when that contract failed—the third to the second incarnation of NorthLink in 2006.

We may not always support the tendering of public services. I am sure that many Labour members feel the same, but we are working to the same set of European rules to which they worked when they were in government. As Duncan McNeil, whose constituency includes the David MacBrayne headquarters, said when the Parliament debated the issue in 2005:

“The primacy of European Union law over United Kingdom law is long established. We might not like it, but we need to make the best of it. We need to meet our international obligations and our moral obligations to those who elected us.”—[*Official Report*, 14 September 2005; c 19046.]

When we have to tender public services, we have an obligation to do so efficiently and effectively and to work within the current rules. The northern isles tendering exercise attracted four high-quality and competitive bids. That ensured the continuation of a high-quality ferry service, as well as best value for public money.

Since 2007, we have allocated record sums of money to the ferry services in Scotland despite severe pressure on public spending and despite cost pressures, such as the rising cost of fuel. For example, in the previous financial year we absorbed an increase in subsidies to CalMac Ferries and NorthLink of around £14 million, which was due to fuel costs.

I also look to secure changes to the European Union rules. I have met the European Commission to point out the absurdity of having a maximum contract length for ferries of six years when, under parallel EU rules, rail contracts can be at least 15 years long. I will continue to make that case to the EU.

We have committed to publishing our final ferries plan by the end of the year. That will provide a blueprint for improvements to ferry services throughout the country, as well as a foundation for a long-term programme of investments in modern, efficient vessels and accompanying shoreside infrastructure. Those investments support jobs in Scotland, not only for the ferry operators but in civil engineering and shipbuilding.

I am proud that the Scottish Government has brought commercial shipbuilding back to the Clyde

with the award of a contract for two cutting-edge hybrid ferries to Ferguson Shipbuilders Ltd. That not only safeguards 75 jobs, but creates 100 more jobs and, for the future, 20 modern apprenticeships.

Following the publication of the final ferries plan, we will focus on the next major challenge: the replacement of the contract for the Clyde and Hebrides ferry services, which expires in October 2013. The Government awarded the current contract to CalMac Ferries in 2007 following a competitive tendering exercise undertaken by the previous Administration. We will soon announce our plans for the procurement of the next contract.

I am aware that the trade unions have concerns about how their CalMac members might be affected. They raised the same concerns with me at the time of the northern isles tendering and I was able to work constructively with them and achieve an outcome with which all parties appear to be satisfied, notwithstanding the concerns that we share about the current EU tendering rules. I have two meetings with the unions planned for the coming weeks to enable me to listen to and respond to those concerns.

I assure members that I am always happy to come to the chamber and defend the Government's record on ferries. As I have shown with the examples that I gave, we have achieved record investments, have maintained services despite severe financial pressures and once again see commercial ships being built on the Clyde.

I said at the start that I was confused by the request from Labour for this statement, but I hope that nobody is in any doubt about the strength and clarity of our commitment to our island communities and to the ferries that serve them.

**The Deputy Presiding Officer:** The minister will now take questions on the issues that were raised in his statement. I intend to allow around 20 minutes for questions, after which we will move to the next item of business.

**Richard Baker (North East Scotland) (Lab):** I thank the minister for making the statement, which we requested on the general issue of ferry services in the light of events over the summer, although the award of the NorthLink contract has been central to those developments and new information about that process has come to the fore.

We all agree that ferry services are lifeline services and have a crucial economic impact on our island communities, not least as employers. Is the minister aware that the RMT and Unite have raised concerns about what the decision to award the NorthLink contract to Serco, rather than to the publicly owned CalMac, means for the route and,

indeed, for other routes that are to be tendered next year?

Does the minister recognise the concerns about the repercussions of that decision, including last week's resignation of the chief executive of the David MacBrayne group and reports of disputes with ministers? Is it true that the minister or his officials instructed CalMac or the then directors at NorthLink Ferries not to appeal the decision to award the contract to Serco? Is it the case that, as has been reported, the CalMac bid was not more expensive than the Serco bid and that it was ruled out on a technicality that could have been challenged?

The minister has raised the issue of EU tendering rules. In his statement, he mentioned the replacement of the contract for the Clyde and Hebrides ferry services next year. Does he agree that that should be tendered as a single contract, which he is empowered to do?

**Keith Brown:** A number of those questions go well beyond the remit of the statement that I have just made, but I will try to answer them when I can.

I tried to be a bit more general in my statement, to cover some of the issues that Mr Baker raised. As regards tendering, I am not sure whether Richard Baker is saying that we had a choice in the decision that we took on the awarding of the northern isles ferries contract. I do not know whether he is saying that we should have taken a different approach to that of the previous Administration. I read out Duncan McNeil's fairly candid view on the need to follow EU regulations. Michael McMahon said the same. He asked the then Opposition members whether they were

"really prepared to allow the decision on the tender process to be taken out of the hands of the Minister for Transport ... and handed over to EU officials".—[*Official Report*, 14 September 2005; c 19033.]

That would be the consequence of taking a decision that was not based on the best outcome.

Richard Baker asked whether I agreed to the NorthLink tender in the knowledge that the CalMac tender cost less. I have no idea whether the CalMac tender cost less. It did not qualify to be considered. It could not be looked at. That is the process, and we have to go by that process. I am clear that the outcome that we achieved by doing that is an improving ferry service, and a great deal of continuity and stability. I mentioned that the same vessels and, by and large, the same staff who provided the service before are still providing it. I think that that is a good outcome. In addition, there have been significant improvements, some of which—such as those relating to dry-dock arrangements, which people on the islands and stakeholders were unhappy about—have been

mentioned. I am sure that there are further improvements to come.

Richard Baker also asked whether I had issued instructions to the CalMac board. I issued no instructions to the CalMac board, nor did Alex Neil in his capacity as Cabinet Secretary for Infrastructure and Capital Investment. As the major stakeholder in David MacBrayne Ltd, we have an obligation to make clear our view of the public interest and the stakeholder interest, but no instructions were ordered. I am confident that services to the northern isles have been improved and safeguarded. The fact that our expenditure on ferry services to the northern isles amounts to around £240 million gives some idea of the extent of this Government's commitment to the lifeline services that those islands enjoy.

**The Deputy Presiding Officer:** I remind members that questions should be on ferry services to Orkney.

**Alex Johnstone (North East Scotland) (Con):** I begin by expressing my shared enthusiasm for the integrity of the tendering process. I believe that the process that was entered into in relation to NorthLink Ferries is defensible—indeed, it would have been subject to a legal challenge had it not been. It is extremely important that we stand by the process, and I congratulate the minister on doing so.

However, his statement raises a number of issues—albeit that it raises rather fewer than some previous statements that I have heard—which I would like to address. First, the minister said in his statement:

"We may not always support the tendering of public services."

I am tempted to ask, "Why not?" It is something that we should do more of.

The minister has my support in ensuring that EU rules are changed, if such change makes future contracts more attractive and produces more bidders. Will he guarantee that he will not make any attempt to influence EU rules to close down future tendering processes?

Has the minister learned any lessons during the NorthLink process that will facilitate an effective tendering process for the Clyde and Hebrides ferry services, to ensure that it attracts a range of bids—including, perhaps, bids from Scotland's successful small ferry companies—that will offer an opportunity to provide high-quality services across the Clyde and Hebrides area at efficient costs for passengers and taxpayers, and that will make possible the same seamless transition that has taken place in services to the northern isles, should such a transition be necessary?

**Keith Brown:** I will respond first to the point about tendering. As someone who worked for nearly 20 years in local government and was a councillor for 11 years, I have experience of the compulsory competitive tendering regime that was introduced by the Thatcher Government and the extraordinary costs, bureaucracy and destruction of many public services that it resulted in. That alone gives one an idea that public tendering is not always the best process, depending on the service that is being provided.

The second point is that there is no question that we will attempt to use EU legislation to close down competition; in fact, EU legislation is by and large designed to ensure that competition takes place. Alex Johnstone is right to say that the outcome of the process in relation to the northern isles shows that the Government is committed to carrying out that process as efficiently as possible. It can also result—and in this case, did result—in the most efficient way of providing a service. That can improve a service but does so with regard to the public cost, which is very important.

It is also true that the background information that we have had in relation to future tenders—the member mentioned the upcoming CHFS contract—suggests a very healthy interest, not least because of the tendering process that took place in relation to the northern isles. Of course, I have no way of knowing who will tender for those contracts; whether it will be a single tenderer, many tenderers or even whether some small tenderers will come forward, as the member suggested. We have decisions to take on those issues shortly. I do know that the appetite is there; people see these services as very important, and they know the extent to which the Government is committed to them. We are far from starting the process, but at this stage there is no suggestion that we will have anything other than healthy competition for those tenders.

**Liam McArthur (Orkney Islands) (LD):** I thank the minister for the advance sight of his statement. He may have enjoyed his trip on the Hamnavoe in July, but he was well advised to steer clear of it on Monday as it roller-coasted through the Hoy Sound.

As he will recall from his meetings and the correspondence with Tavish Scott and me earlier this year, the retendering of these lifeline services has raised a range of concerns for our constituents. Staffing terms and conditions have certainly been key among them, but adequacy of freight provision, cuts to sailings on the Pentland Firth, supplier contracts and future pricing arrangements have also been high on the agenda.

Picking up on a couple of those issues, I ask the minister whether he agrees, that to ensure a smooth transition and build on the excellent work

done by NorthLink over the previous contract, Serco will rely heavily on existing crew and staff, and therefore must reach agreement with and provide certainty to those staff without delay. I am glad that he is meeting the RMT about that tomorrow.

Does the minister also agree that the extent of the cuts proposed by Serco to the sailings operating on the Pentland Firth route undermine his and Serco's claims about delivering an improved service, and will he therefore urge Serco to look again at those specific plans?

**Keith Brown:** I know that Liam McArthur was in favour of protecting, for example, the Scrabster-Stromness route and the 90-minute crossing. We did a substantial amount of work to make sure that those vital interests of the people of Orkney were protected.

On the wider issue of staff terms and conditions—although we are not the employer; the new contractor is—discussions have taken place with the relevant trade unions and employee representative groups. I understand that they have reached a satisfactory conclusion in relation to terms and conditions, which are not changing for the employees. I agree with Liam McArthur about the excellent service that the employees have given and continue to give, and I understand from the discussions between them and the employer that they are well pleased with the outcome of those negotiations thus far.

Obviously, we do not stand back completely dispassionately from those discussions, as we have an interest in ensuring that the service continues to run. So far, many of the issues that Liam McArthur has raised with me have been raised with the individuals concerned. One example is freight services, which we have talked about with stakeholders. After discussion, we seem to be reaching resolution of the issues, or being given reassurances that had perhaps not been obvious at the time when the tender changed.

I think that we are reaching a satisfactory conclusion—that was certainly the emphasis of the discussion that I had with Orkney Islands Council, which also raised concerns. Of course, we will continue to listen to any concerns that there might be.

**The Deputy Presiding Officer:** A large number of members are seeking to ask questions. If questions can be brief and to the point, and answers similarly brief, we might just get everyone in.

**Jean Urquhart (Highlands and Islands) (SNP):** I suspect that the minister answered this question in his statement, to a certain extent. Will he confirm that, in tendering the northern isles and

upcoming Clyde and Hebrides ferry services, he is taking the same approach as that of previous Administrations, and that he is obliged to do so under EU law, no matter how much he likes or dislikes it?

**Keith Brown:** That is a good point. I emphasise that we are following the same process as was followed by previous Administrations, which was laid down for us by the European Union.

That said, we are not content simply to accept the process. As I said, we think that the regulations are inadequate, at least in one important regard, which is the length of contract into which we can enter. I think that anyone can understand that the level of investment that is required for vessels is such that a longer contract period is required if investment is to be recouped. We should continue to put pressure on the EU to ensure that we can change the length of contract, as we do for trains and as can happen for buses and other public services. However, with the exception of the representations that we are making in that regard, we are following exactly the same process as previous Administrations followed in relation to the northern isles contract, as we will do in relation to the CHFS contract.

**David Stewart (Highlands and Islands) (Lab):** Will the minister take steps to ensure that protections for the NorthLink workforce under the Transfer of Undertakings (Protection of Employment) Regulations 2006 are honoured by Serco? Of course the company will seek to maximise its profits—that is the name of the game. However, it is crucial that we ensure that there are no cuts to jobs, pay or terms and conditions, to the detriment of the workforce and island communities.

The minister might be aware that Serco has not agreed to participate in the merchant navy officers pension plan. The union Nautilus International is looking at the matter.

**Keith Brown:** I am happy to look at the issue, although the information that I have is that all the relevant organisations and trade unions were involved in the talks with Serco, which seem to have had a satisfactory resolution.

Agreement has been reached between trade unions, the employer and representative groups that terms and conditions that were previously enjoyed will be enjoyed in future under Serco's management. To underline the point about TUPE, I should say that I met the unions many months before the contract was let and gave them assurances, which I think were important to them, that we would go as far as we could to insist on TUPE being respected. Those reassurances led to the terms and conditions agreement that I mentioned. We were concerned about the issue.

We must have regard to contract law, but we have made it a priority to consider the interests of staff, which seems to have been successful on this occasion.

**John Finnie (Highlands and Islands) (SNP):** There is an element of duplication in my question. What discussions has the minister had with trade unions on the transfer of staff and the protection of NorthLink Ferries workers' pensions?

**Keith Brown:** I met the unions on 11 October and was happy to confirm with them our understanding that the TUPE regulations would apply. As I said, I will meet the RMT tomorrow afternoon and the other trade unions shortly thereafter.

**Jamie McGrigor (Highlands and Islands) (Con):** Will the minister give details of discussions that he and his officials have had with Serco to ensure that the transport of livestock to and from Orkney and the export of fresh produce from the islands, including shellfish, remain key considerations in the service contract, given the importance of those industries to the Orkney economy and the islands' reputation for quality?

**Keith Brown:** That is a key aspect of the contract. We had substantial consultations with the stakeholders, freight companies and service providers involved. In the iterative process that was undertaken with each bidder, the issue was highlighted as crucial.

I am confident that the islands' freight interests were taken into account and that the islands are being properly serviced by the freight companies. Of course, we are early into the new contract. If anything occurs that causes concern, we will be happy to look at the issue again.

**Rob Gibson (Caithness, Sutherland and Ross) (SNP):** Given the disruption under previous contracts to the NorthLink service between Scrabster, in my constituency, and Stromness, will the minister elaborate on what he said in his statement about the steps that are being taken to ensure that we do not see a repeat of the situation in which dry-dock problems caused ferries to be out of action for months?

**Keith Brown:** I accept that the issue was not designed into the previous contract. As Rob Gibson said, the problem arose last year and caused substantial consternation on the islands. When I met people in Shetland in January, I said that the new contract would not allow such a situation to be repeated.

As I said, there will be no dry-docking whatever this year, and work that takes place on the ships will not lead to disruption to services. I think that that is a first for the contract.

**Rhoda Grant (Highlands and Islands) (Lab):**

Was best value considered as part of the letting of the contract? The minister is aware that in the past I have asked that councils be allowed to lease vessels from Caledonian Maritime Assets Limited. If that were the case, keeping all contracts in the public sector would allow more flexible use of vessels to cover maintenance and breakdowns, providing better value for the public purse.

**Keith Brown:** I am not certain about what the member means by keeping the contracts in the public sector. The contracts have been tendered on a commercial basis for a number of years, including by previous Administrations. We have to go through that process.

As I have already mentioned, the process is no different from that which the previous Administration went through, and it is consistent with European legislation. If the member has particular suggestions or proposals to make about ways in which we can fund future ferry provision, I am, of course, happy to discuss them with her, but the process had to take into account the fact that the previous contract involved leases for the vessels that currently service the islands, which were entered into in a private arrangement some years ago. The vessels moved forward not just to the contract, but to the very end of it. The opportunity to undertake new ferry provision for the islands did not exist this time. However, if the member has a further suggestion to make about future contracts, I am happy to listen to it.

**Graeme Dey (Angus South) (SNP):** The minister indicated that Serco NorthLink has improvements planned for the future. Can he expand on how the new operator will improve the service that is delivered to the communities of Orkney and Shetland?

**Keith Brown:** I have, of course, mentioned the dry-docking arrangements, which are very important to people on the islands. There is the knowledge that there will not be a nine-week period in which there is disruption to the services. That is crucial.

Beyond that, there is enough scope within the tender that we have agreed with the operator to allow it to take decisions on a commercial basis that might lead to improvement of the service. We have made very clear to the operator the need for the continuity and reliability of the service for passengers and freight customers, but there is, of course, always the potential for further improvements. I am aware that some improvements are being worked on, but it will be for the company to come forward with improvements when it is ready to make an announcement.

**Duncan McNeil (Greenock and Inverclyde)**

**(Lab):** I thank the minister for mentioning me in his speech and for reminding people that I have had a concern about the issue since 2005. Indeed, for the completeness of the record, that was so much so that, on the day that was mentioned, I voted against the minister and my own Government because the minister refused to give assurances on the application of TUPE. Since then, of course, we have had the Gourock to Dunoon tender without the assurance of TUPE.

I will get to the nub of the matter. When the contract for the Clyde and Hebrides ferries, which is about to expire, is replaced, will the minister give assurances to those people who work at CalMac headquarters ticketing operation in Gourock that they will be protected in the process, unlike the people involved in the Gourock to Dunoon run?

**The Deputy Presiding Officer:** Minister, you do not have to answer that question. If you like, we will move on to the next one.

**Keith Brown:** Obviously, Inverclyde is quite a long way from Orkney, but I am prepared to answer the question.

I think that I have answered some of the questions that Duncan McNeil asked about terms and conditions and trying to protect them. We have an interest in that and we will push it as far as we can.

The point that I was making in quoting Duncan McNeil—I also quoted Michael McMahon, but I could have quoted Des McNulty and others—was about the necessity of following the relevant legislation. We will do that and, at the same time—

**Duncan McNeil:** You stopped it happening.

**Keith Brown:** No, we did not. It was tendered and the contract failed shortly afterwards.

We will look at staff interests. We have displayed that already, and we will meet a trade union tomorrow and other trade unions subsequently. That shows that we are taking that commitment seriously.

**Angus MacDonald (Falkirk East) (SNP):** The most salient point from the minister's statement is that we are still working to the same set of European rules that Labour and the Lib Dems worked to when they were in power. How will continued investment in ferry services in Scotland contribute to sustainable economic growth for not just our island communities, but the whole of Scotland?

**Keith Brown:** That question raises an interesting point. We are often told—I am sure that previous Administrations were as well—that the majority of people in Scotland do not live on

islands. People wonder why the Government spends the sums of money that I have talked about supporting the transport needs of what they perceive to be a relatively small number of people.

Our investment in ferries does not go just to people; it has wider benefits. As we have mentioned, island communities are at the forefront of key industries in Scotland, such as the energy, oil and gas, and renewables industries. Jamie McGrigor mentioned shellfish and other fishing interests. We should consider everything from Arran cheese and Islay whisky to Orkney beef, Shetland salmon and tourism. Such businesses may be island businesses, but they support and are supported by networks and supply chains across the nation. Our investments also support a large number of jobs—more than 1,500—in the ferry operators that provide the subsidised services and more in the ports. What I have said about supporting the services and investing in new vessels on the Clyde for the first time shows that we support the contracts and the services to the islands, because they also support the rest of Scotland.

**Elaine Murray (Dumfriesshire) (Lab):** Is the minister telling us that CalMac, which is a subsidiary of a company that is wholly owned by the Scottish Government, submitted an incompetent bid for the NorthLink contract? Was that the reason for the resignation last week of Archie Robertson, the chief executive of David MacBrayne?

**Keith Brown:** That resignation is a matter between Archie Robertson and the board of CalMac.

I did not say that the bid was incompetent; I said that I had not seen the figures that attached to it, because it did not pass the final stage. I will go no further than that just now, but I will say, for the last time, that the ferry service in the northern isles replicates the best elements of what we had before and will further improve them.

## Business Motions

17:30

**The Deputy Presiding Officer (John Scott):**

The next item of business is consideration of business motion S4M-03991, 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—

Tuesday 11 September 2012

2.00 pm Time for Reflection

*followed by* Parliamentary Bureau Motions

*followed by* Topical Questions (if selected)

*followed by* Scottish Government Debate: Actions to Deliver Sustainable Economic Growth

*followed by* Business Motions

*followed by* Parliamentary Bureau Motions

5.00 pm Decision Time

*followed by* Members' Business

Wednesday 12 September 2012

2.00 pm Parliamentary Bureau Motions

2.00 pm Portfolio Questions  
Finance, Employment and Sustainable Growth

*followed by* Scottish Government Debate: Consultation on the proposed Community Empowerment and Renewal Bill

*followed by* Business Motions

*followed by* Parliamentary Bureau Motions

5.00 pm Decision Time

*followed by* Members' Business

Thursday 13 September 2012

11.40 am Parliamentary Bureau Motions

11.40 am General Questions

12.00 pm First Minister's Questions

12.30 pm Members' Business

2.30 pm Parliamentary Bureau Motions

2.30 pm Scottish Government Debate: Electricity Market Reform

*followed by* Parliamentary Bureau Motions

5.00 pm Decision Time

Tuesday 18 September 2012

2.00 pm Time for Reflection

*followed by* Parliamentary Bureau Motions

*followed by* Topical Questions (if selected)

*followed by* Scottish Government Business

*followed by* Business Motions

*followed by* Parliamentary Bureau Motions

5.00 pm Decision Time

*followed by* Members' Business

Wednesday 19 September 2012

2.00 pm Parliamentary Bureau Motions

2.00 pm Portfolio Questions  
Justice and the Law Officers  
Rural Affairs and the Environment

*followed by* Scottish Government Business

*followed by* Business Motions

*followed by* Parliamentary Bureau Motions

5.00 pm Decision Time

*followed by* Members' Business

Thursday 20 September 2012

11.40 am Parliamentary Bureau Motions

11.40 am General Questions

12.00 pm First Minister's Questions

12.30 pm Members' Business

2.30 pm Parliamentary Bureau Motions

2.30 pm Scottish Government Business

*followed by* Parliamentary Bureau Motions

5.00 pm Decision Time—[Bruce Crawford.]

*Motion agreed to.*

**The Deputy Presiding Officer:** The next item of business is consideration of business motion S4M-03993, in the name of Bruce Crawford, on behalf of the Parliamentary Bureau, which sets out a stage 1 deadline.

**The Cabinet Secretary for Parliamentary Business and Government Strategy (Bruce Crawford):** Perhaps for the last time, with a particular flourish, I formally move,

That the Parliament agrees that consideration of the Water Resources (Scotland) Bill at Stage 1 be completed by 21 December 2012.

**The Deputy Presiding Officer:** Many thanks. I certainly regret that it is for the last time.

*Motion agreed to.*

## Decision Time

17:33

**The Deputy Presiding Officer (John Scott):** There are no questions to be put as a result of today's business. We will therefore move to members' business. I ask members who are leaving the chamber to do so quickly and quietly.

## Humankind Index

### **The Deputy Presiding Officer (Elaine Smith):**

The final item of business is a members' business debate on motion S4M-02703, in the name of Kenneth Macintosh, on the humankind index. The debate will be concluded without any question being put.

#### *Motion debated,*

That the Parliament warmly welcomes the launch of Oxfam Scotland's Humankind Index; notes that the Humankind Index is a new method of measuring Scotland's collective prosperity, going beyond GDP; commends Oxfam Scotland for what it sees as its participatory approach and for ensuring that seldom-heard communities are given the opportunity to state what really matters to them in relation to their wellbeing; considers that the people of Scotland place great importance on values such as decent housing, good health and clean neighbourhoods, holding them above purely financial and economic values, and hopes that the Humankind Index will be a progressive tool and deliver a framework that helps spark debate and helps policymakers make more informed decisions serving the real prosperity of East Renfrewshire and the rest of Scotland and supporting Scottish communities, individuals and the environment to achieve a truly socially just and sustainable Scotland.

17:34

**Ken Macintosh (Eastwood) (Lab):** More than a decade ago, when Scotland's school examination system almost collapsed during the Scottish Qualifications Agency debacle, there was a revealing episode when, in the midst of the crisis—when a cohort of pupils and students feared that they would not get the highers for which they had worked—Scotland's universities turned around and said, "Don't worry. We don't need to see your highers; we'll take the assessment of your teachers." Whatever their motivation was in saying so, the striking point for me was that the universities recognised that what matters is not the higher, nor even the grade in the exam, but the ability of the pupils who sit the exam, which is simply one way of testing or proving that ability and potential.

However, how often do we find that the criteria that we use to assess, to moderate and to compare become the goal itself? We need to be careful about the values that we reflect when measuring success, because more often than not we end up being shaped by that very measurement.

I do not think that that lesson has ever been more obvious at a national and international level than in the fallout from the banking crisis. Our society is crying out for a more ethical approach to finance, but we still return to the very criteria that got us into trouble in the first place. We promote the chase for AAA credit ratings, wealth generation becomes an end in itself rather than a

means to an end and we end up promoting the values of greed and selfishness.

No one is suggesting that money is not important, but if we track only income or economic measures, we fail to capture the damaging effects of inequality and the negative impact that lack of control, low status and poor neighbourhoods have on many people's lives. A truly prosperous society needs to value and measure health, happiness, social wellbeing, relationships, poverty, housing, crime and environment. A host of factors affect our wellbeing and if we ignore them our social progress and ultimately our happiness will prove elusive.

The good news is that both here in Scotland and around the world a range of alternative and complementary measures are being developed. Countries as diverse as France and Bhutan have shown the way in that regard with Government-led initiatives. I was no fan of President Sarkozy, but the work that he commissioned by Professor Stiglitz, which is a name that we are more familiar with here in the Scottish Parliament, has given complementary indices of wellbeing both importance and credibility. Closer to home, our Prime Minister, David Cameron, does not talk so much about happiness these days, for understandable reasons, but he is to be commended for at least beginning the process of collecting the necessary information through household surveys on social wellbeing.

Here in Scotland the national performance framework, and Scotland performs, is similarly a positive step in the right direction. Without wishing to be overly critical, my main concern is that it is still too focused on quantitative rather than qualitative indicators and it strikes me that the framework itself has yet to become a practical tool of government. As with much of the work that is going on in other countries, these new indices of wellbeing do not seem to be used or referred to as an active measurement and I am certainly not aware of any decisions here in Scotland that have been changed as a result of the national performance framework. That is just one of the reasons why I was particularly pleased by the work that Oxfam and a host of voluntary sector and other organisations have done in producing the humankind index.

I am pleased to have secured the debate following my motion on behalf of Oxfam, but I am conscious that several members and colleagues worked on the humankind index and I want to thank them for their contribution. They include Patrick Harvie from the Greens, Linda Fabiani from the Scottish National Party and, from Labour, my European colleague, David Martin MEP. I give particular thanks to Katherine Trebeck and all her colleagues from Oxfam.



I do not think that any of us is saying that we have finally cracked it and that here is the one index that can sum up the human condition, but the point about the humankind index is that it is interactive and participatory; it goes into our communities—in fact, it goes into our most deprived communities and asks, “What is it that affects your wellbeing?”

Few of us will be surprised at the list of measures that Oxfam identified as being important to most people: living in a neighbourhood where they can enjoy going outside; having a clean and healthy environment; feeling that they and those whom they care about are safe; access to green and wild spaces, and community and play areas; having the facilities that they need locally; being part of a community; having good transport to get to where they need to go; and being able to access high-quality services. On what are often regarded as harder economic indicators, the Oxfam humankind index shows that one of people’s top priorities is satisfaction derived from work, not work per se, and that security and sufficiency of income are more important to people than just having large amounts of money.

The result comes far closer to reflecting our values than the more often quoted but distant and anonymous indicators such as gross domestic product. I am grateful to the Carnegie UK Trust for circulating ahead of this debate a quote from Robert Kennedy, who said of GDP that, while it is useful,

“it measures everything ... except that which makes life worthwhile.”

I am delighted that the Parliament’s Economy, Energy and Tourism Committee is considering alternative and complementary measures of prosperity and wellbeing. The Glasgow centre for population health is doing pioneering work in the area. Later this evening, the Parliament’s Scotland’s Futures Forum will host a discussion on the same issue.

Scotland is already leading the way, but we could do more, and Oxfam’s humankind index shows us the way. I ask the Cabinet Secretary for Finance, Employment and Sustainable Growth to look again at the national performance framework to consider whether it can be reformed and whether the link between governmental decision making and indices of wellbeing can be made more explicit. Specifically, I ask him to consider Oxfam’s work and the interactive way in which Oxfam asks members of our society and communities what matters to them.

Official recognition of Oxfam’s approach and official use of the index would send out a clear signal of our intentions and values here in Scotland. The values that we use to shape our

criteria and measure progress can shape our goals and the sort of country that we want to be. I hope that we make the right choice.

**The Deputy Presiding Officer:** A number of members wish to participate, so I ask for speeches of up to four minutes.

17:41

**Jean Urquhart (Highlands and Islands) (SNP):** I congratulate Ken Macintosh on bringing this debate to the chamber. I am delighted to have the opportunity to speak in favour of the motion and in favour of Oxfam’s vital work in the area. As members know, it is common for us to receive briefings or points of view from interested parties on the debates that we have in the chamber, but it is uncommon for those contributions to be unanimous in their tone. The overwhelming and sincere support for the humankind index from groups across Scottish civic society is welcome and telling.

For too long, Scotland and the developed world as a whole have relied on GDP figures to paint a picture of a prosperous society. However, as Oxfam has succinctly remarked, GDP is a

“consumption-oriented and distribution-blind measure”.

Sadly, a high GDP and endemic and crippling poverty are not mutually exclusive but in fact often go hand in hand, as the growing inequality of the past 30 years in the United Kingdom has shown. A reliance on GDP figures and purely economic statistics by policy makers can harm the common weal, rather than helping to ameliorate society’s scars.

The Oxfam humankind index is specifically designed to avoid those statistical pitfalls in measuring the health of our society. To Oxfam’s credit, it has gone the extra mile in reaching out to as many parts of the community as possible. It has involved those on lower incomes who, unfortunately, feel disengaged with the political process and asked them what really matters in their life. We can learn a lot from that method of consultation and participation, particularly from the efforts that Oxfam has made to accommodate participants through provision of childcare and expenses.

It should come as no surprise that the index has shown that, for most people, good health, strong communities and a healthy local environment are the priorities. Perhaps the lasting contribution of the index will be that policy makers such as us will reach decisions on the basis of how policies will help to achieve those laudable aims, rather than purely on the basis of the effect on the nation’s finances. In our future policy deliberations, it is vital that we use the humankind index. We have

been provided with a tool to help deliver social justice for Scotland, so I hope that we can use it. I support the motion.

17:44

**John Park (Mid Scotland and Fife) (Lab):** I, too, congratulate Ken Macintosh on bringing this debate to the chamber. I draw attention to my entry in the register of interests, which states that I am a director of Scotland's Futures Forum, although that will probably become apparent as my speech goes on.

Mr Swinney will remember that, in 2008, when the global financial crisis was starting to unfold, we had a series of debates on that in the Parliament. All the parties accepted that the existing model had failed and that the things that we had to debate, the changes that we had to make, the policies that we had to develop and the decisions that had to be taken had to have a direct and positive impact on what was happening outside the Parliament.

That recognition—regardless of the differences that have developed over the years—is still there. That is why the debate on the humankind index and how we measure the quality of life in Scotland and more widely around the globe is important. It may seem like a policy-driven debate or a topic that politicians can talk about at the Parliament, but I believe that if we start to make these changes and then place policy development changes on the back of new and more effective measurements, that will have a direct impact on the lives of the people we represent—perhaps not tomorrow, or next week, but certainly in the future.

That is why I welcome the development of the national performance framework, which Ken Macintosh mentioned. Although that provides a good basis and foundation, we have not properly discussed the issue in Parliament. I hope that the work that we will be progressing shortly in the Economy, Energy and Tourism Committee to look at the humankind index and the national performance framework will give us an opportunity to build political discourse about how we improve what we measure and make some real changes.

I am pleased to be involved in the debate and to highlight the work that is being done by Scotland's Futures Forum in this area, to which Ken Macintosh referred—although he had me reaching for my diary, worried about what I was doing this evening, when he said that there is an event on this evening. There will be an event on 19 September, which is part of a series of events that are taking place over the next year about rethinking wellbeing. The purpose is to get parliamentarians and people outside Parliament to think differently, without the constraints that we

sometimes face here, about the kind of country that we live in. I hope that parliamentarians will participate and I hope to be involved myself as that series of events moves forward.

We need to think about the medium term now, but we also need to scan the horizon for future issues. We also need to think about how we develop policy. However—as I have said—we should not always be constrained by the issues that we have to deal with in Parliament day to day, week to week.

I recently moved back to the area in Dunfermline where I grew up. The difference between what the area was like when I was a young boy and what it is like now is unbelievable. A lot of investment has gone into redeveloping and regenerating the area. I am sure that employment and income levels can be measured, but one thing that probably cannot be measured is the difference that that community and its environment have made to the people who live there.

**John Wilson (Central Scotland) (SNP):** Will the member take an intervention?

**The Deputy Presiding Officer:** I am afraid that the member is concluding.

**John Park:** I am sorry, but I am over my time.

It is important to capture that difference—I can see it first hand—and ensure that we develop policies so that all our communities might benefit in that way. That is something that I would sincerely like to happen.

17:48

**Murdo Fraser (Mid Scotland and Fife) (Con):** I congratulate Ken Macintosh on securing the debate and not only commend his motion but commend Oxfam Scotland for its valuable work in developing the humankind index.

As other members have mentioned, the Economy, Energy and Tourism Committee, which I have the pleasure of convening, has already done some work on the issue. Katherine Trebeck and Dr Dan Barlow from WWF came to the committee's business planning day the other week to explain more about the background to the humankind index. We intend to take the issue forward and we are inviting Joseph Stiglitz to speak to the committee, which I hope he will do later this year.

The background to the issue is, as Ken Macintosh fairly said, a recognition of the imperfections of GDP as a measure of success. The point has been made that, because of how GDP is constructed, it will demonstrate an increase when events occur that might not otherwise be regarded as beneficial. For example,

an oil spill in international waters that requires to be cleaned up will demonstrate an increase in GDP, but few people would regard that as a positive outcome.

The purpose of the humankind index is to find other ways of measuring economic success. That is being recognised not only in Scotland but much more broadly. As Ken Macintosh quite fairly acknowledged, the Prime Minister himself referred back in 2010 to the need to develop new ways of measuring happiness. In a speech that he made at that time, he said:

"The point is that all of life can't be measured on a balance sheet, and no one put that better than Robert Kennedy more than 40 years ago, in a fantastic speech. He said that GDP ... 'does not allow for the health of our children, the quality of their education, or the joy of their play. It measures neither our wisdom nor our learning; neither our compassion nor our devotion to our country; it measures everything, in short, except that which makes life worthwhile.'"

The Prime Minister went on to say:

"Just as the GDP figures don't give a full story of our economy's growth, but give us a useful indicator of where we're heading. So, I believe a new measure won't give the full story of our nation's wellbeing, or our happiness or contentment or the rest of it—of course it won't—but it could give us a general picture of whether life is improving, and that does have a really practical purpose."

I do not always agree with the Prime Minister, and many members in the chamber will agree with him even less than I do on most occasions, but I am sure that we would all agree that that objective is worth pursuing.

The United Kingdom Government has already developed the idea of general wellbeing. It was measured for the first time this year, and members may be interested to know that nationwide we have an average happiness level of 7.4 out of 10. We in the chamber can reflect how much happier we are than others elsewhere, although I believe that people in Scotland's island communities are much happier than the rest of us.

The humankind index is not without its issues. It is inherently subjective and is based on the things that people come forward and say are important to them. In looking at some of the detail of what was presented to us, it seemed to me that there was some overlap between different categories, particularly in relation to topics such as work and financial issues. Because of the way in which the index is constructed, it would be difficult to make comparisons internationally with how other countries are performing.

Nevertheless, the humankind index is a valuable piece of work. It is also important to stress that it is intended not to replace GDP but rather to complement it. Ken Mackintosh's motion states that the humankind index is intended to spark

debate. I am not necessarily convinced that it is the answer, but I think that we should have a debate about it and about the broader issues. On that basis, I am happy to endorse the motion.

17:52

**Patrick Harvie (Glasgow) (Green):** I add my thanks to Ken Macintosh for bringing the debate to the chamber and for his recognition of the small role that I played, along with my colleagues Linda Fabiani, David Martin of the Labour Party and Jo Swinson of the Liberal Democrats, who I expect will be at the Westminster launch of the humankind index when that takes place next month.

Over the years, Greens have been banging the drum in the chamber and outside about alternatives to GDP. In my first session as an MSP, my colleague Mark Ballard hosted an event entitled "Measuring what matters" to bring further debate on the issue into the Scottish Parliament, and the humankind index is peppered with similar phrases.

Greens come to the issue from a recognition that everlasting economic growth on a planet of finite resources is, first, unlikely to happen and, secondly, very often harmful when it is pursued at the expense of other things. We recognise that the pursuit of everlasting economic growth has resulted in a situation in which the material benefits of economic growth have been hoarded by the few or stashed away in tax havens, whereas the social and environmental cost of that economic activity has often been heaped on those who are least able to defend themselves.

GDP measures only the size of the cake, but simply increasing that cake is not a socially beneficial, environmentally responsible or economically sustainable policy. If we were to move away from that view and think about how the cake is shared and what it contains rather than just its size, we would, by definition, have to address questions of distribution, equity and sustainability.

**Neil Findlay (Lothian) (Lab):** Many of the themes that the member discusses and which have emerged in the debate fit in nicely with the people's charter, which will soon come before the Parliament in a petition. I am not 100 per cent sure whether Mr Harvie has signed up to the charter, but I hope that he has, and I am sure that he would join me in encouraging other members to do so.

**Patrick Harvie:** Absolutely. I will make every effort to attend the event that I know will take place soon.

As I said, Greens have made the case for a long time, but we are by no means the only ones to do so. Several members have already quoted Bobby Kennedy. I think that people often mention what he said because I have never heard the argument expressed better. It is worth reflecting on one or two other aspects of the quote. He was describing gross national product, which

"counts ... locks for our doors and ... jails for the people who break them ... It counts napalm and counts nuclear warheads and armored cars for the police to fight the riots in our cities. It counts Whitman's rifle and Speck's knife, and the television programs which glorify violence in order to sell toys to our children."

Few people have expressed the argument better than Kennedy did in that quote.

It is rare that I have the opportunity to quote with relish religious voices in Scotland, but the Church of Scotland's commission on the purposes of economic activity has made crucial arguments about the subject. It said:

"We need to realise the importance of a right relationship with money, and that what is of value is more than simply money. There are problems caused in society by wealth as well as the lack of it."

The commission said that these challenging economic times provide an opportunity to re-evaluate the fundamentals.

The humankind index is by no means the last word on the issues, as other members have said, but it is an important contribution to the debate, to which others have contributed. I look forward to the Economy, Energy and Tourism Committee building on and continuing to scrutinise that work. In looking at how the national performance framework develops, I urge the Government to take it clearly in the direction that the humankind index indicates.

17:57

**Marco Biagi (Edinburgh Central) (SNP):** I thank Ken Macintosh for allowing us to debate the subject. GDP is not a flawed measure, but it is definitely limited. Perhaps economists are more aware of its ups and downs than are those of us who quote it readily in public discourse. GDP—which has been around for about 80 years—is a quick and dirty measure of economic activity in a country. It was never intended to go beyond that, but it has been pressed into service in many roles for which it was not designed.

Even for measuring the size of the cake—to which Patrick Harvie referred—there is a rival measure, which is gross national income. That measures not the amount of economic activity in a country, but the amount of economic activity that ultimately accrues to a country's citizens. In Europe, GNI tends to be virtually the same as

GDP, but in Equatorial Guinea, where the GDP of \$27,478 per capita is quite impressive by sub-Saharan Africa standards, the GNI per capita is 47 per cent lower. It is clear from that indicator that the people of that country are not the sole beneficiaries of its resources.

Similarly, we must adjust for purchasing power parity, because a loaf of bread does not cost the same in Blantyre in Lanarkshire as it does in Blantyre in Malawi. That further introduces the estimations and approximations that make social science an inexact art.

In the past in the UK, people often looked at productivity as an indicator in economics. However, as GDP growth tended to come from working ever-longer hours from the 1980s onwards, that indicator fell out of fashion.

Even with an awareness of GDP's strengths and weaknesses—of which there are many—we run the risk of losing sight of what it truly means to prosper. The humankind index is not the first attempt to create an alternative, complement or supplement to GDP. Amartya Sen—the first Indian Nobel prize winner in economics, who perhaps does not get as much of a hearing in the UK as Joseph Stiglitz does—has spent a career on trying to develop an alternative paradigm for the whole of economics that is centred on the capabilities approach. His famous example is that, in the Bengal famine, there was no legal impediment to people buying food but, although the free market was satisfied, the starving were not.

That led to the United Nations development programme's human development index, which combines literacy, life expectancy and other wellbeing indicators. Countries with a high GDP tend to have a high HDI, but the link is not absolute. One example that is often cited is Kerala, a state in India that is one of a kind in having a democratically elected Communist Government that has managed to remain democratically elected for a great many years. It has always matched developed world levels of health, in particular, with only developing world levels of finance. HDI is not perfect either, though, as it leaves out environmental efficiency and, frankly, gives high scores to countries that have not very free political systems.

All that shows that the process is still developing. HDI mimics GDP's strength and is comparable across countries, whereas the humankind index is distinctively Scottish. However, I think that its greatest strength, as well as its shortcoming, is that it is distinctive to the priorities of the people in Scotland who participated in its development. Although it is unlikely to be the last word on the issue, it is the first, and it is a very useful reminder that progress has more than one dimension.

**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 from Ken Macintosh, under rule 8.14.3, that the debate be extended by up to 15 minutes.

*Motion moved,*

That, under Rule 8.14.3, the debate be extended for up to 15 minutes.—[Ken Macintosh.]

*Motion agreed to.*

18:01

**Claudia Beamish (South Scotland) (Lab):** The fact that the debate is being held today is significant, as is the strength of cross-party support, along with support beyond the chamber, that it has secured. This is just one of the many ways in which an essential shift is happening in Scotland and elsewhere. I fully endorse the aims and sentiments that are articulated in Ken Macintosh's motion, and the principles that underpin the humankind index, which alter the focus of our economic attention.

Why do we badly need an alternative measure or measures? GDP is the market value of all officially recognised final goods and services that are produced within a country in a given period. In that way, it is often considered to be an indicator of the country's standard of living, but is it really an accurate and meaningful indicator of a country's standard of living? Many people strongly disagree. Members have mentioned Senator Bobby Kennedy's famous speech, which is stirring and important stuff. Perhaps the most significant thing about the speech is that, although it was made 40 years ago at the University of Kansas, few countries—with some exceptions—have adopted those indicators.

WWF Scotland believes that

"the pursuit of GDP growth alone risks undermining progress in other areas key to securing a flourishing and sustainable Scotland."

It also believes that GDP

"doesn't account for depletion of natural capital and doesn't distinguish between expenditure that is positive or negative."

An example of that is expenditure on hospital admissions due to air pollution. That shows as an expenditure, but it is not highlighted as an expenditure that we would rather not incur.

It has been commented that the business community would be opposed to a measure that is anything other than a direct calculation of capital, as GDP is now. However, economists the world over have begun to accept that GDP ignores changes in the natural, social and human components of capital on which a country relies for

its continued existence and future wellbeing. In business terms, that means that calculating things such as the cost of depleting resources is rarely factored into budgeting which, in the long run, will lead to unsustainable business practices. Thus, an index that measures more than simply the gross product will be a help to business, rather than a hindrance.

The political engagement of our communities is at the heart of the issue. As a community activist, teacher and now MSP, I am keenly aware of some of what matters to challenged communities such as the ex-mining communities in the Douglas valley, in my region. Affordable warm housing and many other issues, including fresh air and being able to live in a clean and healthy environment, which have been raised by other members today, stressed by Oxfam and reinforced by a range of organisations from the Scottish Wildlife Trust to the Poverty Alliance, are all essential if we are to move forward in a positive way for the people of Scotland.

Many communities are looking to change collectively through transition towns and many other initiatives. As the Poverty Alliance has suggested, we must realise that treating people as

"passive recipients of policies rather than potential active agents of change"

is not the right way forward for Scotland. People's voices matter and we must listen to them. If people are to engage more with the political system, having alongside the reporting of GDP comprehensible quarterly reporting on issues that matter to people, broken down into headline measures, would surely help with the connections between politicians and policy makers and the communities that we represent.

We could start by introducing two or three of the following measures, chosen in dialogue with communities: giving more prominence to the distribution of income, consumption and wealth; reporting on proximity to dangerous levels of environment damage; security of employment; and mental health and wellbeing. These and other measures should inform the Scottish Government's budget and the direction of Government policy and action at all levels. The interface with the development and refinement of the national performance indicators is also essential, and I look forward to accepting Mr Swinney's invitation to discuss the matter.

**The Deputy Presiding Officer:** You must conclude.

**Claudia Beamish:** The time for those alternatives has come. I know that we will move forward on this issue.

18:06

**Roderick Campbell (North East Fife) (SNP):**

Like other members, I congratulate Ken Macintosh on securing this members' business debate.

I welcome the publication of the first results from Oxfam's humanitarian index project. The term "gross domestic product" must have very little meaning for those who live and work outwith the professions of politics and economics; after all, what it encompasses is certainly not instantly obvious. As the Poverty Alliance points out in its briefing for the debate, one very real problem is that people on low incomes feel that politics and the decisions that are made—and their economic impacts—are distant activities to which they have little chance of making any meaningful contribution. It is also revealing—if not surprising—that according to the humanitarian index more deprived areas seriously lag behind in community spirit and in the number of volunteers in those areas.

I am sure that everyone in the chamber will agree that it simply is not true that the success of a nation's economy can be judged by the trade of paid goods and services alone. The measure of GDP will remain an important tool, but we also need to appreciate its shortcomings—not least its lack of focus on real outcomes from the spending that is included in its calculation. The Scottish Wildlife Trust is by no means alone in pointing out that spending in one area to counter the negative side effects of activity in another is not "growth" according to any sensible use of the word.

As a result, I very much welcome the new index as a complement to GDP; indeed, that is how Oxfam describes it in its conclusion. A wide variety of measurements will, in itself, offer a more focused picture of Scotland's performance—and, on that subject, I am pleased that the Scottish Government takes seriously the requirement to gather and analyse economic data effectively in order to enable effective policy decisions to be made across the range of Government portfolios.

Ken Macintosh and John Park have referred to the national performance framework, Scotland performs, which has been described as the result of an "innovative" and thoughtful approach to calculating progress, and in the establishment of which it has been said that the Scottish Government and all other non-governmental bodies across business, local government and the third sector "deserve praise" for their work. Those are not my words—they are the findings of the Carnegie UK Trust and the Sustainable Development Commission in a report that was published last May.

What matters is subjective; many business owners will say that growth and profit—financial

viability—are what matter most to the economy. On the other hand, when a typical Scottish family is asked what matters to them, they are probably unlikely to mention growth or profit. That is not to say, of course, that their wellbeing is not firmly entwined with private sector success, but it certainly demonstrates the fact that Scots' needs and aspirations vary enormously. When consulted as individuals by the humankind index, people made it clear what was most important to them—health and housing were at the top of the list. However, for someone without a job, both might well be affected.

Once again, I congratulate Ken Macintosh on securing the debate and look forward to seeing how the index develops in the coming years.

18:09

**Drew Smith (Glasgow) (Lab):** It is customary to congratulate members on securing these debates and to remark on the importance of what is being discussed. It is a custom that is largely followed regardless of whether the topic being debated is of any real interest or relevance to anyone beyond the constituencies and regions of a handful of members. However, on this occasion Ken Macintosh has brought forward a debate in the chamber that is not just relevant, timely, interesting and important but potentially revolutionary—if Mr Macintosh will forgive me for calling him names.

Congratulations should also go to Oxfam for the work that it has done and for the way in which it has brought the ideas to public prominence. Oxfam describes the humankind index as being

"about valuing the things that really matter to the people of Scotland"

including

"social relations ... health and skills ... physical environment ... natural context, and ... financial assets."

Those ideas are not unique to Oxfam—they are part of a wider and growing movement in research, presentation of information and campaigning that seeks to challenge how we value the real wealth in the world around us. Similar ideas have been expressed around the creation and maintenance of more equal societies, and broader measurements are critical to being able genuinely to understand and promote preventative spending measures.

As Ken Macintosh said, it is welcome that even the UK coalition, not a Government that is known for doing much to promote wellbeing, has at least signalled its intention to begin measuring the very things to which it is doing so much damage.

The Scottish Government's own Scotland performs system is a welcome but limited example

of those ideas being taken up by the state. Like Mr Macintosh and Mr Park, I am not yet convinced that measurements made in that process are genuinely driving policy choices in Scotland, but I am hopeful that it will become increasingly more useful. I also hope that the suggestions made by Oxfam—and supported by an impressive list of others—for changes to the national performance framework have been taken on board. I am sure that the cabinet secretary will say more about that in his closing speech.

It is a sign of the widespread interest in and appeal of the measures that, as others have said, so many organisations have sent members briefings for the debate. They include the church, as Patrick Harvie importantly reminded us, the voluntary sector and trade unions. Conversations around better and more real forms of measuring success and lack of success are commonplace in the voluntary and campaigning sector and also among health promoters, of whom I used to be one.

The Labour movement and before that the anti-slavery movement grew out of ideas that people were worth much more than their productivity as workers. It can be too easy for the left to glibly accept initiatives such as the humankind index and assume that they simply reinforce our own world view. In fact, the challenge is just as much to us and others like us who believe in decent work as a route to a better life. At this time, when, as the humankind index tells us, 43 per cent of Scots report a fall in their personal sense of financial security, job creation is a vital responsibility of Government. The view that promoting economic growth as measured by GDP is the way to do that creates a challenge for us, as it can reduce all policy decisions to what is best for growth, which can then become about what is best for business or best for Government. The humankind index encourages us to remember that the creation of a better country means better lives for people—not just a long dance with powerful and persuasive interests that is justified on the grounds of job creation.

Oxfam Scotland describes the humankind index as measuring what makes a good life. At the beginning of a new session and on a day when we have been debating the Scottish Government's legislative programme, Ken Macintosh has done the Scottish Parliament a service by bringing forward the debate.

18:13

**The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney):** It is a pleasure to close the debate and to respond to the issues that were raised by Ken

Macintosh and other members in the course of the debate.

I genuinely want to associate myself with the motion that Ken Macintosh put forward, unlike the custom that Drew Smith mentioned in relation to other members' debates—a cynical comment for such a young man. I associate myself with the motion because it opens up an interesting debate in the Parliament. It gives us the opportunity to explore some substantial points that have broad agreement across the chamber and can enhance the way in which we assess and consider public policy in Scotland.

Ken Macintosh started his speech with reference to the exams difficulty in 2000, including the difficulties for the SQA and the fact that universities generally took the view during that period that exam results did not really matter. I wish that I had had that knowledge in 1980, 1981 and 1982, when I was awaiting a certificate with the signature of Mr Macintosh's distinguished late father—the chairman of the Scottish Examination Board—at the bottom. I am afraid that I preceded the SQA and did O grades and all the rest of it. The exam certificate was nonetheless welcome when it eventually arrived with that distinguished signature on it.

Tonight's debate is fascinating because it gives me, as a minister in the Government, an opportunity to promote the work of the national performance framework that the Government has followed since 2007, and to invite and encourage a debate about the effectiveness of and greater awareness of the national performance framework as it begins to address some of the aspirations that are clearly contained in the index of humankind that Oxfam has developed.

My aspiration for the national performance framework is that it aims to do what the index of humankind is trying to do. I do not make that remark from the point of view of a defensive Government minister. Through the national performance framework, we have tried to construct an analysis of national performance that is not just a report card about the Government. It is about all sorts of things, such as how people live their lives, how they want to live their lives, their aspirations, and their hopes in our society. It is also about testing whether our country is making progress year on year, month by month, towards achieving that picture. That is at the heart of the thinking behind the national performance framework.

**Patrick Harvie:** I accept and agree with what the cabinet secretary says about the intentions of the national performance framework, and I welcome the inclusion of, for example, solidarity, cohesion and sustainability within it. However, does he acknowledge that there is still a strong

perception that GDP is at the top of a hierarchy in the national performance framework? If the intention is not to place GDP at the top of a hierarchy, do we not need to refresh and reframe the way in which the performance framework is presented and understood in its application in Government, Parliament and wider society?

**John Swinney:** I suppose that that point gets to the nub of some of the difference of opinion that might exist around the national performance framework. The Government has chosen to put an improvement in Scotland's economic performance at the top of its list of priorities. We came to that view in 2007, before the financial crash of 2008, and I think that there is broad agreement among members that, even if it was not relevant in 2007, it certainly became relevant after 2008.

Mr Harvie and I have chewed over the point in private and public on many occasions. We are talking not about growth at any price but about growth within the context of a range of other balancing factors, as Mr Harvie rightly said, such as participation in the economy, solidarity, cohesion, ensuring that we deliver regional equity in different parts of the country and, crucially, ensuring that we take due account of the questions of sustainability and our use of natural resources. The national performance framework is an attempt to bring together all those factors. When I look at aspects of the index of humankind as proposed by Oxfam, such as physical and mental health or affordable, decent and safe homes, I see approaches reflecting those aspirations in the national outcomes that are part of the national performance framework.

My response to the debate is a warm invitation to members from all parties to work with us on ensuring the strength, effectiveness and—crucially—longevity of the national performance framework. We have developed something that the Carnegie Trust and the Sustainable Development Commission assessed, as my colleague Rod Campbell said, as

“the most innovative and forward-thinking attempt since devolution to track Scotland's progress and performance.”

We should be proud of that and prepared to build on it. The invitation that I give is that ministers will be delighted to discuss with members from across the parties the way that we take it forward.

The Carnegie Trust indicated that it was

“concerned that through the ebb and flow of politics ... there is a significant risk of all this experience being lost and the framework itself being abandoned either now or in the future.”

The Government has maintained the framework from its first term of office to its second. I like to think that, in the utterly unlikely event that it was ever to be replaced by an Administration of a

different colour—heaven forbid—the national performance framework would be retained as a long-term measure of how the country was developing. I also like to think that it will be enhanced by the debate that we have in the parliamentary chamber and the debate and scrutiny that the Economy, Energy and Tourism Committee can devote to it. It has, undoubtedly, been enhanced by Oxfam's work and the debate that Mr Macintosh has led.

*Meeting closed at 18:20.*



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