



The Scottish Parliament
Pàrlamaid na h-Alba

Official Report

MEETING OF THE PARLIAMENT

Thursday 27 September 2012

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Scottish Parliament

Thursday 27 September 2012

[The Presiding Officer *opened the meeting at 11:40*]

Scottish Government Question Time

General Questions

Remploy Stakeholder Group

1. Patricia Ferguson (Glasgow Maryhill and Springburn) (Lab): To ask the Scottish Government whether it will provide an update on the meeting of the Remploy stakeholder group of 19 September 2012. (S4O-01326)

The Minister for Energy, Enterprise and Tourism (Fergus Ewing): Due to parliamentary business, the meeting of the Remploy stakeholder group was short. We discussed the announcement of the closure of the Aberdeen and Edinburgh sites and concern was raised about the delay to the announcement on the Springburn site. I have raised those concerns with Esther McVey, the recently appointed Minister for Disabled People in the United Kingdom Government. Ms McVey has agreed to meet MSPs on 22 October, and I hope that all MSPs who have raised concerns about the matter with me in recent months will attend that meeting.

Patricia Ferguson: I am grateful to the minister for his answer and for the work that he has been doing in this regard. As he will be aware, the long-awaited decision on the Springburn factory, which we had expected from the UK Government, has not materialised and workers now face a further delay as they wait to hear their fate.

I ask the minister whether the Scottish Government will consider two important facts in relation to the Springburn factory: first, that it constructs and adapts wheelchairs; and, secondly, that there is a backlog of national health service patients who are waiting for delivery of a wheelchair or for essential maintenance of a wheelchair. Even at this late stage, will the Scottish Government consider the possibility of acquiring Springburn Remploy as part of the NHS family? That would provide a secure future for the dedicated workers and a ready supply of wheelchairs for those who need them.

Fergus Ewing: I recognise the great interest that Patricia Ferguson has taken in the matter. She has pursued it in the chamber and elsewhere in the Parliament. I also recognise the similarly appropriate actions by MSPs from many other

parties. The matter is extremely serious, as Patricia Ferguson said.

Yes—I will fully take into account all practical suggestions of the sort that Patricia Ferguson has made. I point out to members, however, that legal responsibility for the conduct of the disposal of Remploy factories rests not with me but with the UK Government. This morning, I spoke to Esther McVey, who is the successor to Maria Miller. We are straining every sinew to ensure that there is a future for the Remploy workers in Springburn. I believe that there should be a future for the work that is done there to be carried on in a financially viable way. For those reasons, I am grateful for the support of members of all parties and their willingness to work constructively towards securing that end, albeit that, unfortunately, we do not have the powers that we would wish to have to take charge of the matter ourselves.

Clare Adamson (Central Scotland) (SNP): The minister will be aware that the Netherton factory in the Central Scotland region was given a reprieve in 2007, having previously been earmarked for closure by the Labour Government. It is now marked for closure with the loss of 24 jobs, 20 of which are held by disabled workers. Given that the most recent figures show that North Lanarkshire's unemployment rate is above the national average and that Jobcentre Plus reports that 14 people are chasing every vacancy in the area, what support will the Government give to those who are facing unemployment following the closure of the factory?

Fergus Ewing: I recognise Claire Adamson's concern and the work that she has done on the matter. Partnership action for continuing employment is delivering support to the employees, with personal caseworkers assessing their needs and developing specialist, tailored support to help them in their search for work. I am considering whether any other support can be offered. I remain hopeful that those who wish to find new employment will be able to do so.

It is my wish, subject to permission from the relevant authorities, that the Parliament should debate all the matters in relation to Remploy. It would be best for the debate to take place after Esther McVey has visited the Parliament on 22 October and met all MSPs with an interest in the matter. That would be the appropriate way to allow all the many points that have been raised to be properly aired and considered in this Parliament.

The Presiding Officer (Tricia Marwick): Question 2 has not been lodged. Richard Baker has provided no explanation to the Presiding Officers.

Nuclear Weapons

3. Patrick Harvie (Glasgow) (Green): To ask the Scottish Government, in light of its policy on nuclear weapons, whether it will participate in the spring 2013 conference in Norway on the humanitarian consequences of these. (S4O-01328)

The Minister for Transport and Veteran Affairs (Keith Brown): The Scottish Government is firmly opposed to the possession and threat of nuclear weapons. We are in contact with the Norwegian authorities to secure further information on the conference.

Patrick Harvie: I am glad that my question was answered by one of the—I think—four members of the Scottish Government who are members of Parliamentarians for Nuclear Non-proliferation and Disarmament. Does the minister agree that the humanitarian consequences of nuclear weapons would be exactly the same whether they were based at Faslane, Milford Haven or wherever? Will the Scottish Government therefore join the International Campaign to Abolish Nuclear Weapons in proposing a global treaty for their eradication? If we did that, perhaps his party would not need to bother debating whether to join a nuclear alliance.

Keith Brown: Perhaps the member wants to pay more attention to his party than to my party—that might be in his interests. I am here to answer for the Scottish Government. We note the role that humanitarian law has played in the banning of landmines and cluster munitions, for example. It is right to focus attention on the devastating consequences of nuclear weapons, which Patrick Harvie mentioned. We support the work of the Norwegian Government and others in seeking to build the political support that is needed to secure binding treaties on the reduction and ultimate withdrawal of nuclear weapons.

Rail Links (West Scotland)

4. Mary Fee (West Scotland) (Lab): To ask the Scottish Government whether it plans to introduce rail links to towns in West Scotland that currently have none. (S4O-01329)

The Minister for Transport and Veteran Affairs (Keith Brown): At present, we have no plans to introduce new rail links in the west of Scotland, but we have announced the £30 million Scottish stations investment fund and we will consider any proposals that are affordable and demonstrate value for money.

Mary Fee: The Minister for Local Government and Planning believes that there should be a rail link to Renfrew. Does the Minister for Transport and Veteran Affairs agree with that and will he guarantee the funding for that?

Keith Brown: I understand that, as the local MSP, the Minister for Local Government and Planning will meet his local council to discuss the issue. That shows ambition on both sides.

The process by which people can access the stations investment fund has been laid out, albeit that it starts in 2014. If the local council and the local regional transport partnership care to work together to go through the process of providing the appropriate analysis of whether bus, rail or other forms of transport are ideal, they can of course make a bid to the fund, which will be considered in due course.

Fiona McLeod (Strathkelvin and Bearsden) (SNP): Will the minister describe the process for local campaigners, such as those in my constituency who want rail halts at Woodilee, Woodhill and the Allander, to input their thoughts into the bid process?

Keith Brown: The stations investment fund will start in April 2014. Before then, I recommend that local campaigners work with their local authorities, regional transport partnerships and developers in some cases. We have said that the £30 million that is available can be best used if it is spread among as many stations as possible. If we can access money from regional transport partnerships that are keen to have a station, or if—as in the two cases, at least, of which I am aware—stations can be built entirely with developers' contributions, that makes more sense. At this stage, it is appropriate to ensure that campaigners engage with local authorities and regional transport partnerships.

Electricity Grid (Access Charges)

5. Rob Gibson (Caithness, Sutherland and Ross) (SNP): To ask the Scottish Government whether marine and onshore energy producers in Scotland will have equitable access charges to the UK grid. (S4O-01330)

The Minister for Energy, Enterprise and Tourism (Fergus Ewing): We welcome the progress that is being made to reduce the scale of charges that mainland generators in Scotland face, but we still face a fundamental problem for Scotland's islands, and we continue to press the UK Government for a solution.

As the First Minister highlighted at First Minister's question time last week, we have proposed to the UK Government a cross-government group that involves the Scottish and UK Governments and the three island councils. That would work to assess and resolve the issue of island charging and help to unlock the massive renewables potential from the northern isles, the Western Isles and the seas that surround them.

Rob Gibson: Does the minister agree that the subsidy to developers in the south-west of England offshore energy park that is embodied in the charging regime from the Office of the Gas and Electricity Markets places development constraints on the Pentland Firth and Orkney waters scheme, which the UK Government announced this summer? Does the UK scheme have any union dividend for Scotland, which has the strongest wave, tidal and wind energy potential in the north?

Fergus Ewing: I agree that the Scottish islands are at a huge disadvantage. We want the offshore renewables potential to succeed in England, as we do in Scotland, but unfortunately the financial penalties for Scotland's islands are massive at present. We are determined to find a successful solution, and I hope that we will be able to convene the cross-government group so that the Scottish Government, the UK Government and the islands can meet to find a solution to the problem, which has remained unresolved for far too long.

Mary Scanlon (Highlands and Islands) (Con): Will the minister confirm that the potential changes to the charging methodology under Ofgem's transmission charging review are being further developed through the CUSC—connection and use of system code—panel, and that, following that work, findings and proposals will be presented to Ofgem in spring next year so that it can make a decision on whether to approve or reject any new charging regime? No final charging figures have yet been agreed as a result of the process, despite all the current speculation.

Fergus Ewing: Mary Scanlon is correct that matters currently rest with the CUSC panel. It is also correct to point out that, after that process of expert analysis is concluded, the UK Government has powers under section 185 of the Energy Act 2004 to put a cap on the amount of charges for the islands or for individual island groups.

We have already urged the UK Government to look very seriously indeed at using those powers to ensure that the very place in the UK that has the greatest potential to harness renewable energy is able to do so, and is not thwarted and prevented from so doing by an unfair charges regime that has taken far too long to resolve.

Multi-agency Public Protection Arrangements (Assessments)

6. Gordon MacDonald (Edinburgh Pentlands) (SNP): To ask the Scottish Government what assessments are undertaken prior to placing people being monitored under the multi-agency public protection arrangements in unsupervised bed and breakfast accommodation. (S4O-01331)

The Cabinet Secretary for Justice (Kenny MacAskill): The location and type of accommodation for offenders are an important part of the environmental risk assessment process. Those operational matters are fully discussed by all the agencies involved in the management of offenders and decided on a case-by-case basis. Guidance for agencies on assessing and managing housing-related risk under multi-agency public protection arrangements can be found in the Scottish Government's national accommodation strategy for sex offenders.

Gordon MacDonald: The cabinet secretary will be aware that there have recently been calls in the media to close a guest house in the Longstone area of my constituency that was used to accommodate Kevin Rooney, who was convicted of the horrific murder of an elderly local resident. Given that Rooney had 36 previous convictions spanning a decade, had a sexual offences prevention order placed on him in 2007 and was on bail at the time of the murder, can the cabinet secretary outline the responsibilities of local authorities and other agencies for the safety of the local community in placing such offenders in unsupervised premises?

Kenny MacAskill: First, I put on record our sympathies and feelings for the family of Mrs Sutherland, and I thank those who were involved in the ultimate successful prosecution of Mr Rooney.

I hope that Gordon MacDonald will appreciate that I cannot go into the specifics of the case or discuss the management of Mr Rooney. Those matters are rightfully for the City of Edinburgh Council, Lothian and Borders Police and NHS Lothian, which had a statutory obligation to manage and house Mr Rooney in the community. Those responsible authorities have commissioned a significant case review in order to learn the wider lessons from this tragic case, and the police have informed Mrs Sutherland's family of that development. I would be happy to discuss the matter with Gordon MacDonald once the significant case review has been carried out but, until then, the appropriate agencies are the council, the police and NHS Lothian, and we should allow the significant case review to be carried out rather than prejudging any matters.

Credit Unions (Proposed Bankruptcy Bill)

7. Kezia Dugdale (Lothian) (Lab): To ask the Scottish Government how its forthcoming bankruptcy bill will support the growth and development of credit unions. (S4O-01332)

The Minister for Energy, Enterprise and Tourism (Fergus Ewing): The Scottish Government acknowledges the challenges that

many Scots are facing in relation to their personal finances, and recognises the valuable role that credit unions play in providing financial services to a wide range of customers. We will continue to work with representatives of credit unions to ensure that we are doing all we can to support and promote them.

Kezia Dugdale: In a recent answer to a parliamentary question, the Cabinet Secretary for Finance, Employment and Sustainable Growth revealed that the total amount of individual debt held in Scottish Government payment programmes has reached a staggering £170 million. Given that shocking figure, will the minister embrace the power of credit unions to help people to budget and to borrow free from the dangers of legal loan sharks? If so, what will he do to support their growth?

Fergus Ewing: Everyone in all parties will agree that credit unions perform an invaluable service in Scotland. The country has 113 credit unions, which have a total of 250,000 members and £200 million of savings, £170 million of which is currently out on loan. They play a massive role and we all want them to play a greater role. We are very keen to work with the United Kingdom Government to ensure that they do even more to help the enormous number of people in Scotland who at the moment are under very difficult financial pressure.

John Wilson (Central Scotland) (SNP): What assurances can be given to credit unions about the proposed bill after a number raised certain issues at the Accountant in Bankruptcy roadshow and workshops and at the recent Association of British Credit Unions Limited Scotland conference?

Fergus Ewing: Credit unions have raised a number of issues with us. The forthcoming bankruptcy bill will seek to address many of those. In the interim, however, the Accountant in Bankruptcy will continue to engage with the credit unions to ensure the best return for all creditors, including credit unions themselves, by balancing the rights and needs of those in debt with the rights and needs of creditors and businesses.

Remploy Aberdeen

8. Mark McDonald (North East Scotland) (SNP): To ask the Scottish Government what its position is on the United Kingdom Government's rejection of the final offer from Remploy Aberdeen. (S4O-01333)

The Minister for Energy, Enterprise and Tourism (Fergus Ewing): I share the member's concern and disappointment at the latest United Kingdom Government announcement that the Remploy factories in Aberdeen and Edinburgh are

to close. It follows, of course, last month's closure of the Remploy factory in Netherton, Wishaw, which Clare Adamson mentioned. I am deeply concerned at the impact of the move on the employees affected and their families and we will look to support them in every way possible. Through our partnership action for continuing employment initiative, we have been working with the Department for Work and Pensions to deliver a package of support that is tailored to meet the needs of the employees who face redundancy. A disability employment adviser will be appointed to provide support to each employee.

Mark McDonald: Does the minister agree that, by inviting Remploy Aberdeen to submit a best and final offer only to then reject it, the UK Government has in effect led these people up the garden path and shown a total disregard for and lack of understanding of the work that is being done on site to develop a social enterprise hub? Although I welcome the earlier announcement of a future chamber debate on Remploy and although I intend to be at the meeting with Esther McVey, I wonder whether the minister is happy to meet me and other interested members to look at how not only the individuals but the social enterprises on the site can be supported in future.

Fergus Ewing: Yes, I am happy to meet Mark McDonald and other MSPs. It would be sensible to ensure that we have every appropriate opportunity to allow that to happen and, given that a great many MSPs are concerned about this issue, I will ensure that it happens for all of them.

The Remploy board's decision to reject the submitted bid is hugely disappointing and indeed puts in doubt the future of the staff on the site. There have been discussions with social enterprises and Aberdeen City Council about the creation of a social enterprise hub in the city and I hope that that work will continue. I am, of course, happy to meet all relevant parties to take the matter forward.

Lewis Macdonald (North East Scotland) (Lab): I very much welcome the minister's offer of a meeting. Has he had any engagement in the discussions with social enterprises and the council? If he is aware of the detail of those discussions, what conclusions has he reached?

Fergus Ewing: I have engaged extensively with social enterprise bodies and have had four meetings of the stakeholder group, which includes the trade union representatives, to whom I pay tribute for their dedicated work on behalf of the workforce.

As Lewis Macdonald and other members know, the responsibility for this and the power in relation to the sale of these Remploy factories rest with the DWP. At the very outset, I indicated clearly,

verbally and in writing, to Maria Miller—and just this morning to Esther McVey—that the Scottish Government did not approve or support the path that we have embarked on and did not believe it to be correct or fair. However, as the Scottish Government, we have a responsibility to play the cards as they fall and we will do everything within our power in the interests of employees, whether they are in Aberdeen, Netherton, Glasgow, Edinburgh or any other part of Scotland, to ensure that they receive every support they can receive.

First Minister's Question Time

12:00

Engagements

1. Johann Lamont (Glasgow Pollok) (Lab): To ask the Deputy First Minister what engagements she has planned for the rest of the day (S4F-00876)

The Deputy First Minister and Cabinet Secretary for Infrastructure, Investment and Cities (Nicola Sturgeon): Later today, I will have meetings to take forward the Government's programme for Scotland. That programme includes protecting the council tax freeze, protecting free university education, protecting personal care and bus travel for pensioners and protecting healthcare free at the point of need.

Johann Lamont: The late Campbell Christie was one of the finest trade unionists that this country has ever produced. He fought uncaring Tory Governments at every turn and helped to deliver the Parliament to protect the people of Scotland. His commission report on the future delivery of public services, which was written for the Scottish National Party Government, said:

"Contentious issues such as the continuation of universal entitlements must be considered openly and transparently, rather than in the current polarised terms."

This is about the kind of fairness that we want to achieve for our communities. Spending is projected not even to get to 2010 levels for another 15 years, and Scotland's population is ageing. I agree with Campbell Christie and believe that the debate about how we make spending choices fair for people throughout Scotland must happen before the referendum. Does Nicola Sturgeon? [*Applause.*]

The Presiding Officer (Tricia Marwick): Order.

Nicola Sturgeon: That begs the question why Johann Lamont has set up a commission that reports after the referendum in 2014. She clearly does not have the courage of her convictions. I agree—[*Interruption.*]

The Presiding Officer: Order.

Nicola Sturgeon: I agree with Johann Lamont about the late Campbell Christie. He had a tremendous record in fighting uncaring Tory Governments. If only there were people on the Labour benches today who fought uncaring Tory Governments.

This Government makes its choices. We deliver to the Parliament balanced budgets that focus on growth, protecting public services and—yes—protecting the household budgets of families that

are struggling to make ends meet. We will be proud to protect the council tax freeze, free education for working-class young people and free personal care and bus travel for our pensioners. If Johann Lamont wants to make that the dividing line of Scottish politics, I have only one thing to say to her: bring it on. *[Applause.]*

The Presiding Officer: Order.

Johann Lamont: Nicola Sturgeon needs to understand that this is not a game about dividing lines. Nor is it about her electoral future. It is about what is happening in our communities throughout Scotland. She ought not to believe what her spin doctor tells her about what I said—I said that we need an open and honest debate, just as John Swinney said in 2010.

If Nicola Sturgeon does not want to agree with Campbell Christie and me, perhaps she will agree with one of her own. In another report that her Government commissioned, her chief economic adviser, Crawford Beveridge, said of free services:

“concessionary travel, prescription charges, eye examinations, free personal and nursing care and tuition fees”

are

“commendable, but simply may no longer be affordable.”

Critically, he added:

“A debate needs to be had on whether those who can afford to pay might be invited to do so, thus allowing better targeting of those in most need.”

When Nicola Sturgeon’s own minister, Alex Neil, got rid of the universal provision of central heating systems, he said:

“It would be inappropriate to use scarce resources to provide free central heating systems for some of our retired bankers, for example, who receive substantial pensions.”—*[Official Report, 14 May 2009; c 17481.]*

What Nicola Sturgeon says is not about the principle of universality; it is an electoral calculation. Why will she not have the debate that Campbell Christie and Crawford Beveridge demanded and ensure that we have it this side of the referendum?

Nicola Sturgeon: Johann Lamont should make no mistake: I relish this debate.

Johann Lamont is on pretty dodgy ground in invoking spin doctors in the debate because, within 20 minutes of making her brave speech on Tuesday, she had dispatched her spin doctors to say that she did not really mean police numbers, bus travel for pensioners or free personal care. However, Arthur Midwinter has told the truth today, has he not? He said that everything is on the table.

There are many things that we can call that kind of approach from Labour. The word “shambolic”

immediately springs to my mind. Let me tell Johann Lamont something for free: Labour’s approach is not brave, and it is certainly not honest.

The Government will put forward balanced budgets. Delivering balanced budgets is not easy when the Tories are cutting those budgets. That is why we argue for the control of our own resources. Johann Lamont’s answer to that is to pass on Tory cuts to hard-pressed Scottish households.

Johann Lamont: The Deputy First Minister might think that that sounds good in here, but in the country, it sounds like a lot of nonsense. The fact of the matter is—*[Interruption.]*

The Presiding Officer: Order.

Johann Lamont: I agree with the Deputy First Minister that the budget has been cut, but if it has been cut, why does she stick with the same priorities that she set out in 2007? The dispute is not about whether there are cuts, which is how Nicola Sturgeon wants to present it; it is about which cuts should be made in tough times.

Let me explain what real people think. *[Interruption.]*

The Presiding Officer: Order.

Johann Lamont: Nicola Sturgeon lives in a household with an income of more than £200,000 a year. She gets free prescriptions. Free prescriptions cost £57 million a year. How many nurses is that? Like me, Nicola Sturgeon will have saved more than £400 from the council tax freeze, but my children’s school and schools across the country are getting to the stage at which they cannot even do the basics, such as photocopy materials. If spending cuts threaten the kind of free care for the elderly that we want to deliver, is it fair that a woman such as her on 200 grand should get free prescriptions? Is it fair that the Sturgeon household, on £200,000 a year, gets universal benefits when families on average earnings pay more for childcare than for their mortgage?

Nicola Sturgeon: Obviously, Labour is more out of touch than I thought that it was. Let me remind Johann Lamont that, under the system of prescription charges that she and her party presided over, people who earned as little as £16,000 a year paid prescription charges. That is why it was fair to abolish them.

If Labour thinks that the council tax freeze is so wrong and that it is doing so much damage, why did it promise to continue it just five months ago in the local government elections? I have here the “Glasgow Labour Manifesto 2012”. Number 1 on the “100 things we will do” list in that manifesto says:

"Labour ... will continue to freeze council tax for the next 5 years."

Johann Lamont likes to talk about honesty, but if she was being honest then, is not it the case that, by definition, she is being deeply dishonest now?

Johann Lamont: We know that the Government's council tax freeze is underfunded. I have been to too many meetings at which I have listened to care workers describing their lives and terms and conditions now, and I have listened to too many carers who are mopping up due to the fact that budgets are being cut, to stay silent on the issue.

Talk about not opening the gas bill but putting it in the drawer—that is what Nicola Sturgeon is doing with the nation's bills. As every decent household knows, that never ends well. These are serious times. She said that she wants a debate: have one and let the people of Scotland choose. *[Interruption.]*

The Presiding Officer: Order.

Johann Lamont: If Nicola Sturgeon shuts down the debate in the way that she has started to do this week, she had better explain to the carer who is told that they can care for the pensioner for only 15 minutes why that is happening; to the son why that is the only care that his mother gets; and to the parent why their child cannot have the classroom support that they require to maintain them in mainstream education.

A public spending crisis is happening now and it is going to get worse. Nicola Sturgeon should face up to that. The Tories are cutting the budget, but within that budget we will all be judged on the choices that we make, whether it is our benefits or the needs of the people of this country. She could get that and she could change her mind now.

Nicola Sturgeon: I remind Johann Lamont gently that the people of Scotland chose: in May 2011, they overwhelmingly chose free prescription charges, a freeze on the council tax and free university education for working-class kids. If Johann Lamont is saying that she wants to reverse all those policies, she should not set up a commission; she should have the guts to say so and let the people of Scotland choose after that.

Do not just listen to me about this. Let us have a look at some of the reaction from Labour posters on the LabourHame blog site:

"What are we doing? Did we learn nothing from the 'New Labour' nonsense?"

and

"This is not a speech based on any reasonable interpretation of Labour values".

That is what Labour members are saying.

All is not lost for Johann Lamont, however, because Murdo Fraser was quick to take to Twitter. He said:

"Good to see Johann warming to Tory"

policies. *[Laughter.]* We can laugh, but it is actually quite tragic: Johann Lamont, poster girl for the Tories. Whatever happened to Labour? We used to have new Labour; now we have Johann Lamont—new Blair.

Prime Minister (Meetings)

2. Ruth Davidson (Glasgow) (Con): To ask the Deputy First Minister when she will next meet the Prime Minister. (S4F-00871)

The Deputy First Minister and Cabinet Secretary for Infrastructure, Investment and Cities (Nicola Sturgeon): I have no plans to meet the Prime Minister in the immediate future.

Ruth Davidson: I thank both of the honourable leaders for finally and belatedly bringing the debate on to grounds that the Conservatives have been talking about since before the last election. *[Interruption.]*

The Presiding Officer: Order. Let us hear the member, please.

Ruth Davidson: I chime hugely with Murdo Fraser and I am pleased to remind members that, indeed, there was only one party that did not take part in a Dutch auction in 2011 and had sound ideas for prescription charges, the council tax and student funding.

Last week, the Cabinet Secretary for Finance, Employment and Sustainable Growth gave us what he said would be a budget for growth. He gave it a big build-up and he took to the newspapers and the airwaves. He said that every penny would be put towards the economy. That was a budget that fell apart within 24 hours and which has been decried by the leading economist Professor David Bell, by the construction industry chief Michael Levack and even by the Parliament's own independent information service, the Scottish Parliament information centre.

Let us give the Deputy First Minister a chance to repair the damage. What is the big game changer in 2013-14 that will give the Scottish economy the boost that John Swinney faithfully promised?

Nicola Sturgeon: I agree with Ruth Davidson on one thing: the Tories have always talked about cuts and penalising hard-working families in Scotland. They have certainly been consistent.

Ruth Davidson said that she does not want to have a Dutch auction. My memory is that she used to claim credit for the council tax freeze and the 1,000 more bobbies on the beat. Perhaps she should look back at previous speeches.

The budget that John Swinney presented to the Parliament last week was completely focused on getting growth in our economy, with £40 million more this year and next year for housing, £80 million accelerated funding in schools and money for green investment, adding to the £3 billion capital programme this year. That is what we are doing to accelerate construction and get growth and jobs in our economy.

Ruth Davidson mentioned Michael Levack. This week, Michael Levack welcomed the steps that the Scottish Government is taking and went on to say that the United Kingdom Government needs to do more. Perhaps Ruth Davidson should get on the phone to the Prime Minister and ask him to do his bit.

Ruth Davidson: Nicola Sturgeon clearly read her colleague's press release, but I am not sure that she read the 2013-14 budget, because the £80 million for schools does not kick in until at least a year later and the £40 million that went back into housing was to help to repair some of the damage that was caused by taking £100 million out of housing.

The finance secretary has had a busy few days. At the point at which his budget was being picked apart, he was speaking to Scotland's accountants. He told them that he would correct his leader's words in January by saying that a separate Scotland would take on a share of the multitrillion pound banking debt. That follows Ms Sturgeon's gaffe and subsequent U-turn on a place on the Bank of England monetary policy committee and the Scottish National Party's collective economic illiteracy on a separate financial regulator for Scotland.

This week has proved not just that the Government cannot write a budget for today, but that the Government has no idea how to construct a financial system for the future. It is a back-of-a-fag-packet Government, which pushes every hard question to a mythical white paper that we are supposed to expect late in 2013.

The SNP is asking the people of Scotland to trust it with everything that they have, but it will not tell people how it would keep their money safe—it will not tell them anything at all. The Deputy First Minister has taken on the bank debt. Can she tell us, in pounds and pence, how much of that debt she is willing to take on? How much?

Nicola Sturgeon: I ask Ruth Davidson to listen carefully to my answer, because, not for the first time, she has got it spectacularly wrong. Not only has the SNP—me, John Swinney, the First Minister—always been perfectly clear that an independent Scotland would take its fair share of any debt associated with the bank bailout—*[Interruption.]*

The Presiding Officer: Order. Ms Baillie.

Nicola Sturgeon: This is the bit that Ruth Davidson should listen to. The population share for Scotland of the net borrowing for the bank bailout is already included in the "Government Expenditure and Revenue in Scotland" figures. The very same GERS figures show that Scotland has a relative surplus; in other words, an independent Scotland would be richer than we are now. That is another good reason to vote yes.

The Presiding Officer: We have a constituency question from Malcolm Chisholm.

Malcolm Chisholm (Edinburgh Northern and Leith) (Lab): Without pre-judging council investigations into the death of my constituent John Gibson and the homecare services that he received, is the Deputy First Minister concerned that six complaints about the private homecare provider in question have been upheld by Social Care and Social Work Improvement Scotland—the care inspectorate—since February alone, and that employees of that and other homecare companies seem to be overburdened, with too many clients and too short a time with each client?

Will the Scottish Government undertake an urgent review of the way in which homecare services are commissioned and delivered, particularly in view of the increasing and welcome emphasis on homecare in health and social care policy?

Nicola Sturgeon: I thank Malcolm Chisholm for his question. He raises an extremely serious matter, and I am sure that I speak on behalf of all members of the Parliament when I pass on our sincere condolences to the family and friends of Mr Gibson.

Mr Gibson's death has prompted the care inspectorate, City of Edinburgh Council, and Lothian and Borders Police to launch an investigation, and it is important that none of us pre-empts the outcome of those investigations. What I will say—and I hope that Malcolm Chisholm accepts the sincerity of this—is that I think that it is essential that we have in place in this country a robust system of inspection. When I was health secretary I took steps to strengthen the inspection system that we have in this country. As part of that, Malcolm Chisholm made some suggestions that this Government took forward.

My position is clear: let us await the outcome of the investigation. If there are actions to be taken to make our system more robust, I give Malcolm Chisholm an absolute assurance that this Government will not hesitate to take them.

Christine Grahame (Midlothian South, Tweeddale and Lauderdale) (SNP): Given the recent storms that battered Scotland and, in

particular, caused flooding in Peebles and power cuts in Gorebridge—both of which are in my constituency—what processes are in place to provide the necessary links from the Government's resilience team to local authorities, such as Scottish Borders Council and Midlothian Council?

Nicola Sturgeon: I am confident that the right links are in place and that they worked well on this occasion. We coped well with what the BBC described as

"the worst September storm for thirty years".

We prepared well—Keith Brown worked closely with those local authorities that were likely to be affected, including Scottish Borders Council and Midlothian Council, ahead of the storms. Partners continued to work well together throughout the course of the storm, ensuring a co-ordinated response at all times.

I commend both Lothian and Borders Police and Scottish Borders Council for their prompt response to flood warnings, which helped to protect property and the public. I also know that the Minister for Environment and Climate Change spoke to Scottish Borders Council and East Lothian Council earlier today.

Cabinet (Meetings)

3. Willie Rennie (Mid Scotland and Fife) (LD): To ask the Deputy First Minister what issues will be discussed at the next meeting of the Cabinet. (S4F-00872)

The Deputy First Minister and Cabinet Secretary for Infrastructure, Investment and Cities (Nicola Sturgeon): First, I take the opportunity to wish Mr Rennie a happy birthday. I am sure that my dad will be delighted to hear that he shares a birthday with the leader of the Liberal Democrats.

Mark McDonald (North East Scotland) (SNP): He is not that old—[*Laughter.*]

The Presiding Officer: Let the birthday boy speak, please.

Willie Rennie: I thank the Deputy First Minister for her best wishes.

It is good news that the Scottish Government will increase nursery education for three and four-year-olds, but Save the Children tells us that, before the age of three, the children from disadvantaged backgrounds have already fallen behind. If we are to give them a chance, we need to increase provision for those two-year-olds. Will the Deputy First Minister's plans to give nursery education to only 1 per cent of two-year-olds be good enough to bridge the gap in educational attainment between the rich and the poor?

Nicola Sturgeon: I agree with Willie Rennie that ensuring that we provide well for children in the earliest years is of paramount importance. This Government's record is extremely good in that regard. We have expanded free nursery education by 15 per cent, which benefits around 100,000 children every year; we have extended the free school meals entitlement to more children and young people from low-income families than ever before; and, of course, we have pledged to increase the current 475 hours each year of pre-school entitlement for all three and four-year-olds to a minimum of 600 hours each year of early learning and childcare for all three and four-year-olds and for looked-after two-year-olds.

That is a sound package of support, but I accept that, particularly for the youngest and most vulnerable children, we must always work more to increase the support and ensure that we give our youngest children the best possible start in life, too.

Willie Rennie: Bob Doris and Sandra White knew all that the Deputy First Minister has set out, but they have demanded—in a motion and through speeches here—that more is done.

In England, free nursery education will be given to 40 per cent—four out of 10—two-year-olds. In Scotland, the equivalent figure is only 1 per cent. A generation will miss out and the evidence is that many will never, ever catch up. That is a gap in provision that will lock in a gap in attainment. I appeal to the Deputy First Minister once more to review the Government's plans so that disadvantaged kids do not lose out.

Nicola Sturgeon: I say in all seriousness to Willie Rennie that the package of early years care that this Government is pledged to deliver is greater than that being delivered south of the border. The Government in England is not providing 600 hours of childcare each year.

I agree—I hope this is something on which we can build cross-party consensus—that we must do more for our most vulnerable young children. That is why, for example, the Government has set up the early years change fund as part of our approach to more preventative spending. Our policies and our approaches will always be kept under review to ensure that we take all reasonable steps to give our children the best start in life.

Drug Misuse Treatment (Waiting Times)

4. Sandra White (Glasgow Kelvin) (SNP): To ask the Deputy First Minister what progress is being made with reducing waiting times for treatment for drug misuse. (S4F-00883)

The Deputy First Minister and Cabinet Secretary for Infrastructure, Investment and Cities (Nicola Sturgeon): The latest statistics that

were published on Tuesday show that our target to reach a level of 90 per cent of clients starting treatment for their drug problem within three weeks of referral has been achieved. That has been done nine months ahead of schedule.

In 2007, 27 per cent of people who needed drug treatment had to wait more than a year just to get an appointment—not even treatment—and a wait that exceeded six months was not uncommon. We are now seeing the successful impact of our commitment to increased investment in front-line drug services. That commitment remains unstinting: the allocation of £38.2 million to health boards for front-line drug services and support in 2012-13 represents an increase of more than 20 per cent since 2006-07.

Sandra White: That is great news and everyone should be grateful for what is happening. I congratulate everyone—from families to professionals—who has worked so hard to achieve the target.

What is the next stage for the future delivery of the strategy, which is vital for people who are tackling drug addiction?

Nicola Sturgeon: Given the progress that we have made on delivering the health improvement, efficiency, access and treatment target for drug waiting times, the next phase of delivery of “The Road to Recovery” will focus on sustaining the excellent progress that has been made and ensuring that we embed quality across all services in Scotland. We have prioritised work to deliver new national standards for drug and alcohol services, which will be focused on recovery and workforce development to drive up and support quality of service provision, with a clear expectation of recovery.

College Mergers (Support)

5. Neil Findlay (Lothian) (Lab): To ask the Deputy First Minister what support the Scottish Government provides to colleges that merge. (S4F-00879)

The Deputy First Minister and Cabinet Secretary for Infrastructure, Investment and Cities (Nicola Sturgeon): We are supporting college leaders to take advantage of the opportunities for learners and employers that college regionalisation provides. To that end, we were pleased to announce in our draft budget a £17 million increase in funding for colleges for 2013-14. That adds to our plans for new college estates valued at some £300 million, for which the procurement process has now begun. Of course, our £15 million college transformation fund provides significant support for colleges that wish to merge. Through our college change team,

officials are working closely with individual regions to offer help on all issues associated with merger.

Neil Findlay: Meanwhile, back in the real world, at this week’s meeting of the Education and Culture Committee, the further education trade unions and the leader of NUS Scotland, Robin Parker, said that economic recovery is being threatened by cuts to college budgets. Are they all wrong?

Nicola Sturgeon: Neil Findlay should look carefully at what we are doing. We are protecting college places, which I think is what matters most to young people around Scotland. We are also doing what we can to ensure that, through revenue funding, capital funding and our non-profit-distributing programme, we are delivering substantial investment in Scotland’s colleges. I think that people want a Government that is operating in tough times to deliver on the priorities that it sets. That is exactly what this Government is doing and will continue to do.

Patients with Heart Conditions (Treatment)

6. Murdo Fraser (Mid Scotland and Fife) (Con): To ask the Deputy First Minister how the Scottish Government will ensure that patients in Scotland with heart conditions receive treatment that is comparable with that for those from the rest of the United Kingdom. (S4F-00881)

The Deputy First Minister and Cabinet Secretary for Infrastructure, Investment and Cities (Nicola Sturgeon): NHS Scotland is providing high-quality care services and support for people with heart disease. Only today, in *The Herald*, the lead clinician Dr Barry Vallance describes cardiology services in Scotland as “second to none”. Just this February, Audit Scotland reported that significant progress had been made in tackling heart disease and developing services. Death rates have dropped by 40 per cent in 10 years, more patients are getting better treatment, and waiting times for treatment have fallen. We published our heart disease action plan in 2009, and we have allocated more than £2 million to support its implementation.

Murdo Fraser: Notwithstanding what the Deputy First Minister had to say, she will be aware of the criticism that Professor Oldroyd of the Golden Jubilee hospital made earlier this week that Scotland is lagging behind the rest of the UK in introducing new drugs and techniques. As she will know, one technique that is of vital benefit to heart attack victims is cardiac rehabilitation, which is an inexpensive treatment with a proven track record in prolonging life. Will she commit to protecting and increasing funding for cardiac rehabilitation for Scottish patients?

Nicola Sturgeon: I absolutely agree with Murdo Fraser: cardiac rehabilitation is incredibly important. I have had the opportunity over a number of years to visit many cardiac rehabilitation groups throughout the country, which is why I am so delighted to tell the chamber that the Information Services Division reported that access to cardiac rehabilitation for heart attack patients has increased from 52 per cent in 2008 to 71 per cent in 2010. That is a good record, which I am sure that my successor as health secretary, Alex Neil, will be determined to continue to deliver on.

National Society for the Prevention of Cruelty to Children

The Deputy Presiding Officer (Elaine Smith): The next item of business is a members' business debate on motion S4M-03551, in the name of Hugh Henry, on the National Society for the Prevention of Cruelty to Children. For understandable reasons, Hugh Henry is unable to lead the debate. Neil Bibby will therefore take his place. The debate will be concluded without any question being put. I would be grateful if members who wish to speak in the debate could press their request-to-speak buttons now.

Motion debated,

That the Parliament notes that the National Society for the Prevention of Cruelty to Children (NSPCC) was founded in 1884 by the Reverend Benjamin Waugh; understands that, over the last 128 years, NSPCC has helped more than 10 million children in the UK; agrees with its vision to end child cruelty; understands that child neglect is the most common form of child abuse in Scotland; applauds NSPCC for its new programme, Improving Parenting, Improving Practice, which aims to reduce instances of child neglect by supporting parents to better understand their children's needs and to improve the bond between parent and child; is pleased that Renfrewshire is one of the eight areas where NSPCC is trialing the programme, which it considers to be groundbreaking; congratulates NSPCC on this initiative, and looks forward to a wider rollout.

12:32

Neil Bibby (West Scotland) (Lab): First, I apologise on behalf of Hugh Henry, who is unable to speak to his motion today as he has, unfortunately, to attend a family funeral. However, he was keen for the debate still to take place.

I am delighted to have the opportunity to talk about an organisation that has been instrumental in the fight against child neglect and abuse, and which has been at the forefront of child protection since the 1800s.

The society was established in 1884 by the Reverend Benjamin Waugh who, having witnessed high levels of child deprivation and cruelty in London, strove to draw public and Government attention to the plight of children. Within five years, the society had branches throughout the United Kingdom, had changed its name to the National Society for the Prevention of Cruelty to Children and had played a major role in changing the law to protect children, with the passing of the first prevention of cruelty to children act, which was the Prevention of Cruelty to, and Protection of, Children Act 1889.

Since its establishment, the NSPCC has helped more than 10 million children. It continues to be involved in groundbreaking programmes and its

innovative strategies aim to find the best and most effective ways of helping children and of using its resources efficiently to reach as many children and young people as possible. Key areas that the NSPCC is prioritising include physically and sexually abused children, disabled children and children aged under 1.

The NSPCC has had a presence in Scotland through its links with ChildLine Scotland and the centre for learning in child protection. In 2010, Matt Forde was appointed as head of services in Scotland, together with a team of experts to support the efforts of the charity, in partnership with other leading children's charities, to fund and add new services to those that are already in existence.

This year a number of new initiatives are being heralded that are aimed specifically at helping children and families. Child protection remains at the forefront, with programmes concentrating on the most important issues surrounding the children who are at greatest risk. Programmes that are currently being delivered in Scotland include the improving parenting, improving practice programme and the parents under pressure programme. Improving parenting, improving practice is a groundbreaking new programme that is being trialled by the NSPCC to help parents to improve their relationships with their children. Renfrewshire is one of eight areas where the new programme, which is the first of its kind in the UK, is being piloted. The NSPCC believes that neglect arises as a result of poor parenting skills, together with the inability of parents to bond with their children. The NSPCC holds to the belief that early intervention can help parents to change their behaviour by helping to eradicate emerging problems before they become long-term issues.

Sadly, even in 2012, neglect remains the biggest reason why a child will need protection. The improving parenting, improving practice programme aims to reduce instances of neglect by helping parents of children aged between four and 10 to bond better with their children and to have a greater understanding of their needs. Two approaches are being tested and both are carried out in the family home. Over a two and a half year period, 1,640 families will be supported in eight locations across the UK. One approach uses videos to film parents playing a game or getting involved in another activity with their child. An NSPCC social worker provides feedback to the parents on what they did well and on how to interact better with their child. It aims to build parent confidence and the bond between parent and child.

The second approach supports parents who, due to depression, family conflict or problems with their child's behaviour, cannot cope and, in turn,

neglect the child. Through home visits and telephone support, the NSPCC worker will help parents with stress and anger management.

The approaches will be evaluated to find out which, if either, is more effective in identifying, tackling and preventing neglect at an early stage and I am pleased that the evidence will be shared with the Government and the use of the approaches will be promoted throughout the UK.

Parents under pressure is another programme—it was developed in Australia—that is being delivered in Renfrewshire to vulnerable families. It is an intensive home-visiting programme that runs for 20 weeks and aims to help parents who are undergoing treatment for severe drug and alcohol problems to bond with their babies and improve their parenting skills. The NSPCC is working with families who have children aged under two and a half. A randomised control trial is being used to determine the success of the programme in preventing abuse and improving the parent-child bond. The parents under pressure programme in Australia has proved to be successful in helping to keep children safe and in promoting a closer bond between parents and their babies.

NSPCC programme teams work in conjunction with other agencies that are involved with the family and hope to reduce the number of babies and toddlers who are harmed by parents who have severe substance misuse problems by providing the parents with the coping mechanisms, care, support and education that are necessary to help them to enable their children to have the brightest possible future.

Child neglect is the most commonly reported child protection concern in the UK, with some studies suggesting that as many as 10 per cent of children are at risk. Such neglect is damaging to children in the short term, and in the long term it is associated with some of the poorest outcomes and can have on-going tragic effects from generation to generation. On the other hand, kindness and care are of on-going benefit, and make for a happier society, more dignified treatment and huge savings on health expenditure. Accordingly, organisations such as the NSPCC play a valuable and essential role.

I have great admiration for the achievements of the NSPCC, which raises the vast majority of its own funding, and for the relentless work of the organisation in tackling the problem of child neglect by helping to identify children who are at risk, raising awareness among practitioners and the public, sharing models of good practice, introducing new initiatives and offering early support to children and families.

I am delighted that one of the pilot programmes that are under way at the moment encompasses Renfrewshire. I will continue ardently to support the NSPCC's campaign in its fight against an issue that sadly has become a major feature of life in this country.

12:39

Jamie Hepburn (Cumbernauld and Kilsyth) (SNP): I thank Hugh Henry for lodging his motion, because it is very important that we have this debate. I record my condolences to Mr Henry for his sad family loss. Neil Bibby did a very good job in speaking to the motion in Mr Henry's place.

I thank the NSPCC for the briefing that it has provided to me and other members. It has been very helpful in preparing for the debate. I record my thanks to the organisation for the work that it is doing. In that regard, I am sure that all of us in the chamber wish that we were in a world where children's organisations such as the NSPCC, Save the Children, Children 1st and Barnardo's did not have to exist. However, a cursory glance at the statistics on the prevalence and incidence of child abuse and neglect in Scotland and across the United Kingdom suggest that those organisations are, sadly, very much needed.

The NSPCC carried out research into child abuse and neglect in the UK, which involved interviewing a large number of young people. Some of the figures are very stark and bleak. NSPCC says that

"One in four young adults ... had been severely maltreated during childhood"

and that

"More than one in eight children aged 11-17 ... have experienced severe maltreatment by a parent or guardian."

Nearly a quarter of the young adults that the NSPCC questioned had

"experienced sexual abuse ... by an adult or a peer during childhood"

and

"one in nine young adults ... had experienced severe physical violence during childhood at the hands of an adult."

As Neil Bibby pointed out,

"neglect was the most prevalent type of maltreatment in the family"

for all the age groups that the NSPCC spoke to when compiling its report.

Those statistics are a stark demonstration of the need for children's organisations such as the NSPCC. From my experience as a father, I can only be appalled by the incidence of abuse that the NSPCC has reported. I very much welcome

the fact that the Scottish Government keeps the issue of child neglect under review—indeed, it published its latest review earlier this year.

I see that I have the time to focus on some of the work that the NSPCC is doing in North Lanarkshire, in which my constituency is located. It is doing some good work to try to prevent non-accidental head injuries in babies. We know that

"Abused babies are more likely to die from head injuries than any other cause"

so I am very pleased to see that the NSPCC is working with the national health service in North Lanarkshire to educate new parents on the dangers of shaking babies. NSPCC estimates that one in nine mothers shakes her baby at some point. We would all accept that it is unlikely that they necessarily do that with any intent to cause physical damage to their child, but it can lead to such damage. The programme will build on the experience of the Women & Children's Hospital of Buffalo's programme in the United States of America. I understand that the NSPCC will share its learning from that programme with the Scottish Government, which I am sure will help us to achieve the Minister for Children and Young People's well-stated and sincere ambition to make Scotland the best country in the world in which to grow up.

12:44

Mary Fee (West Scotland) (Lab): I would like to start by thanking my friend and colleague Hugh Henry for securing the debate.

The NSPCC has a long and well-documented history of protecting and helping children when they are at their most vulnerable, starting from the beginning of the industrial revolution. With prioritisation for the most vulnerable children at its core and by ensuring that its activities are driven by the principles that were put forward by the Reverend Benjamin Waugh, the NSPCC has contributed significantly to child protection in its 128-year history.

As other members are, I am absolutely delighted that the NSPCC is rolling out its trial programme—improving parenting, improving practice—and that Renfrewshire is part of that roll-out. However, the fact that we are debating this issue shows just how far we have yet to go in protecting those who are most vulnerable in our society.

In the 21st century, we might not expect so-called civilised countries such as Scotland and our counterparts in the rest of the United Kingdom to still have problems such as child neglect or abuse. However, the NSPCC estimates that around one in 10 children has suffered neglect from his or her parents during their childhood and, as of 31 July

2011, there were 2,571 children on the child protection register, with an estimated 50 per cent of those children being aged between zero and four.

That is why the early intervention element of the improving parenting, improving practice programme is absolutely key to helping to reduce the number of children who are affected by neglect.

Research has shown that those in the youngest age category are at the highest risk, but we should also consider the children who are slightly older and may themselves have been in the high-risk category at one point. At present, the amount of research that is conducted around young adolescents is nowhere near the same as the amount of research that is conducted around children in their early years. It was found that, in some parts of the UK, around a quarter of young people who ran away from home did so due to being forced out of the family home, and that some had been completely rejected or abandoned by their parents. For some people, it may be that their parents cannot deal with their behaviour, or even that their parents do not have the skills to look after them. For others, it can be that their parents have rejected them due to their religion or even their sexuality.

The issues for young adolescents may not be the same as those of younger children, but the issue draws attention to the idea of having a holistic approach to tackling child neglect. We need to stop using a one-size-fits-all model. That is something that the improving parenting, improving practice programme aspires to.

We should also note the tremendous amount of pressure that social work departments are under to ensure that children and vulnerable people are adequately protected. With local authorities making cuts to their budgets, it is imperative that we recognise the work that is being done by the NSPCC and other voluntary sector organisations. Those organisations are themselves under budget constraints, but they are also doing more than their fair share. We should also remember that Government has a duty and should not just leave matters to charitable organisations.

Issues of neglect can stem from the likes of substance abuse and domestic violence, but it would be wrong to suggest that those are the only factors that are present. In some cases of neglect, poverty is also present. It is not uncommon or unheard of for parents to leave children at home while they go out to work to help to support their families. With parents unable to afford sufficient childcare due to low wages and local authorities having to cut childcare places due to budget constraints, we can see how the spiral of neglect can—and does—happen. Coupled with cuts to

after-school and breakfast clubs, those factors lead to parents having to make difficult decisions that may, in turn, put them in the care of our justice system, which takes the debate around child neglect even further.

I, too, would like to commend the NSPCC and the excellent work that it does.

12:48

Liz Smith (Mid Scotland and Fife) (Con): I add my thanks to Hugh Henry for securing this debate and recognise his work in this important area over a number of years.

Few issues could be of more importance to this country than the protection of our children. We can never be too vigilant when it comes to defending the young from abuse, abandonment, exploitation, neglect, poverty and harassment. It is, therefore, apt that we should praise the NSPCC for its long and distinguished involvement in the protection of children in our society. It has made a significant impact in its 128-year history. However, as Jamie Hepburn said, that work is, sadly, becoming ever more demanding.

Today in Scotland, 90,000 children live in poverty, one in 10 has suffered parental neglect, one in 100 has suffered severe physical neglect and thousands—I think that we do not know the exact number—live in households where there is either alcohol or substance misuse, or both. For many children, the sad reality is that Scotland is not a safe and secure country in which to grow up.

I have long admired the work of the NSPCC. No one can have failed to be moved by the television campaign that brought home the harsh reality that children across the United Kingdom face. The positive work that the NSPCC undertakes makes a real difference to the lives of many children. The Renfrewshire programme that Hugh Henry highlights in his motion is clearly helping to address child neglect, but it also provides positive support to parents. As Neil Bibby said in his opening remarks, that is probably the most important focus for the programme's work. Helping parents and future parents to understand and respect their responsibilities in the home and in wider society is crucial, and is probably the most effective preventative work that can be done. As the NSPCC website states,

"Being a parent is one of the most rewarding jobs in the world but it's also one of the most challenging."

In some communities in Scotland, we probably now have a third generation of parents who lack good parenting skills. There is a vicious cycle of poor parenting that, in turn, has resulted in unacceptable child neglect. Neglect can occur as far back as pregnancy if the mother abuses substances. Once a child is born, a parent or carer

can neglect them by failing to provide adequate food, clothing or shelter, by failing to protect them from physical and emotional harm or danger, by failing to ensure access to medical treatment when needed, or by failing to respond to their emotional needs. I am sure that every member of the Parliament will have come across instances of child neglect in their constituencies. We all know that such cases, by their nature, are difficult and complex and that they highlight the desperate situations in which many children find themselves.

The NSPCC programme has set itself the important goal of supporting more than 1,600 families in seven locations in the United Kingdom over two and a half years. I am sure that the Scottish Government will review the outcome of the programme to see what lessons can be learned. Along with many other members, I have been hugely impressed by the NSPCC's online resources. I hope that the Scottish Government minister will consider how that first-class help and information can be made more readily available.

I am pleased that good progress is being made to improve child protection and the inspection regime, which is just as important, and that consideration is being given to how we can respond better to vulnerable children's needs.

I record my congratulations to Hugh Henry on bringing the debate to Parliament.

12:52

Liam McArthur (Orkney Islands) (LD): I, too, congratulate Hugh Henry on his motion, which deals with an issue on which he has a formidable track record, as Liz Smith said. I also thank him for ensuring that, despite his unavoidable absence, the Parliament still has an opportunity to debate this serious issue. I congratulate Neil Bibby on delivering the speech in Hugh Henry's absence.

The motion and Neil Bibby's introduction set the scene well in setting out the breadth and quality of the NSPCC's work on the exceptionally difficult issue of abuse and neglect. The timing of the debate is fortuitous, as it fits well with the work of the Education and Culture Committee. Following our inquiry into raising attainment among looked-after children, we are moving to an inquiry into the decision-making process in taking children into care. Much of the NSPCC briefing will prove to be invaluable to that inquiry. We have already received a high volume of submissions, for which I am personally grateful.

As members have said, neglect is a tricky area. It is the trigger for the greatest number of instances in which children are taken into care or put under protection orders, but it is not an easy area to navigate. I was struck by a quote from Matt

Forde, head of services at NSPCC Scotland, who said:

"Neglect is unique in terms of child abuse because it often relies on proving *inaction* such as not feeding a child adequately and can require evidence of this over a long period of time."

That exemplifies how difficult the area is.

I was also struck by the feedback from the child neglect survey. It illustrated four or five principal obstacles to action being taken on neglect, most of which revolved around considerations about the support being provided for parents. We must not lose sight of the need to provide that support, but we need to consider how, within that, we provide the protection that is required for some of our most vulnerable children.

Early intervention is critical. Liz Smith talked about the need for preventative measures to be prioritised, and Neil Bibby and Jamie Hepburn highlighted the innovative work that the NSPCC is undertaking in different parts of the country, which draws on lessons from elsewhere, including internationally.

I received a briefing on the minding the baby initiative, which is being piloted in South Lanarkshire and East Ayrshire. It builds on work that was developed in the United States, and the early signs are fairly promising. The initiative brings together health and social work support and the service is delivered in the home from the third trimester of pregnancy until the baby reaches the age of two. That demonstrates just how early in the process we need to be engaged. The initiative focuses on the most vulnerable. It is offered to first-time mothers under the age of 25 who are struggling with problems such as depression, homelessness, poverty and violent relationships. It provides intense support and visits.

Clearly, the initiative has a financial implication but, as the NSPCC points out, babies are most vulnerable in the first few months of life. Indeed, they are eight times more likely than older children to be killed. Such statistics bring home to me the initiative's importance. Poor attachment also has negative implications throughout life in areas such as relationship stability, educational attainment, addiction, employment and mental health. We therefore need to look seriously at such investment.

The Deputy Presiding Officer: Please conclude.

Liam McArthur: Certainly, Presiding Officer.

I look forward to seeing the outcomes of the pilots in the two areas of Scotland and to considering whether a wider roll-out of the initiative is justified.

I congratulate the NSPCC on making a real difference for some of our most vulnerable children and I thank Hugh Henry again for enabling us to have the debate.

12:57

Anne McTaggart (Glasgow) (Lab): I, too, welcome the opportunity to speak in the debate and I thank my colleague Hugh Henry for bringing the issue of child cruelty and neglect to the Parliament's attention.

I believe that every member in the chamber applauds the work that is undertaken by the NSPCC and by Matt Forde—who is a former colleague of mine from Glasgow City Council social work—especially around its new improving parenting, improving practice programme. However, it is every politician's job to look to find effective ways of combating and preventing child neglect.

The issue is continually misunderstood in our society. We often assume that neglect takes place only in certain types of family, and although the media will always focus on the most extreme cases, the reality is that child neglect can appear in many guises. The NSPCC's statistics show that one person in six was neglected at some point in their childhood. It is our responsibility to identify and target children before neglect becomes an aspect of their lives.

Although the results of the improving parenting, improving practice programme are pertinent to today's debate, it is only right to note the other projects and trials that the NSPCC is undertaking in Scotland. For example, the introduction in Glasgow of the New Orleans intervention model, as a partnership between the NSPCC, Glasgow City Council and NHS Greater Glasgow and Clyde, has been a particular success. The model, unsurprisingly, was developed in New Orleans as a mechanism that allows professionals to assess whether children should be reunited with their birth family or placed for adoption. When the model was used in the United States, the results were startling. Children who were assessed using the model were less likely to suffer abuse or neglect when they were returned to their birth family and, conversely, more likely to settle in well with a new family.

The seven-year follow-up of the 80 children who were exposed to the New Orleans intervention showed that, on virtually all mental health measures, the graduates of the intervention were similar to the general population. The hope is that the model could inform child protection decisions throughout Scotland, and I urge the minister to look at the findings from Glasgow.

I am sure that we all agree that preventative measures and intervention at an early age are the key to success. Even before a child is born, its life chances are affected by its mother's situation. Early intervention must start from the womb and not just from the cradle.

The Scottish Government has taken positive steps. The introduction of the early years framework and of getting it right for every child means that we are now catching more cases of child neglect than ever before. However, as we know, Government strategy alone is not enough to combat the problem; we also need projects at the grass roots to support families.

For example, Parent Network Scotland has had particular success in Glasgow and throughout Scotland—even as far as Shetland, I am led to believe. The organisation's director is Jackie Tolland, whom I met recently and who is another former colleague of mine. The network runs support courses for struggling parents on parenting matters and to give an introduction to curriculum for excellence. The courses are flexible and are delivered in a targeted way to help parents to support one another in a school environment, while taking into account the needs of children, parents and schools.

Such courses allow people to learn necessary parenting skills from their peers, without the prospect of feeling ostracised. I congratulate Parent Network Scotland on its considered approach and I urge the minister to observe the work that it undertakes.

The issue is too important for members to make party-political points. We have made great strides in recent years, but we must do more. We must all work together to ensure that child neglect is eradicated from Scottish society.

13:02

The Minister for Children and Young People (Aileen Campbell): I, too, welcome the debate. I thank Neil Bibby for bringing it to the Parliament in Hugh Henry's absence and I pass on my condolences to Hugh and his family.

I thank everyone for a thoughtful and constructive debate, in which innovative and good work to support children and families has been highlighted. As Anne McTaggart said, this is far above party politics. We can absolutely unite around the aim of providing the best outcomes for children and young people around Scotland.

I found it particularly interesting to hear more about the good work that the NSPCC does to support children, young people and their families. I am delighted that it continues to be committed to services for children and families through the roll-

out of its new initiative to support parents and tackle issues of neglect. I am always interested to learn more about the outcomes, as members have asked me to.

I recognise collectively all the other third sector organisations for their contribution to services for children and families across the country. Earlier today, I visited St Eunan's primary school in Clydebank with Save the Children to learn more about its families and schools together—FAST—programme. I believe that Neil Bibby has seen that project and I encourage others who are interested to engage with Save the Children on it.

Liam McArthur, Jamie Hepburn and others mentioned innovative and good practice in their areas. In my constituency, Healthy Valleys provides local support to parents and families in Clydesdale.

Anne McTaggart made points about the New Orleans project—I, too, have met Matt Forde to discuss it. I am interested in that work, which will be of particular interest to the Education and Culture Committee, given its investigations into looked-after children.

As many of us know from personal experience or from having family members who have children, being a parent is the most rewarding and the most challenging role that we will ever take on. We all want to give our children the best start in life, so that they can develop into healthy, happy, confident and successful individuals who are ready and equipped for the challenges of adult life.

However, I am aware of the difficulties that are faced by some families and children throughout Scotland. As the Minister for Children and Young People, as an MSP and as a mother, I am committed to ensuring that we are getting it right for all children, young people and families by tackling those persistent issues head-on.

As members have noted, neglect remains one of the most insidious child protection problems in Scottish society. The recent study that we commissioned from the University of Stirling showed the scale and nature of neglect, and highlighted that it remains one of the biggest challenges that face our children's services.

There is no single simple initiative that will resolve those problems, but a variety of actions taken together can make a huge difference for families and for children who are experiencing neglect. Neglect can arise from a range of different factors and can take an enormous number of different guises, as members have highlighted. It often involves substance misuse, poverty and a range of risk factors that can undermine the ability of parents and families to cope. Anne McTaggart, Mary Fee and Jamie Hepburn outlined some of the stark figures in relation to the subject.

We are taking a holistic approach to addressing neglect, which is based on collaborative working. That approach lies behind our forthcoming national parenting strategy and underpins the work that we have done with stakeholders to improve the tools, guidance and support around child protection in recent years. We have piloted a risk assessment toolkit to help professionals to protect vulnerable children, and it will be launched soon.

Liam McArthur mentioned that the debate is pertinent to the work of the Education and Culture Committee, but it is also pertinent to and timely for the work that the Government is doing. Next week, we will launch our national parenting strategy, which aims to ensure that parents get the support that they need when they need it so that they can do their very best for their children. We want parents to feel empowered, valued, supported and confident in their ability to care for their children.

We are clear that the national parenting strategy will articulate the importance of parenting and of parents, because they are the single biggest influences in their child's life. We will focus on ways in which we can work together to support parents and carers to do their job well.

As part of the strategy, we engaged with more than 1,500 parents throughout Scotland, and we have received strong messages about the support that they need. In response to Mary Fee's comment about the need to look not only at the early years but at the whole life course of a child, we will also reflect on the needs of parents with adolescent children. That is an important point, as we cannot simply equate early intervention with early years. Our strategy will be a welcome articulation of the real respect that parents need.

We recognise that—as Liz Smith, Mary Fee and others pointed out—poverty has a huge impact on families and children. I certainly do not want any child to be born into or condemned to a life of poverty, and it is not acceptable that 17 per cent of our children still live in relative poverty. We are doing all that we can with the powers that we have to try to tackle some of those issues. Our child poverty strategy for Scotland expresses our commitment to focusing on the need to tackle the long-term drivers of poverty through early intervention and prevention partnerships and holistic services.

We have all coalesced around the idea that we need to use preventative measures and early intervention, and that is a hallmark of what the Government is trying to do. The earlier we can spot the signs of neglect, the better chance we have of taking steps that will prevent the problems from escalating. The message that we received from our engagement with parents around the country was that they need support and help before a problem becomes a crisis.

The early intervention approach is embedded in our getting it right for every child strategy, and we are proposing legislation to ensure that early intervention is mainstreamed across public services in Scotland. That approach will underpin what we want to achieve through the children and young people bill. The consultation on the bill, which closed last week, gathered views from the public and wider stakeholders throughout Scotland.

We hope that that legislation, along with our parenting strategy and our collaborative work with the third sector and others, will ensure that we go on to make Scotland the best country in the world in which to grow up. That will take a lot of work, and it is not an easy challenge to face, but everyone wants to see that happen.

I congratulate Neil Bibby, Hugh Henry and the NSPCC on the work that they are doing to ensure that we can take some small steps towards achieving that greater aim.

The Deputy Presiding Officer: That concludes Hugh Henry's members' business debate on the NSPCC. Once again, I thank Neil Bibby for leading the debate.

13:09

Meeting suspended.

14:30

On resuming—

Common Agricultural Policy

The Presiding Officer (Tricia Marwick): The first item of business this afternoon is a debate on motion S4M-04263, in the name of Richard Lochhead, on the common agricultural policy. Members who wish to take part in the debate should press their request-to-speak buttons now. I call Richard Lochhead to speak to and move the motion. Cabinet secretary, you have about 14 minutes.

The Cabinet Secretary for Rural Affairs and the Environment (Richard Lochhead): Agriculture plays a central part in Scottish life. It is the foundation stone of our food and drink industry and a key sector in our economy. Not only do our farmers and crofters put food on our plates, protecting food security, but they manage the landscapes for which our nation is famed. They are the backbone of rural communities throughout the land.

With all the benefits that it delivers to society, agriculture is not just a business like any other. That is why supporting it from the public purse is fully justified, especially here in Scotland. Production costs for our farmers can be high, thanks to our land quality, remoteness from markets and, of course, the weather. As I am sure that all members are aware, and as this week has reminded us, bad weather has disrupted farming operations throughout most of this year. Some crops have been damaged and conditions have been challenging for hay and silage making, and for the harvest. Grazing livestock have also been affected by the difficult conditions. I am sure that all members want to pay tribute to the professionalism with which our farmers have endured those challenges.

The particular challenges that we face emphasise more than ever the crucial importance of getting things right for Scotland as we negotiate the common agricultural policy for 2014 to 2020. It is timely for the Parliament to debate the CAP today. November, only a few weeks away, will be particularly important. In the European Parliament, the agriculture committee will vote on its amendments.

Claire Baker (Mid Scotland and Fife) (Lab): I thank the cabinet secretary for taking my intervention.

There is a report in *The Courier* today about Alyn Smith's amendment. Although I appreciate that the amendment is an attempt to deal with slipper farmers, concerns have been raised with me by the tenanted sector over its unintended

consequences with regard to who would then own the land. I would appreciate some clarity from the cabinet secretary on what he understands the impact of the amendment would be.

Richard Lochhead: My understanding of the unintended consequences issue is that it is mischief making, not for the first time, by one particular member of the European Parliament. Alyn Smith MEP has made it clear—with, I understand, the support of tenant farmers—that the purpose of that amendment is to curb the trading of entitlements to avoid slipper farmers having their own way under the new system. Clearly, that is a big issue for many members in this chamber and throughout Europe.

Jim Hume (South Scotland) (LD): Will the member take an intervention?

Richard Lochhead: No, I want to continue. I will take an intervention later.

Also in November there will be the Council of Ministers, when the presidency will try to reach partial agreement on the new CAP in areas in which there has been some consensus so far.

However, I expect that the single most important event in November will be the European summit on 22 and 23 November. An extra meeting has been arranged specifically to try to agree Europe's budgets. Agriculture ministers will not be present for those discussions, even though that is where the size of the CAP budget will be decided—not just that, but the split between the different pillars of the CAP budget and how the CAP budget will be distributed between different member states. Those are crucial issues for Scotland, given our pitifully small allocations in both pillars at present, so the November summit could be decisive. It is no exaggeration to say that the future of thousands of farming businesses across members' constituencies and across Scotland, and our nation's ability to produce food, will be influenced by some of those crunch decisions.

After November, the remaining steps in the process will be final decisions on the CAP regulations, under the Irish presidency in the first half of next year, followed by detailed European Union implementation regulations.

In Scotland, we will go through the procedures to introduce the new CAP, consulting our stakeholders and Parliament, drafting all the legislation, designing the information technology systems, and so on. That process is clearly complicated, which is why it is important that the country focuses on a clear set of Scottish priorities. Our priorities, which result from the distinct nature of our agriculture, are different from those of other member states or, indeed, of other ministers in the United Kingdom.

Speaking of UK ministers, I was sad to see the departure of Jim Paice, a genuine friend of farming, although I look forward to working equally well with his successor, David Heath. On Monday, I was pleased to have my first face-to-face discussion with the new Secretary of State for Environment, Food and Rural Affairs, Owen Paterson, who was at his first European council. He clearly has strong personal views, which he expressed to the council—shall we say—very forcefully. I look forward to working with Owen Paterson, although he was at great pains to point out his view that agriculture should generally be left at the mercy of the free market. It may be that we have said goodbye to a farmer's friend and hello to a free-market crusader. I hope that he is prepared to listen to Scotland's views as well as his own, and that he recognises our distinctive needs that flow from the nature of farming here.

Eighty-five per cent of agricultural land in Scotland has less favoured area status, and we have an industry that is dominated by the livestock sector. However, we also have highly productive land, with producers at the cutting edge of 21st century farming. Food and drink are a big part of our economy. Our needs also reflect the wider benefits that farming delivers: our landscapes and biodiversity, and farming's economic role.

The Government has scored some successes in having our needs reflected in the CAP negotiations. For example, the so-called Scottish clause will enable us to clamp down on slipper farming. We have ensured that heather-clad hills are eligible for payments—provided, of course, that genuine farming activity is taking place on them. We have convinced Europe that protecting permanent grassland must not prevent Scottish farmers from reseeding fields periodically, and that the proposed three-crop rule must not impose ludicrous constraints on mixed farms in this country.

On other important points, we still need to press hard—especially on the budget. We cannot condemn Scotland's farmers to another decade of unfairly low CAP receipts. As I have said many times, Scotland has the fourth-lowest payments per hectare in pillar 1 and the lowest in Europe in pillar 2. For pillar 1, the Commission has proposed a mechanism to close the gap, which will help the Baltic states and Romania. We can easily justify similar treatment for Scotland, given our producers' costs of production. However, we will not get it, because we are not a member state yet. If we were, we would eventually receive between €100 million and €200 million a year extra according to the Commission's methodology.

Alex Fergusson (Galloway and West Dumfries) (Con): I accept what the cabinet secretary says, although I think that it is all open to

debate. There is growing uncertainty about whether Scotland would automatically become a member state of the European Union in the unlikely event that it decides to become independent. Where would support for agriculture come from between the time that Scotland became independent and the time that it became a member state, which could be a matter of several years?

Richard Lochhead: Rather than respond to the member's scaremongering, I point out that there were a number of raised eyebrows around the table at the council earlier this week when the secretary of state was speaking. It is certainly not Scotland that the member states would want to eject from the EU.

I turn to pillar 2. The Commission wants to allocate at least some of the budget by using objective criteria, which would be good for us. However, member states are resisting and, unfortunately, putting their vested interests before fairness. That means that there is a real risk that, after this reform, Scotland could have the lowest payments in Europe in both pillar 1 and pillar 2. The UK Government should not allow that to happen, but our difficulty is that it is fixated on budget cutting, not budget fairness. We need the UK Government to devote more of its negotiating capital to Scotland's priorities. I urge the Parliament to join the Scottish Government in pressing the UK Government on the budget and, of course, Scotland's other priorities, such as new entrants.

Liam McArthur (Orkney Islands) (LD): The cabinet secretary will know of the support in places such as Orkney, which have been heavily livestock dependent and in which there is a concern about the move to area-based payments. There is a growing belief that areas of natural constraint are key to ensuring that there is not a huge leakage of revenue out of the islands. Will the Scottish Government lend its support to that as part of the negotiating strategy?

Richard Lochhead: I certainly recognise the importance of the current less favoured area support scheme to Liam McArthur's constituents and to those of other members. That is a key priority and, if I have time, I hope that I will be able to give the member some reassurances about the areas of natural constraint regime, which might be in place pretty soon.

As well as protecting LFASS, Scotland is faced by a number of other priorities, such as helping new entrants. Of course, the Government's new entrants panel met a few weeks ago and we have now set up an advisory panel that is made up of new entrants whose views will help to guide us during the CAP negotiations. We have said that

we want support for new entrants to be available from day 1 of the new policy.

Another priority is the issue of coupled payments. The Commission's proposal lets some member states have up to 10 per cent of their national envelope for coupled payments, but the figure for Scotland is only 5 per cent. As I said when the census figures for agriculture and livestock were published this week, the trend in livestock numbers shows why coupled payments are essential in some circumstances. The proposals are unfair, and we must secure a level playing field. If other countries are entitled to 10 per cent coupled payments, we should also have that option.

The issue of greening the new CAP is another priority. The principle of greening is a good one, and I am sure that we all support it, but there are big problems in how it has been proposed by the Commission. I remain disappointed that climate change—the predominant environmental challenge of our time—plays hardly any part in the proposals. That is a missed opportunity, and I shall continue to raise it, as I did in Brussels this week.

A real worry is that the existing greening proposals risk hitting the wrong target. It is right to insist on environmental improvements in the arable deserts that exist in some parts of Europe, but Scotland is not like that. Could anyone really claim that the famous Scottish Highlands, rich in semi-natural vegetation and biodiversity, are not green? In fact, if the greening proposals are badly designed, they could reduce biodiversity in some parts of Scotland—for example, if they result in less mixed farming. Therefore, it is vital that we do all that we can to improve the greening proposals.

Ecological focus areas have the potential to be a positive step, as they will help to ensure that even the most intensive farmers leave some space for nature. However, the current proposals are a nightmare for the officials, Governments and bodies throughout Europe that will have to implement them. The mapping alone would require Governments across Europe to recruit thousands of extra civil servants—I am sure that none of us wants to go down that road. We have made those points to the commissioner time after time.

Tavish Scott (Shetland Islands) (LD): I am in agreement with most of the priorities that have been set out, but does the minister take on board the need to ensure that the penalty regime that will, no doubt, continue under the new CAP is fair and proportionate? There are concerns about that in Scottish farming today.

Richard Lochhead: Again, I am delighted by the growing consensus in this debate, as I was

about to deal with that point. I agree with Mr Scott. One of the problems that we face with the greening proposals is that, if they are incredibly difficult to implement and hard for our farmers and crofters to adhere to, there will be penalties; unfortunately those penalties will continue to be disproportionate, as none of the member states appears to be making inroads on that area, in terms of the commissioner's response. We still face a disproportionate penalty system. That is another on-going battle that we have to fight in the important weeks and months ahead.

I see that I am running out of time, so I will touch quickly on a couple of issues.

On timing, the commissioner has at last accepted that it is impossible to have the new CAP operational on 1 January 2014. With regard to pillar 1, although the delay is deeply disappointing for new entrants and excluded sectors, it is relatively straightforward to deliver. However, the situation with regard to pillar 2 is more problematic, because the legislation ends in 2013.

At this stage, we are reaching the end of the Scotland rural development programme under pillar 2, and we will do our utmost to minimise any gap between any of the programmes. Last week, I talked to the Rural Affairs, Climate Change and Environment Committee about the situation with regard to the LEADER programme, LFASS, help for new entrants and so on. We will have to ensure that some of the current schemes continue, but there will eventually be only a proportion of the overall schemes, given the resources that are left in the budgets.

In drawing to a conclusion—

The Presiding Officer: You have another minute or so, if you wish.

Richard Lochhead: The negotiations are incredibly important for Scotland. Agriculture varies across the United Kingdom. Although I respect the right of the Department for Environment, Food and Rural Affairs to have views that are different from ours in Scotland, I cannot accept it retaining control over a devolved area of policy by the back door.

One unfortunate aspect of devolution at present is that, on agriculture issues that are decided in Europe, where we are represented by the UK Government, UK ministers have the ability to press the devolution override button, and they are using it. We agree a policy here in Scotland, but it does not use up any UK negotiating capital because it so happens that UK ministers do not agree with the policy, which is the will of this Parliament. UK ministers and DEFRA have the ability to water down or ignore policies that are agreed in Scotland and which we feel are best for Scottish agriculture because, philosophically or for

political reasons or whatever, they disagree with what we are doing. We do not have the ability to ensure that we can pursue our priorities in Europe.

The issue of how Scotland is represented in Europe is, no doubt, a debate for another day. However, the situation explains the importance of our speaking with one voice, as a Parliament and as a country, in the weeks and months ahead. We have a devolved Scottish Parliament and we must ensure that its will is reflected in the UK Government's negotiating priorities. If we do not do so, we will not be able to deliver the bright future that we could deliver for our rural communities, farmers, crofters, the food and drink sector and everyone else who is involved in our fantastic Scottish agriculture sector. I am sure that we all share that aim and want to deliver it. I hope that members will support the Government's motion.

I move,

That the Parliament notes the progress to date in the EU negotiations on the future Common Agricultural Policy (CAP) (2014 – 2020); supports the Scottish Government's commitment to press, in partnership with stakeholders, for a CAP that has sufficient flexibility for it to be implemented in Scotland in line with the Parliament's devolved responsibilities, ensuring that agriculture remains a dynamic and competitive industry that makes sustainable use of Scotland's natural resources, and believes that the UK Government's negotiating position must take account of the priorities of devolved administrations, which should play an appropriately full role in the negotiating process.

14:46

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

This is a crucial period on the path to common agricultural policy reform. We are in the heat of negotiations and trade-offs and we face time pressure and budgetary uncertainty, with pulls in all directions, but we must not lose sight of why reform is necessary. There must be public confidence in the CAP; reform must deliver on our modern expectations and priorities; and the CAP must meet the many complex challenges that we face, in Europe and internationally. In focusing on the detail, we should not lose sight of the bigger prize.

The motion recognises the need for the UK Government to work with devolved Administrations. There are challenges in the recent change of Cabinet team—and I do not mean Paul Wheelhouse, who I hope is enjoying his new ministerial role. The new UK Government team presents challenges of politics and timing but, regardless of political affiliation, there is a need to work together, and the initial comments from the Governments have been encouraging.

Labour's amendment places an emphasis on public benefit, which is crucial to securing public confidence. By highlighting rural communities, we

recognise that the CAP is not just about farming, but about delivering a wider set of rural objectives for our communities. Jim Hume's amendment makes fair points about financial modelling, which I understand the Welsh Government has done with a certain amount of success. Although that might show winners and losers, it will provide the opportunity to test the proposals further and to move quickly to address any issues. We agree that we need greater engagement on transition. We are happy to support the Conservative amendment.

In 2010, at the start of the process, the Commission held a public consultation, which showed support from all sections of society for the continuation of a common agricultural policy to maintain diversified farming systems and deliver multiple public goods. However, perhaps unsurprisingly, there was less agreement on how to achieve that.

Interest groups are strong in the debate and members of the European Parliament will have to resolve competing interests although, encouragingly, there is a degree of consensus in Scotland on the direction in which reform must go. However, the European Parliament and Commission must hold their nerve and ensure that public interest is at the centre of reform.

For the first time, we have co-decision making between the European Parliament and the Commission, which should lead to greater democratic accountability. However, that involves attempting to get agreement between 27 member states on more than 7,500 amendments, with each state promoting its interests. That reality can threaten progress on reform. The European Parliament and Commission must focus on what is in the best interests of us all: progress on the environment and biodiversity, sustainable farming balanced with food security, sustainable rural communities and multiple social and public gains.

We cannot ignore the context of the reform. The CAP, which was introduced to boost food production in response to post-war shortages, has increasingly been about much more than farming. The European Parliament identifies food security as a challenge to which the CAP must respond, as well as rising energy prices, climate change, environmental protection, land abandonment and the economic crisis.

This is a time of unrest and uncertainty across Europe, both economically and socially, and there are protests about austerity measures, rising unemployment and poverty. CAP reform does not happen in a bubble. We need to recognise that, in a time of austerity, the CAP budget is about €57 billion a year and it makes up at least 40 per cent of the EU budget. There must be confidence in

what that investment delivers and there must be transparency.

Change will happen. We can see it positively and it can give us opportunities to make some sensible decisions. Looking at the payments that are received in Scotland, I note that they range from a business that receives £196.56 a year from the rural development programme to businesses that receive almost £1 million a year in direct subsidy. Administration costs must lead to questions about small payments, and large payments to profitable businesses need to be justified if they are to continue, whether they are made to large farms, estates or charities.

Rob Gibson (Caithness, Sutherland and Ross) (SNP): Does the member agree that we ought to press harder to ensure that all payments are explained with the names of the people who receive them? At present, the European judgment keeps that information secret.

Claire Baker: Rob Gibson makes an important point. DEFRA's website has a certain amount of information, but it is often collected into a bigger picture and it can be difficult to identify recipients. I agree that, when we are talking about large sums of public money, there needs to be transparency.

We talk about the historical legacy of Scotland's share of the budget within the EU and the UK, but we also see big variations by region within Scotland, with recipients in East Lothian receiving an average of more than €125,000 while those in Highland receive an average of just over €34,000. Recently, the Scottish Agricultural College published a regional analysis of unemployment in Scotland. It identified particular challenges, such as the cost of service delivery, the ageing population, the relatively small size of the private sector and the lower wages but higher prices in the rural economy. The analysis showed that there is a stronger relationship between growth and employment in urban areas and that our response to rural unemployment must be complex and tailored.

We can use the opportunity of CAP reform to respond to the pressures that people are facing in rural communities, whether through supporting agriculture and the employment that it offers or through the Scottish rural development programme and the opportunities that it can create. The reform gives us an opportunity to be imaginative. For example, crofting agriculture is generally agreed to be typically uneconomical, but it sustains rural populations across a large part of Scotland. CAP reform gives us an opportunity to ensure that appropriate measures are put in place to protect and enhance crofting agriculture, if we make the appropriate decisions.

In its briefing, the Scottish Council for Voluntary Organisations identifies that less than 15 per cent of the SRDP budget is available to rural communities and non-farm enterprises. There is a strong argument that that percentage should rise significantly to promote social inclusion, poverty reduction and a wider range of economic development initiatives. There is a lot to do to ensure that we get the best outcomes from rural investment.

There is broad consensus on the key agricultural messages for Scotland in the reform process, and it is worth while to re-emphasise them today. The National Farmers Union has identified 10 priorities and started to highlight the choices that the Scottish Government will have on regional payments. Although Scotland has some big operators, we do not have the monofarms that exist in other parts of Europe. On many issues, there is agreement between the farming sector and the environmental sector on the need for flexibility and a system of incentives that rewards farmers for work that they already do. Farmers manage more than 70 per cent of EU land, so there is a real public benefit in ensuring that they manage the land sustainably, and that must be central to reform.

I appreciate that the greening measures that are on the table do not suit Scottish farming. There is a job to do to convince others about that and to try to change things. I was pleased to attend the NFU's conference earlier this year, which brought together many of the northern countries with shared interests, but I support the aim of improving the sustainability of modern farming and incentivising that through sensible reform of pillar 1.

There is a need for a clear decision on what constitutes eligible land as the current proposals could create problems. There needs to be flexibility and a recognition that the 7 per cent should include land that is already providing a diverse landscape. It is not just about taking productive land out of use, as it is also important to support the maintenance of hedgerows and field margins and allow the creation of networks of habitats.

There is a push for convergence; how successful that will be is still up for debate, but the push for objective rather than historical criteria opens up opportunities for Scotland to recognise needs. The proposal for a minimum stocking level, which the NFU has promoted and to which the cabinet secretary referred, might hold part of the answer to how to determine active farming and might help to close the loophole that allows slipper farmers. However, we must guard against unintended consequences. I appreciate that the cabinet secretary commented on Alyn Smith's

amendment, but I urge the cabinet secretary to speak to the tenanted sector, which raised concerns with me today about unintended consequences, particularly in relation to where ownership would lie.

The CAP needs to be simplified as far as is practical. No one disagrees that it is extremely complicated and often leads to perverse outcomes, but we need to be cautious and to keep an eye on cross-compliance rules, for example, where the push for simplification might mean a compromise in relation to the birds and habitats directives.

While the debate about CAP reform continues, the EU budget still has to be agreed, and there is a great deal of uncertainty. The reform proposals were based on a budget that was frozen at 2013 levels, and a further cut would have an impact on what can be delivered.

However, in arguing for protection of the EU budget, we should recognise that domestic budgets have been reduced. The Scottish Government has steadily increased the co-financing rate for the SRDP, from 25 per cent in 2006 to 63 per cent in 2012, which has reduced the estimated overall size of the SRDP from £1.6 billion for the programme period to £1.2 billion now. The cabinet secretary defended that to the Rural Affairs, Climate Change and Environment Committee, but he will know of the concerns about a diminishing budget and about demand being managed in a way that holds back progress on climate change, biodiversity and water quality. Furthermore, there is concern that a delay in agreeing to reform will lead to a gap in funding for the SRDP programmes. He must provide further reassurances on that.

Over the years, CAP has been everything from the saviour of farming to a scandal of butter mountains. We now have an opportunity to deliver a CAP that is fit for the 21st century.

I move amendment S4M-04263.1, to insert after "resources":

"while delivering public benefit and supporting rural communities".

14:57

Alex Fergusson (Galloway and West Dumfries) (Con): I refer members to my entry in the register of interests.

I greatly welcome Paul Wheelhouse to his front-bench role. That is a rapid promotion, which I am sure is thoroughly deserved. We look forward to further contributions from him.

I add to the cabinet secretary's thanks—I think that that is the right word—to Jim Paice, who is shortly to be Sir Jim Paice, for the role that he has

played. He has been a friend to farmers throughout the UK. Differences with the cabinet secretary might have arisen on some occasions, but they were always dealt with in a perfectly respectable and responsible way. I hope that that continues to be the case in negotiations between the Scottish and UK Governments.

I am delighted that the Government has brought the debate to the chamber, just as I am delighted to take part in it, because CAP reform is of huge importance to the whole country—the cabinet secretary put that well. It is important not least in my constituency, where—as with other areas in the south and the east—any change from historically based payments to area-based payments will inevitably mean big changes in the nature and the level of support that is available for agriculture.

Quite a lot of people out there in the wide world would contend that agriculture already receives too much support. I am not one of them because, as I have said many times in the Parliament, a thriving and sustainable agricultural sector means a thriving and sustainable rural sector. Without that, we will never have a thriving and sustainable national economy. I am absolutely convinced that that is true and always will be.

That is what is at stake in the on-going negotiations, and I am sure that every one of us in the chamber genuinely wants the best possible outcome for Scottish agriculture from the negotiations on CAP reform, which are clearly difficult. I assume that they are difficult because it is pretty clear that no one expects the reforms to be introduced in their entirety by 2014.

The first thing that must be secured is an adequate bridging arrangement from 2014, on the assumption that the more likely full start date will be at least 2015. I was pleased to hear the cabinet secretary tell the Rural Affairs, Climate Change and Environment Committee last Wednesday that, although the first priority is—understandably—to ensure that the European Commission has such a bridging arrangement in hand, the Scottish Government is working on a contingency plan that it will be ready to implement if the need arises. I hope that that plan will not be needed, but the Government is right to work on it. I trust that the Government will keep the committee and the Parliament fully informed about the details of its emergency plans as 2014 draws ever nearer.

We are all aware—as I am sure will become evident as the debate goes on—of the salient points for Scotland in these negotiations, but some of them are worth repeating.

It is vital that the transition from historically-based to area-based payments is as gradual as possible. If it was deemed to be right that the

change in England and Wales should take place over eight years with a linear transition, why should Scotland be expected to make the change in five years with a transition that is heavily front loaded? That cannot be allowed to happen.

It is vital that an adequate national reserve is created to support new businesses and—just as important—to bring those who have been locked out of the support system since 2003 back into the fold.

It is vital that we try to increase the amount of modulation of pillar 1 support to provide voluntary coupled support for the livestock sector. The cabinet secretary was right to highlight a stark reminder of the importance of that when he referred to the publication of the annual agricultural census figures. Those figures showed a further decline—not a large decline, but still a decline—in livestock numbers, despite as good a level of market returns in the livestock sector as I can ever remember.

It is vital that the Scottish Government is able to pay out up to 90 per cent of the support that is due to any farmer as soon as it is due, with the balance payable once any necessary checks have been carried out. The current situation, whereby any farmer whose claim requires even a second glance is put to the back of the queue for payment, has resulted in genuinely lengthy delays in payment and a consequential—and sometimes catastrophic—delay and disruption to farmers' cash flows.

All those measures—and others that have been and will continue to be mentioned during the debate—will receive our full support, and the support of all members in the chamber. They must be among the top priorities for Scotland as the negotiations progress, if progress is the right word.

That brings me to the motion and the amendments that are before us. The Conservatives will, of course, support the motion, despite some reservations about the last part of it. I was originally inclined to try to amend that part, but I believe that we should try wherever possible to present a united front during such negotiations. What the cabinet secretary unfortunately referred to in a previous debate as the cuddly side of my nature came to the fore, and I decided to leave it in place. I know that the cabinet secretary will one day live to regret the fact that he referred to me as cuddly.

Liam McArthur: Already.

Alex Fergusson: Yes, he is probably regretting it already.

We will support the Liberal Democrat amendment, just as we will support Labour's amendment, which—with great respect—seems

not to add very much to the motion. I say that simply because if the CAP is not

“delivering public benefit and supporting rural communities”,

it ought to be abolished, never mind reviewed. However, it bears repeating that it should do those things, so we are happy to support the Labour amendment.

Claudia Beamish (South Scotland) (Lab): We lodged the amendment to highlight the fact that many communities in the Highlands and in rural and remote areas live on the edge—as highlighted in the Carnegie Trust report that was published this week—and need specific support for their rural businesses and social enterprises. We do not in any way want to detract from the issue of support for the future of our environmentally sustainable farming.

Alex Fergusson: I accept that in its entirety. As Claudia Beamish will know as a South Scotland representative, it is not just communities in the Highlands and Islands that are living on the edge: there are many others in the south of Scotland that do the same.

I do not wish to denigrate the Labour amendment in any way; I just think that the two elements that it mentions should be a fundamental part of the CAP in the first place. As I said, I am happy to support the amendment, which highlights the very issues that Claudia Beamish has just mentioned.

In closing, I will expand briefly on my reservations about the motion. The final sentence—which states that the Parliament

“believes that the UK Government’s negotiating position must take account of the priorities of devolved administrations, which should play an appropriately full role in the negotiating process”—

is of course somewhat mischievous, although I would expect nothing less. It is designed to lay all the blame on the UK Government for anything that the Scottish Government does not deem to be acceptable in the negotiations—

Margo MacDonald (Lothian) (Ind): Hear, hear.

Alex Fergusson: I am glad to hear agreement on that.

However, the possibility of laying the blame elsewhere has been blown wide open by an excellent briefing paper from NFU Scotland, which was sent to members yesterday.

The Deputy Presiding Officer (John Scott): I would be grateful if the member would draw to a close.

Alex Fergusson: The paper outlines NFU Scotland’s top 10 priorities for the reform, with

action points listed under each priority. Each and every action point relates to not what the UK Government or the European Commission can do, but what the Scottish Government can do, and that is the point of my amendment.

We will back the Scottish Government’s motion, but we will keep a careful eye on what the Scottish Government does with its existing powers to ensure that those action points are addressed.

The Deputy Presiding Officer: The member must close.

Alex Fergusson: Rural Scotland deserves no less.

I move amendment S4M-04263.3, to insert at end:

“, and further believes that the Scottish Government must take every opportunity to make its priorities known to both the UK Government and the European Commission.”

15:05

Jim Hume (South Scotland) (LD): I remind members of my entry in the register of interests.

I welcome Paul Wheelhouse to his new post and I also recognise the work that Stewart Stevenson did during his time as Minister for Environment and Climate Change, as I am sure that he would be too modest to do so himself.

I welcome the chance to discuss the common agricultural policy, which is something that we do often in this chamber. However, this year the debate is more timely than most. I will touch on my amendment, which I believe is a constructive amendment to help the Government on its route to a better CAP.

The CAP makes a large financial input into rural Scotland and our remotest communities rely on it at all levels. Not only do farming and forestry benefit, but schools, shops and business all benefit indirectly. That brings out the point of the Labour amendment, which I shall support. The CAP reform that is now upon us is therefore vital.

The EU’s CAP finishes at the end of next year—2013—and it is important that Scotland gets a good deal. We know that it is now unlikely that we shall have implementation by December 2013. Technically, if a new CAP is not agreed by the end of next year, the pillar 1 payments would continue, but not necessarily the pillar 2 payments. Pillar 2 payments go to less favoured areas, the new entrants scheme, agri-environmental schemes, forestry grants, business development and LEADER. I brought the issue up at the recent RACCE committee meeting, but I use this opportunity again to encourage the cabinet secretary to ensure that he persuades the EU to

roll over those important instruments if there is a gap between the CAPs.

We still do not know what size the CAP budget will be, but when Commissioner Ciolos came to Scotland last week at the invitation of George Lyon, he was positive that the budget would be agreed by November.

I have no real issue with the Government's motion, but the latter part of it mentions that the UK Government must take into account the priorities of the devolved Administrations. Mr Lochhead is well aware that there is an open door for him to influence these important discussions at all levels—in the EU as well as at Westminster. That is where my amendment comes into play, because there does not seem to be much evidence of engagement by this Government at an EU level.

As I say, there is an open door at EU level for this Government to engage. My concern is that Mr Lochhead sits back and blames Westminster for a bad deal. Commissioner Ciolos was clear last week when he hinted that regional approaches to CAP may be considered as long as they deliver on the EU's environmental goals. That sends a clear message to this Government to engage fully with the EU.

Richard Lochhead: Given that I returned late yesterday afternoon from three days in Brussels, which I spent speaking to MEPs, commissioners, other member states and the UK Government—as I have been doing for the last few years—will the member at least accept that we are doing our utmost to influence European negotiations?

Jim Hume: I am glad that the cabinet secretary is engaging and I look forward to hearing what proposals he puts to all the stakeholders.

I call on this Government to make all efforts, as a devolved Administration, to engage with the EU and to state clearly what would be better for Scotland. It is a golden opportunity for Mr Lochhead to get a feather in his cap for getting the best deal for Scotland.

To help us to know what would be a better deal, we need to look to our fellow devolved Administration in Wales, which, as I said to the cabinet secretary at the RACCE committee meeting, is honing a model to show how the new CAP may affect rural businesses. Rural communities can use the model to plan for the not-so-distant future and the Welsh Government can use the plan to lobby for a better deal in the EU and at Westminster.

The cabinet secretary stated at the committee meeting that the Scottish Government has some modelling, but I am talking about modelling that can be used to consult the industry, as is the case

in Wales. I would like the cabinet secretary to indicate in his summing-up speech whether he will instigate such a model in Scotland and perhaps also use it to consult stakeholders.

The modelling would, as stated, be important for Scotland, but there will no doubt be losers from any changes to the CAP. When I questioned the cabinet secretary at last week's committee meeting about having a transition period to help businesses adapt, it seemed that he was reluctant to have a decent length of transition. I ask the cabinet secretary to reconsider that. The industry is keen on a longer transition to allow for business change and there is a precedent because, as Alex Fergusson said, that was the case with the previous CAP reform. It can be done.

Margo MacDonald: I apologise, Presiding Officer, for not having been in the chamber for the opening speeches.

As Jim Hume is as well versed as anyone in the chamber in the practical application of the CAP, will he say whether his judgment is that, in the years that the cabinet secretary has been going to Brussels he has enhanced the Government's ability to speak for and gain results for Scotland, or whether it is much of a muchness?

Jim Hume: The important point is that we are coming to the biggest challenge that Mr Lochhead has faced. We look forward to seeing good results from that.

The cabinet secretary suggested at the committee that any transition would relate to how we can help new entrants. My argument is that it does not have to. A national reserve that ran the full term of the next CAP would allow new entrants to be helped at any point during that period. That may be a little bit more work for civil servants, but it would ensure a fairer CAP.

I would be interested to hear the cabinet secretary's view on transition and what he has been calling for at EU and UK level. He has criticised the UK Government for changing the DEFRA team, but that is a little bit hypocritical as, at last year's NFUS annual general meeting, he said he was diametrically opposed to Mr Paice and Mrs Spelman.

Now, we have a team with a Liberal Democrat farming minister, who has already vowed to deliver a fairer deal for rural communities and agriculture. The Lib Dems in government have delivered on a code of conduct to help dairy farmers and, at last, a grocery code adjudicator to protect producers, which is straight out of the Lib Dem manifesto.

My amendment strengthens the Government's motion and gently pushes the cabinet secretary to engage fully at all levels when he can influence the outcomes and not to use the reform of the

CAP in any way as an opportunity to criticise other Governments.

I move amendment S4M-04263.2, to insert after “resources”:

“; urges the Scottish Government to undertake financial modelling of CAP implications to allow rural industries to plan for potential future changes; recognises concerns about immediate implementation; notes the recent comments of the European Commissioner for Agriculture and Rural Development that the Commission would consider allowing a transition period and urges Scottish ministers to engage fully in negotiations to secure a sufficient transition period and a good deal for Scotland under a new CAP”.

15:12

Rob Gibson (Caithness, Sutherland and Ross) (SNP): The tone of the debate must return to the realities of politics. The remarks by Owen Paterson, the new UK agriculture minister, at the council in Europe should be of concern not only to us but to others. We should consider his interest in ensuring that the market is the main driver for farm production. I think that everybody in the chamber disagrees with that, given Scotland's conditions.

It is important to note that Brian Pack said as much when he commented that

“the farming regimes in Scotland and England each required their own package, but it appeared the new minister wanted to put England's approach first.”

That is not the Government speaking, but the expert who considered our uplands and difficult areas and who is highly respected in Scottish agriculture. Our conditions differ. Can we rely on the UK minister to reflect that and to give our conditions the weight that they deserve? I do not think so, but we await that happening with some hope.

The Rural Affairs, Climate Change and Environment Committee spoke to Mrs Spelman and Mr Paice. We spoke to Mrs Spelman for 30 seconds, but Mr Paice came to the committee. Both came to Scotland occasionally, but Mr Paterson must come and see more than just a farm in the Borders; that man must come and see farming in some of the really rough parts of Scotland to see what the Scottish case is.

Alex Fergusson: I have not read verbatim any of Mr Paterson's comments, but I believe them to be aspirational and hopeful that, one day, British and Scottish farmers will be able to live without subsidy. I do not know of one farmer who would not like to be in that position. Does Rob Gibson?

Rob Gibson: We are talking about areas of natural constraint that we have identified as places that require support. Farmers in such areas know that, in the current market, they must have support. It would be easy to say that, in some

utopia, there was no need for such things to happen but, as Mr Lochhead said, farmers in

“remote and disadvantaged areas of Scotland already suffered from the inability of the free market to deliver which was why they needed support.”

I maintain that position, and the Parliament must maintain it.

The problem requires coupled payments, for example. How will we deal with the beef suckler herd unless we have coupled payments? The UK Government does not like that one bit. It wants to abolish pillar 1 support, but if we want an approach that supports our farming and its high-quality produce, such things must be in place.

I will move on to another issue that is a bit of a challenge. As a new CAP is coming along, we must approach wider areas in which people have not only rights to support, but responsibilities. I refer to biodiversity and climate change, for example, which the cabinet secretary has talked about. In preparation for Rio+20, the document “A Flourishing Scotland”, which is on a sustainable Scotland, noted:

“As the 2010 target to halt the loss of biodiversity in Scotland was not met, more effort and investment is now required to turn around continuing declines in nature. Key threats to biodiversity including habitat loss, intensification of land use, invasive species, diffuse pollution and marine ecosystem degradation continue largely unabated.”

Farmers and crofters have a major part to play in that process, and we must ensure that, when we give them pillar 1 and 2 support, we find appropriate ways, through greening, for them to be able to contribute to it. It has been pointed out that our soils are particularly lighter in the north. We have a whole area in which it is possible to make a big impact. We need to do that in agriculture, as agricultural emissions are yet to be fully tackled.

Obviously, I do not have much time to talk about the whole subject matter. However, the SRDP, which we are dealing with, needs a carryover to ensure that it is continuous. We agree on that. The SRDP will also contribute to greening. We have heard from the forestry industry about its wish for more sensible and simpler access to funds, and we have heard about the group that has been looking at the way forward for forestry. Some land from agriculture needs to pass over into forestry. We must find a way to do that so that farmers can be a part of the process. A change of 2 per cent is being talked about and must be negotiated. The SRDP, in supporting forestry and our peatland opportunities, for example, has to be made simpler and more direct. Indeed, the computer systems that govern those things must be sorted out.

Last week, I heard about the challenge fund that helps the food and drink industry and tourism. The north Highland challenge fund is an excellent

example. Through building on fantastic local produce, we can sell it in a wider market. Richard Lochhead announced that fund in my constituency, and I welcome the opportunities that it creates for producers.

I also welcome the fact that Mr Armitage of Caithness Free Range Eggs near Wick said that the SRDP helped him to get off the ground. We hope that future SRDPs and the CAP can help such innovative businesses to get moving as well.

I support the motion.

15:18

David Stewart (Highlands and Islands) (Lab):
President Dwight Eisenhower famously said:

"Farming looks mighty easy when your plow is a pencil, and you're a thousand miles from the corn field."

It is, of course, tempting to draw a comparison with the architects of the new CAP. Just when we get to grips with the four-axis model, the European Commission wants to abolish it.

I pray in aid the cabinet secretary's recent comment that

"The current proposals are so complex that to implement them I would have to have thousands of extra civil servants which is a non-starter."

However, complexity does not negate importance. The new CAP is crucial for farmers and rural communities. The needs of the agricultural sector are critical in many ways for Scotland's future, of course, but there is a need to recognise the rural difference in Scotland and ensure that Scotland's implementation of the CAP and, in particular, the SRDP is tailored to the reality of modern life in rural Scotland, with its rich diversity of individuals, enterprises and communities.

The recent report by the Scottish Agricultural College entitled "2012: Rural Scotland in Focus" reflected that diversity and called for Government policies to be tailored to the wider reality of rural Scotland. This week, a report published by the Carnegie UK Trust, "Future Directions in Rural Development", called for greater investment in capacity building and networking at community level, which echoes the views expressed previously by organisations such as the Scottish Council for Voluntary Organisations.

The new SRDP has the potential to benefit not just the farming industry and Scotland's environment but Scotland's rural communities through effective implementation of community-led local development strategies such as LEADER and an extended and improved Scottish national rural network. It is essential that in the complex technicalities of the CAP, which many members have referred to, we do not lose sight of the vital

dimension that it is intended to be a policy that benefits all rural Scotland.

I will focus my remarks on the pillar 2 rural development programme, but it is perhaps worth pausing for a second to look back into history. Agricultural support, but more specifically support for farmers in the development of agricultural produce for the export market, was arguably an early driver for the treaty of Rome in 1957. As we all know, the powerful dynamic between France and Germany, which is reflected in foreign affairs and defence, demonstrates the strength of the relationship between those countries. That presents major challenges for us all in the review, reform and renewal of the CAP.

The bigger question for us this afternoon is simply this: what is the purpose of public support for agriculture? I believe that that was well covered in Alyn Smith's evidence to Rob Gibson's Rural Affairs, Climate Change and Environment Committee that

"National security is predicated on food security, and that must be our absolute north star in the negotiations."—*[Official Report, Rural Affairs, Climate Change and Environment Committee, 30 November 2011; c 448.]*

Of course, the international picture is one of a crisis in global food price inflation that has led to food riots in nearly every continent, bar Europe. In addition, instability in the middle east has hit the price of oil and affected transport and fertiliser costs. The key point is that security of supply is an issue for us in the CAP; security of supply is not just about the energy markets.

We would need the Brahan seer in order to predict what the CAP budget is going to be. As we have heard from other speakers, there is a serious debate in Europe about whether the budget could be cut. If it is, there is a next-stage action about how much flexibility member states have to move funds through the pillars through modulation. Further, the Scottish Government is required to co-finance the SRDP. Claire Baker made the good point earlier that the increase in co-financing to 63 per cent has resulted a reduction in the SRDP programme to £1.2 billion.

Of course, pillar 2 rural development programmes must be linked to the six key priorities, which include enhancing competitiveness, promoting ecosystems and developing social inclusion and poverty reduction. Pillar 2 has a crucial role to play in supporting and developing the delivery of public goods and services by agriculture but, as a number of members have stated—not least the cabinet secretary—the UK receives the lowest share of all EU member states and Scotland has the lowest share of the four countries in the UK.

Whatever the final EU framework, there will be an element of subsidiarity to member states and, of course, devolved Governments. Is there room for sub-programmes in a future SRDP? Could we construct targets to increase the number of crofters and small farmers? Does any member seriously suggest—I do not think that they do—that food production is inherently in conflict with the protection of the environment and climate change mitigation? At this point, I welcome Paul Wheelhouse to his new place and I put on the record my thanks for the contribution of Stewart Stevenson, who was a fine Minister for Environment and Climate Change.

Margo MacDonald: Am I correct in thinking that the member is developing a thesis that runs parallel to something that we discussed this morning: the limitations of variability under the powers that we presently have? How much can what he has just described be variable inside the constraints that have been laid down because we are not a nation state?

David Stewart: I do not think that the CAP is perfect—many members have said that. I want a revised and reformed CAP for pillar 1, for farming directly and for rural development. I think that we have the power to do that in a united UK—Scotland has no force in our deliberations in Europe.

William Houston from Angus Growers said:

“We are going to need more food, but the arable areas of Scotland have the ability to become more intensive at the same time as becoming more environmentally beneficial”.—[*Official Report, Rural Affairs, Climate Change and Environment Committee*, 23 November 2011; c 414.]

I want a future rural development programme that has strong environmental stewardship, that works actively to secure biodiversity and manage landscapes and habitats and that stresses the needs of people in rural and remote areas. Rural development needs people's intelligence and individuality. The acid test will be how the CAP delivers for our most fragile and remote rural areas.

15:25

Graeme Dey (Angus South) (SNP): I support the motion, in particular the closing lines, saying that

“the UK Government's negotiating position must take account of the priorities of devolved administrations, which should play an appropriately full role in the negotiating process.”

Alex Fergusson and, I think, Jim Hume mentioned that aspect.

Some members on the Opposition benches might be thinking, “Well, a Scottish National Party back bencher would support the Government's

motion, wouldn't he?” However, I am not talking from a party-political perspective. Having cabinet secretary Richard Lochhead play a full role in the negotiations would be, first, in Scotland's best interests, and secondly, pragmatic and practical from a UK perspective.

It is surely common sense that Richard Lochhead be given an appropriately full—indeed, leading—role in the negotiations that involve ministers. He is the longest-serving agriculture secretary in these islands. As we go into the key stages of the CAP process, rather than have a brand-new, inexperienced DEFRA team take the lead, we should surely have there someone who knows the subject inside out and is well versed in the machinations of Europe.

The fact that David Cameron felt the need to make sweeping changes just weeks ago at DEFRA, where only one of four ministers has remained in post, indicates that he felt that his Government was not getting it right. Why not take a different approach to the negotiation process? If Richard Lochhead is not handed the captain's armband for the negotiations, he should at least be made a mainstay of the team wherever possible.

The right outcome of the process is vital for Scotland and for the other countries in these islands. I am certain that the cabinet secretary would seek to advance Scotland's unique interests in the negotiations, but I am equally sure that the interests of the rest of the UK, where they do not conflict with our interests, would be served by the presence of an experienced hand. In a situation that is so important—members should remember that almost 70,000 people work in agriculture in Scotland—we should make use of our strongest asset.

Of course, that is for the UK Government to determine. We can live in hope, and I thought that there was hope to be found in the Conservative amendment, which says:

“the Scottish Government must take every opportunity to make its priorities known”

to Europe. I presumed that the Conservatives wanted the cabinet secretary to do just that, and I thought that they might even have had a word in the appropriate ear, to enable that to happen. It seems not.

Alex Fergusson: I trust that the member agrees that as our amendment would not delete the part of the motion that he quoted, we think that it is quite in order to say that the devolved Administration should play an appropriate role in the negotiations.

Graeme Dey: I appreciate that clarity, although we might differ on what constitutes an appropriate role.

In the Rural Affairs, Climate Change and Environment Committee last week, the cabinet secretary talked about the development of a low-carbon CAP. As we challenge—rightly—some of the proposed greening measures in the CAP, it is important that we do not lose sight of the driver for the approach. As we focus on matters that are important from the domestic perspective, such as how many crops should be grown on individual farms in Europe, the big picture, which is tackling climate change, must always be at the forefront of our thinking.

Although it is imperative that the one-size-fits-all, EU-wide set of greening proposals is amended to reflect Scotland's circumstances, the aspiration to secure environmental improvement must be realised. Agriculture is estimated to be responsible for around 20 per cent of Scotland's greenhouse gas emissions. The industry must recognise its responsibilities and be seen to respond proactively. In turn, the EU must shape a CAP that contains implementable measures that will reduce carbon emissions.

In an explanatory memorandum on the CAP proposals, the European Commission calls on agriculture and rural areas to promote

“low carbon and climate resilient agriculture.”

I am not sure that the CAP proposals get us there.

The industry, too, must demonstrate its commitment in that regard. We need a CAP that delivers genuine environmental benefit without compromising food production, generating disproportionate compliance costs or creating distractions for farmers and people who are charged with administering the system. As the cabinet secretary made clear last week and today, the greening proposals cannot, as they stand, be implemented in Scotland, given their complexity and other issues.

There is a long way to go to sort out the situation. We need an effective, experienced voice to make Scotland's case and the case for a low-carbon CAP that does what it says on the tin. We need our cabinet secretary to be given the best possible platform from which to speak up for Scotland's agriculture and Scotland's commitment to tackling climate change.

15:30

Angus MacDonald (Falkirk East) (SNP): It is a pleasure to contribute to the debate. I have recently joined the Rural Affairs, Climate Change and Environment Committee and, although I have been following the long and protracted CAP

negotiations from a distance, I am now watching with renewed interest.

Following the progress of CAP reform is not for the faint-hearted, as the EU Commission and Council attempt to cut the CAP budget. The Commission's proposal calls for a 10 per cent cut in real terms to direct payments over seven years to 2020. If allowed to go ahead, that will have a major impact on our upland livestock farmers, with their dependence on the single farm payment and less favoured area status.

The Scottish Government and MEPs must react against that. Investment in farming through the CAP not only provides society with food security but provides a range of ancillary benefits for land management, export earnings, economic vitality in remote areas and employment in related industries.

The reform of CAP is our chance to get that right, but it will not be easy. It is imperative that we have fairer budgets for pillars 1 and 2 that are more in line with Europe's direction of travel. As a member of the UK, Scotland has the fourth-lowest pillar funding per hectare in the EU, at just 48 per cent of the average, whereas England receives 85 per cent of the EU average.

Margo MacDonald: Will the member say why?

Angus MacDonald: Possibly it is because we do not have direct input to the negotiations.

We also have the lowest pillar 2 rates in Europe. We get only 17 per cent of the funding received by Finland, which has a similar population to Scotland, and only 22.5 per cent of the funding received by Ireland, which has a similarly sized agricultural production area. That is not fair in anybody's book.

The Scottish Government has welcomed the retention of the two-pillar structure. However, the UK Government is less enthusiastic and seems to be happy to accept reduced pillar 1 funding. That highlights the problem that we have in Scotland: with five years in post, the cabinet secretary is the most experienced agriculture minister in the UK, but he is locked out of negotiations when decisions are being taken that directly affect Scotland's farmers. Clearly, the choice is between a Scottish cabinet secretary with five years' experience in the job or a DEFRA secretary of state with five weeks' experience—I know which one we can trust to stand up for Scotland's farmers.

Given the importance of the EU for agricultural policy and funding, it is vital for the future of our agricultural industry that Scotland has the same voice as other member states have. For example, Denmark—where I farmed for a short period in a previous life—with a population that is a similar

size to our own and a strong agricultural sector, has 13 MEPs while we have six. That clearly leaves Scotland at a particular disadvantage.

There are further disadvantages in that the Scottish Government disagrees with the UK Government on reducing the CAP budget, but under the current set-up, regardless of the views and concerns of the Scottish Government and Scottish farmers and crofters, the UK position will always go forward.

A prime example of where differences exist is on the first pillar of CAP, which delivers support for farmers through the SFP. The UK Government's policy, on which devolved Administrations were not consulted, is that the SFP should be phased out. However, the Scottish Government has serious concerns about that approach, as it could have an extremely detrimental impact on large areas of Scottish agriculture. Around 85 per cent of Scotland falls under the EU category of less favoured agricultural land, compared with 17 per cent in England. With such differences in farming practices north and south of the border, it is imperative that Scotland has a direct say at the top table and is not shoved away in a corner and only allowed out when the DEFRA secretary of state sees fit.

Margo MacDonald: Hear, hear.

Angus MacDonald: It will not have escaped members' notice that the EU agricultural commissioner was in town last week. He heard loud and clear the call from Scottish farming leaders. They want to farm and will have left him in doubt that maintaining farm production must be the number 1 priority in any CAP reform deal. The visit gave the commissioner the chance to hear, first hand, the calls to ensure that future policies work on the ground, not just on paper, and that the UK gets a fair share of the budget.

The NFU Scotland president, Nigel Miller, also took advantage of the commissioner's visit to stress to him that Scotland's budget share falls well short of the EU average and that Scotland's spend should not be subject to any cuts. Warnings were also given to the commissioner that Scotland's beef farmers are facing a challenge that could lead to a beef exodus, with the latest figures from Quality Meat Scotland showing that every suckler cow is losing £130 each year before support payments are accounted for.

If that continues, we will reach a stage at which there are no cows grazing on the hills and uplands, with no calves coming forward to supply lowland beef finishers. Ultimately, that will cut the supply of Scotch beef to customers. It is clear that the best way to ensure a viable future for suckler beef production is to channel support into the production of beef calves, which, in turn, will

maintain the upland environment through proper stocking rates and thereby maintain rural communities.

In my final half minute, I turn to new entrants. As we know, the agricultural community is ageing and we need to breathe new life into the industry. That is why the new entrants scheme is very welcome. As if starting up a farm from scratch were not difficult enough, new entrants are being penalised by the current CAP legislation, which has the effect of preventing them from receiving the single farm payment or any funds from the SRDP. That puts new entrants at an instant disadvantage. It is hoped that the next round of CAP reform will not exclude new entrants from applying for SFP or SRDP funding.

I have touched on only a couple of the issues that Scotland's farmers face. I look forward to further CAP debates in the chamber and at committee, and I wish the cabinet secretary well in his further negotiations in Europe and, indeed, with the UK.

15:36

Margaret McDougall (West Scotland) (Lab): I welcome the opportunity to speak in this Scottish Government debate on the common agricultural policy. I will use my time to highlight numerous concerns that have been brought to my attention.

There is uncertainty about when the reforms will be implemented, and any delay could have negative repercussions for rural development. Currently, there are more than 7,500 amendments to the CAP reform proposals. I do not know whether that is a record—perhaps it is the norm for European matters—but dealing with all those amendments before they go to committee in November will take up a great deal of time. The fact that there are so many amendments shows that member states and individuals have a great many concerns about the proposals.

Most people accept that the new CAP will not be ready to start in 2014, so the prospect of delays is very real and we need to know exactly what transitional measures will be put in place. I understand that although member states would prefer to see a rollover into another year, the commissioner would not favour that, as it would take the pressure off the need to find an agreement as soon as possible.

We need to ensure that bridging is available for programmes such as the less favoured area support scheme and the rural development programme. If that does not happen, any break in funding could have a much wider effect on the rural economy and on any environmental programmes that are currently in place.

As part of the CAP reform process, we also need to look again at how we deliver certain payments, such as those under the new entrants scheme, in Scotland's next rural development programme. It is crucial that we get a new generation into farming. There are young people who want to take up the profession, but it is a difficult area to access, as young people often do not have the capital to start up or to take over a farm. To make that happen, we need to take a more direct approach and provide easier routes into farming.

The cabinet secretary acknowledges that a major barrier for potential new farmers is the lack of land for let, and we need to find a variety of new ways to make available land that is not overly expensive, but which offers security of tenure, so I will be interested to hear the findings of the land reform review group on access for new entrants when it reports at the end of 2013.

I wish to highlight the issue of the greening of pillar 1. The proposed three-crop rule for people who have more than 3 hectares of arable land would be simply impossible to meet on some of Scotland's hill farms, because of the environment in those areas. We need to provide more flexibility, either by increasing the hectare requirement or by arguing for a more regional approach to greening so that Scotland's farmers will not be penalised. If the proposal goes ahead in its current form, it is difficult to see how it will be possible for it to be implemented at all in Scotland.

In conclusion, ensuring that 7 per cent of arable land is available for ecological focus areas is a good idea in principle. I agree with Scottish Environment LINK when it argues that

"hedgerows, field margins, small areas of scrub and gorse, small woodlands and unproductive field corners ... should all be eligible for support under this measure."

Intensively managed grassland should also be included—that would allow most Scottish farmers to meet the 7 per cent requirement easily.

I urge the Scottish Government to work closely with the United Kingdom Government to ensure that we get the best possible deal by arguing for more objective criteria and pressing for a fairer share of the UK budget. Moving away from historic spend to a more flexible regional system would also be beneficial. Historically in pillar 1, money goes to intensive farming, so England, because it has less hill land, gets more funding than Scotland.

Margo MacDonald: I regret saying this to the member, Presiding Officer, but I cannot think of one occasion when a suggestion such as the one that she has just made, on a different treatment for Scotland compared with other parts of the United Kingdom, has resulted in the other parts of the

United Kingdom, led by England, coming down in Scotland's favour. It does not work like that.

Margaret McDougall: Perhaps I am more optimistic than Ms MacDonald.

If what constituted eligible land was changed to include heather and gorse land, Scotland would be entitled to more funding—that seems to be a more equitable approach.

It is clear that many issues remain over CAP, but if we all care about Scotland, how it looks and how we can all benefit, we should all be ensuring that we get the best value from the vast amount of funding that we get from Europe—more than £600 million. It is not just about farmers, it is about the whole rural economy, which includes our environment, our rural communities and the food that we eat.

Instead of focusing on what Scotland could do if it was independent, we need to work together and get the best deal we possibly can for Scotland in Europe.

15:42

Jean Urquhart (Highlands and Islands) (SNP): As with any debate on a complex issue, it is easy to get tangled up in the process and the minutiae of the proposals. Although those are both undoubtedly important areas to investigate, we must also bear in mind the overarching aims of the CAP so that we can best direct its reform, and how the CAP impacts on the communities it supports.

The European Commission sets out a number of factors that have taken on "a greater importance" over recent years with regard to the CAP, including improving the quality of Europe's food, providing better animal health and welfare conditions, being environmentally sound, guaranteeing food safety and looking after rural society, all at a minimal cost to the EU budget. Each and every objective I have listed immediately brings to mind an often-forgotten, but vital, area of our agricultural sector—namely, crofting.

Crofting is important not just for its economic impact, but for its role in maintaining communities in the most remote areas of rural Scotland. There are approximately 18,000 crofts all over the north of Scotland, housing approximately 33,000 people—a significant proportion of the population of the Highlands and Islands, and an even more significant proportion of the rural population of the region.

Without crofting, many communities would suffer from depopulation, not least due to the numerous second jobs held by crofters to supplement their income. An August 2011 report from Rural Analysis Associates emphasised that point, describing the current situation as

approaching a “tipping point” beyond which depopulation would continue unabated. Such a situation would obviously be detrimental to Scottish society and to Scottish agriculture, as it would leave vast swathes of Scottish agricultural land unused and unmanaged.

For many years, crofters have been particularly dependent on income from environmental schemes. I understand that Scotland currently receives one of the lowest rates of pillar 2 payments in Europe. Just as crofters are dependent on environmental income, so too is our wider economy. Tourism also depends on being able to utilise that environment and managed landscape to sell Scotland to the world.

Through the Crofting Reform (Scotland) Act 2010, the Scottish Government has shown its commitment to crofting and we now need to make sure that crofting gets the recognition and financial support through the CAP that will allow it to develop and flourish.

The care and expertise afforded by crofters to their livestock are of vital importance to Scotland as a whole. For example, Caithness beef—and eggs, I should say to Mr Gibson—and Hebridean and Shetland lamb originated in crofting husbandry and are some of the many products that Scotland would not be able to proudly call its own were it not for the work of our crofting community. With the right support and investment, there will be yet more opportunities to develop niche and artisan food companies across the Highlands and Islands. Additionally, the quality store animals that are reared on crofts form a critical part of the supply chain for our lowland finishers. Without them, the food and drink sector would be less sustainable, as crofting is the first brick in the quality wall.

It is crystal clear that Scotland’s crofters play an important role in securing all of the European Commission’s objectives for the CAP. It is therefore vital that CAP reform makes that role easier to perform. Currently, the vast majority of direct payments to Scottish agriculture are directed to the east and south-west of Scotland. By comparison, very little money goes to the beautiful—but difficult to farm—Highlands and Islands, which almost universally fall under the banners of less favoured areas or areas of natural constraint. The money afforded to LFAs and ANCs, which mostly contain crofting communities, really makes the difference. Without it, many crofters would find the marginal income that they make from their activities disappear altogether, which would bring us even closer to the tipping point that I mentioned. It is therefore vital that the cabinet secretary continues to push for the best deal possible and ensures that no farms or crofts are left out of those designations.

I close by once again stressing the importance of crofting to our agricultural and food and drink sectors, the wider economy and the survival of our most remote communities. I trust that the cabinet secretary will continue to represent crofting interests at the highest level.

15:47

Chic Brodie (South Scotland) (SNP): I welcome my South Scotland colleague, Paul Wheelhouse, to the job of minister. I know that he will be a real asset to the ministerial team.

With your indulgence, Presiding Officer, I approach the debate not just as one of the parliamentary representatives of a large region of Scotland, but as a member of the Economy, Energy and Tourism Committee. Let us not forget the key role that the active assets of our rural and agricultural economies play at the heart of Scotland’s economic wellbeing. As we drive towards meeting our goals of increasing our food and drink exports by 50 per cent over the next five years and achieving our energy, climate change and environmental targets by 2020, it is clear to all in Scotland that a seismic change through CAP reform must be negotiated that works in the favour of Scotland, its farmers and the rural population. That change should be fully recognised in Scotland’s relationship with Europe and by those who make the decisions on the CAP.

Alex Fergusson is no longer here, but I was impressed by his articulacy and forcefulness when he agreed that we need to do something for Scotland—yet still he bends the knee towards talking to the UK Government and Europe, rather than seeking the change that is absolutely necessary for Scotland to achieve its goals. I applaud the efforts that our cabinet secretary has deployed in recognising the clear water of difference that exists between the rural areas of Scotland and the rest of the rural UK. As Rob Gibson said, perhaps Mr Paterson should come—and come quickly—to understand what those differences genuinely are.

Fifty years since the CAP was designed to secure environmental benefits, rural development and the production and distribution of valued food resource, we still have an iniquitous system of financial support for Scottish agriculture.

We can bemoan the difference in the pace of agricultural change and in efficiency across Europe, particularly the new Europe. We can agree and disagree with some of the concepts around subsidies and with the breadth and width of subsidies and remind everyone that we are nowhere near a convergence of activity across Europe. We can argue against the activities and the large profits of supermarkets that militate

against a market-oriented rate of return on investment for our agricultural and rural sectors, as is the case with regard to milk, which has been mentioned. However, how much easier would it be to adopt—nay, demand—a greener and fairer share of the UK budget? As I have said, it would be far easier if we were negotiating that at the table of decision.

Against that backdrop, there has to be a funding mechanism in the 2014 to 2020 round that allows the opportunity for a greater return on investment and assets so that those productive farming assets that can make a greater contribution to our nationally strategic food and drink exporting markets benefit disproportionately.

Alongside recognising the asset mix, we have to recognise the diversity of our rural and agricultural industries and apportion CAP funding not just geographically but sectorally in order to promote our exports and the foundations of our export industries, whether they are barley, other cereals or, indeed, red meat livestock, for which I understand our Chinese friends are developing an increasing and healthy appetite.

Claudia Beamish: Does the member agree that, as well as our increasingly successful exports in the food and drink sector, sustainability, as highlighted in Claire Baker's members' business debate on the Fife diet and the sustainability of local growers, which the new minister attended, is also extremely important for our rural communities?

Chic Brodie: I accept that.

When we talk about rural product opportunities, we must also consider creating the skills that are needed in the sector. Unless we find and create the next generation of farmers, our vision of being a leading global food and drink nation is skewered.

Therefore, I ask the cabinet secretary to consider a rural equivalent of a Raploch experiment that takes those of our young people who might be interested out of the urban city fortresses and into the countryside, even temporarily, and secures part of the funding round that will exist to create a revolution in the foundation of farming skills in our urban young.

As we plan the better regulation bill, we should be no less focused on the necessary reforms that are a consequence of CAP funding and agricultural change.

The position is clear. Rural Scotland is not the same as rural England and Wales or rural areas in the rest of Europe. It is no less than our right to be at the heart of the decision making that impacts Scottish agriculture.

15:53

Graeme Pearson (South Scotland) (Lab): I am grateful for the opportunity to speak in this afternoon's debate. As an acknowledged city boy—if I may abuse the English language by applying the word “boy” to myself—I have come in my adult life to admire the farming community and, through my growing knowledge of it, regard it as a mainstay in Scotland's economic future.

The fact that six members of this chamber who represent either the South Scotland region or constituencies in the south of Scotland have taken part in this debate reflects the importance that we believe the farming industry has to that area, although it is also important to other parts of our nation.

I welcome Paul Wheelhouse to his new role and wish him well in carrying out his responsibilities. I acknowledge the style and commitment that Stewart Stevenson previously brought to those tasks.

Common agricultural policy reform is nothing if not complex. Even when we agree on the broad and general concepts, as we seem to have done this afternoon, the detail of the proposals can fracture any consensus. The Parliament must focus on the needs of Scottish farmers and, above all, the requirements of Scottish consumers. However, we cannot consider the issues in a vacuum. As with many other budgets, CAP budgets will face a considerable squeeze, so it is important that the reforms genuinely simplify processes and allow greater transparency, rather than merely appear to do so. Similarly, we need a reformed system that not only gives Scottish and other farmers the support that they need but evens out the inequalities that have existed within and between member states for many years.

I am sure that all members appreciate farmers' consistent commitment and the hard work that they do on behalf of Scotland. The efforts of Scottish farmers in all weathers play a major role in supporting the rural economy and preserving Scottish land. Farmers also do much to contribute to the considerable reputation of Scottish produce, which is rightly a famous and trusted brand throughout the world because of its high quality. However, farmers' needs must be balanced against the need to take action to combat the significant challenges that lie ahead, such as those of food security, rising energy prices, climate change and—the challenge of all pressing challenges—the economy.

Some of the proposals to deal with those issues involve greening pillar 1. There seems to be broad support for such measures, but it is essential that the proposals involve enough flexibility to respond to specific local needs in Scotland. The three main

greening proposals are on maintaining permanent pasture, crop diversification and maintaining ecological focus areas. The proposals might work in significant parts of the EU's 27 member states but, in application, they are too prescriptive and inflexible to work successfully throughout Scotland. That said, given that agriculture is so different in the various climates and terrains of the European Union, there is hope that we will not be the only ones who are concerned about the overly prescriptive detail in the proposals.

As many members have said, it is important that the UK Government represents the whole of the UK in the negotiations to achieve a fairer distribution of pillar 2 funding. In turn, we must do what we can to push the UK Government to secure for Scottish farmers a fairer and more proportionate share of the funding that is available to the UK, to help address the lower per-hectare share that Scotland has received in previous periods.

The negotiations are important and will contribute to the shape of farming in Scotland until 2020 and beyond. Given the importance and prolonged nature of the CAP reform negotiations, it is unfortunate that the Prime Minister's recent reshuffle changed significant positions at DEFRA. By all accounts, the Cabinet Secretary for Rural Affairs and the Environment and the previous Minister of State at DEFRA, Jim Paice, worked well together, so it is unfortunate that new relationships will now have to be built while negotiations are progressing. The cabinet secretary therefore has a heavy responsibility to build co-operative working with his new opposite number at UK level to achieve a successful outcome for the farming community in Scotland.

I hope that future policy at both the Scottish and UK levels will secure our farmers' return to the past situation in which Britain was capable of feeding itself. That will be important in a world that is likely to be subject to continuing uncertainty about food. Our farmers must be encouraged to produce in a sustainable way good-quality food at a price that the public can afford.

I support Claire Baker's amendment to the motion.

16:00

Stewart Stevenson (Banffshire and Buchan Coast) (SNP): I start by drawing members' attention to my ownership of a registered agricultural holding. It is of a mere 3 acres and it is used intermittently by a farming neighbour for his sheep. I derive no income or grant as a result of my owning it.

David Stewart: Shame.

Stewart Stevenson: It is a shame, but there we are.

I thank members for their kind words. I noted Jim Hume's and David Stewart's remarks, and I particularly value Graeme Pearson's description of me as having "style and commitment", although it runs second to what Bill Aitken said of me in October 2006. Some humour is so good that it is written down and preserved. Bill was getting frustrated with me and he said that Stewart Stevenson is a very special person as he can trace his ancestry all the way back to his mother. *[Laughter.]* If there are any more of these humorous insults, they too will get into my memoirs.

A number of members throughout the chamber mentioned the broader impact of CAP reform and indeed of agriculture. CAP reform is not simply a narrow sectional interest. It is of substantial interest to many of my farming constituents and to farmers across Scotland, but there is also a substantial economic multiplier associated with farming. There is a supply chain for equipment, labour, advice services, fertiliser, abattoirs, markets, veterinary services and so much more. The whole of Scotland depends on the environment of which our farmers are the custodians.

The visible countryside is little to do with nature and almost entirely to do with active, intelligent land management, and the common agricultural policy of the European Union underpins land managers' ability to do their job. However, it is often seen as running counter to good land management, which has been informed in local, specific circumstances by long experience.

Jim Hume's amendment captures something important. He might not have realised that it could be interpreted in the way in which I am about to interpret it. It

"urges Scottish ministers to engage fully in negotiations to secure a sufficient transition period and a good deal for Scotland under a new CAP".

All Scottish ministers who operate in Europe have substantial engagement. Indeed, I have done a wee sum during the debate and worked out that, from May last year until the end of my period as a minister, I spoke to ministers in 17 of the 27 European Union member states. I am sure that the Cabinet Secretary for Rural Affairs and the Environment would exceed that if he did a similar sum, and that is true across the board.

Just to correct Claire Baker, there are 28 countries involved in the CAP negotiations and not 27—although only 27 will vote—because Croatia, which will join the European Union in the next year, is already sitting at the table. Would that the 29th place was occupied by Scotland. That would

increase the number of votes and influence that the British isles as a whole have over the process, and it would lead to better outcomes for everyone.

In his amendment, Jim Hume captures perfectly that Scotland should be at the top table and should be fully engaged in the negotiations. Of course, after the first election of a sovereign Scottish Government in 2016, we will be fully engaged in the corridors of power and able to vote as part of the decision making.

The SCVO has made an interesting comment that supports that point. It said that farming is about

“social inclusion, poverty reduction and economic development.”

The debate is wide ranging.

Of course, the CAP has been with us for some 50 years. In 1962, we had the Cuban missile crisis and we thought that we were on the brink of nuclear war. That is when the CAP started. At that time, the then European Economic Community had only six countries. The body is now a different animal in a different economic, social and climatic environment.

Climate change has not been adequately woven into the negotiations so far. The European Union has an opportunity to step up even to the modest objective that it has set itself of a 20 per cent reduction in carbon emissions by 2020. That is not good enough, and we want the EU to go to 30 per cent. Farming and revision of the CAP could provide a key way in which to make significant differences. For example, we could focus more on forestry. We have said little about it in the debate, but it provides a huge way of sequestering carbon dioxide from our atmosphere. We could also do more about peatlands, which are one of the biggest sinks for carbon dioxide across Europe.

Dave Stewart mentioned the Brahan seer, who was condemned to death on Chanonry Point. The Brahan seer made a prediction on the subject:

“The large farmers will be like sportful birds ... There’s a blessing in handsome honesty”.

Perhaps we should look at the medium and small farmers and not quite so much at the large farmers.

I very much welcome the debate and I look forward to supporting the Government at 5 o’clock.

16:06

Willie Coffey (Kilmarnock and Irvine Valley) (SNP): My colleague Angus MacDonald, who spoke earlier, must have looked over my shoulder when I wrote my speech, because it contains a number of the points that he made. They are nevertheless worth repeating. As he is a farmer

and I am not, I am encouraged about what I am about to say.

It is fair to say that Europe’s common agricultural policy has been and still is the most complex and controversial farming policy of all time. I understand that it was established in about 1962 by the original European Union members of France, West Germany, Italy, the Netherlands, Belgium and Luxembourg. The noble objectives then were

“to increase agricultural productivity ... to ensure a fair standard of living for the agricultural community ... to stabilise markets”,

to provide certainty of food supplies and

“to ensure that supplies reach consumers at reasonable prices.”

To achieve those initial aims, the then member states devised two principal mechanisms. First, target prices were established, mainly to prevent imported cheaper foods from undercutting European prices. The second mechanism was intervention to take up produce that could not be sold at a price floor, because of a drop in prices. That artificially removed supply and prevented further price falls.

One or two members have referred to the CAP terminology, which is bewildering. We hear about variable levies, price floors, intervention prices, coupling, decoupling, pillar 1, pillar 2, single farm payments, slipper farming, active farmers, VCS and on and on. Keeping pace with all the mechanisms and terminology is a challenge in itself. I am impressed that my colleagues around the chamber seem to be well versed in all that. The bureaucracy and red tape that surround the CAP often make us wonder how farmers have any time to grow anything.

One consequence of the drive to establish higher prices was that European farmers produced more food than was needed. That led to the butter mountains and wine lakes of the 1980s, which one or two members have mentioned. Surely that was an example of the spectacular failure of the policy at the time.

From the early days to this day, we have seen ever-changing emphases that have pandered to vested interests in one way or another. Currently, 27 member states—or 28 states, as Stewart Stevenson said—are negotiating for a better deal for themselves. That is epitomised by the 7,000 amendments that are due to be considered in November.

CAP negotiations at member state level are—as we know—carried out by the UK Government. If we look at one or two statistics that highlight the marked differences between Scotland and

England, it becomes clear that a UK-based CAP strategy does not fit Scotland.

In Scotland, 85 per cent of our agricultural land has less favoured area status, in comparison with 17 per cent of agricultural land in England. Given that much of Scotland's beef sector is within LFAs, that status becomes much more important to us than it is to England. That differential in land quality was recognised in the early days of CAP, and it continues to be important to Scotland.

Colleagues have already explained the significance of pillar 1, in which Scotland gets only 48 per cent of the average payment per hectare as against England's 85 per cent. In pillar 2, we have the lowest allocation in Europe and receive about a fifth of what Ireland gets, when our two countries have similar agricultural production capabilities.

David Stewart: It is not all about Europe's decisions. The member will be aware of the co-financing rate, which is purely the Scottish Government's responsibility. Changing that rate from its 2007 level to the current level has meant that there has been €1 billion less in the SRDP. That was the Scottish Government's decision.

Willie Coffey: I am trying to make the point that, if Scotland was negotiating as an independent country, we would get a better deal than we do under the present circumstances.

I am not criticising what England gets, which is probably what it is entitled to. However, because Scotland's allocations are based on a historical UK analysis, we lose out and do not get what we would get if we were an equal member of the union.

It is much the same with our allocation of MEPs, which is based on the reduced allocation to the United Kingdom as the larger EU member state. If Scotland was independently represented in Europe, we would have about double the current numbers, making our total comparable to that of Denmark.

It is important to say something about global food production and how the European CAP affects that. The CAP policies have had serious consequences for food producers in the third world, who experienced the dumping of cheap surplus food in their markets. While Europe propped up its own prices by buying and storing excess produce, third world markets became a dumping ground for our excesses. The effect was to seriously hamper the ability of third world producers to compete fairly.

A report from the Commission just last year reminded us that the world population could reach 9 billion by 2050 and that, consequently, demand for food will rise by 70 per cent. It is clear in that context that food production will need to be

encouraged and supported in the countries with growing populations.

The CAP reforms have gone some way towards reversing the protectionist regime in the EU and its negative impact on third world food producers. However, it is important that Europe begins to view food production as a world issue, and not a European issue with the aim of protecting local markets. We have a duty to think ahead about the impact of CAP on world food producers so that we can act collectively and responsibly in future if we are serious about sustainable growth on a world basis.

I wish my colleague Richard Lochhead every success in his continuing negotiations on behalf of Scotland in the United Kingdom and in Europe, and I am delighted to support the Government motion.

16:13

James Kelly (Rutherglen) (Lab): This is the first rural affairs and agriculture debate in which I have participated in five and a half years as an MSP. As ever, when we drift into a new policy area, we find out new things that come up in the debate. I did not know, for example, that Alex Fergusson had a cuddly side—although I do not think that I want to test that assertion too far.

Although I represent an urban constituency, there are a number of farms on the outskirts. Before today's debate, I considered the issues and—much as Chic Brodie did—the implications for the economy. I am very much aware that I have a VION food processing plant in my constituency that employs nearly 400 workers. It makes a vital contribution not only in my constituency but throughout the Scottish economy. There is an impact in the areas that the food for that plant comes from, and there are direct benefits to the economy far from the plant's Cambuslang base.

A recent example of that point is the potential closure of the Hall's plant. Everybody in the chamber is aware of the impact that that has not only in the local area but throughout Scotland. That demonstrates the importance of the rural economy and why it is so important that we get a proper and efficient CAP.

People might characterise MSPs such as myself who represent urban areas as thinking of rural areas as areas that simply have farms full of cows and sheep. However, it is clear from speaking to members, listening to their speeches and reading the briefings that, during an economic downturn, rural areas sometimes have the same problems that we experience in other areas but they are magnified. Those areas have unemployment,

poverty and vulnerable areas. It is important to bring that to the fore in this debate.

Against that backdrop, it is important that this Parliament and other Parliaments look at CAP reform and that we produce a system that is robust, fair and benefits the public in addition to supporting the economy.

Some members have concentrated on how the payments system would operate. I think that the Lib Dem amendment makes a valid point about financial modelling. If there is proper financial modelling of the impact of any payments system, we can work out how the payments have been distributed and whether the distribution is fair, and we can assess the economic impact of the system.

I am in tune with members who have spoken about the importance of ensuring that the payments are tied more closely to farms on which active farming is taking place. If we want to benefit from farming and farms throughout Scotland, we must ensure that we support farms where farming takes place and begins to grow and prosper.

Margo MacDonald: My question is from one city slicker to another. I think that we are both interested in the wide sweep of strategy and policy. Given that France, which has always been the driver of the European CAP, has great problems, does the member hold out much hope that we will see a fundamental transfer of resources from France to other parts of the EU?

James Kelly: The big issue is that we get a CAP that is fair not only to this country but to all countries, so that the EU has a farming policy that benefits everybody throughout Europe and therefore benefits the nations as a whole.

As an outsider to the debate, one thing that strikes me as a bit odd is the treatment of new entrants. Whereas in other sectors we rightly seem to be doing everything that we can to support start-up businesses and get them into the economy, in farming there seem to be some barriers to new entrants, particularly in the payments system. One example in the committee's report relates to the fact that there is an age limit, which seems a bit odd. We should be doing everything that we can to support new entrants and get them into the system so that they can create new farms, as that would give us a sustainable future.

The CAP reform agenda is an important one. It is important for our economy and for communities—particularly rural communities throughout Scotland—so that we can sustain and develop them throughout the rest of the 21st century.

16:19

Dave Thompson (Skye, Lochaber and Badenoch) (SNP): I, too, welcome Paul Wheelhouse to his new ministerial post and thank Stewart Stevenson for all the work that he did in that position before Paul.

CAP reform is an issue on which Scotland has distinctive needs and it is vital that the UK Government recognises them.

A report commissioned by the Royal Society of Edinburgh in 2008 highlighted the worrying tendency of the UK Government to present a position on CAP that takes no account of the priorities of the devolved Administrations. Owen Paterson, the new environment secretary in London, has confirmed that by signalling that the UK Government will seek to accelerate the drive towards a free market in CAP. That is not the view in Scotland, the other devolved Administrations or most of the rest of the EU.

Paterson has stated:

"I would like to see the MacSharry and Fischler reports carried to their logical conclusions, which is that the production of food should be left to my farmers to decide according to the market".

Although he qualifies that position by promising that farmers will be compensated for providing public good through environmental work, it makes no provision for supporting the overwhelming majority of Scottish farmers and crofters, who work in physically disadvantaged areas and would, therefore, struggle to compete in a free market that offered no compensation for the disadvantages of their location and the environmental and social good that they do. Nowhere is that more true than in my constituency.

The Commission's current proposals include a requirement that three different types of crop be grown on each holding for it to qualify for support. That measure could be particularly challenging for Scottish farmers and crofters to satisfy, as many who work in livestock areas may grow only a couple of fields of spring barley or maize and 55 per cent of Scottish agricultural land is used for rough grazing. NFU Scotland has criticised those Commission proposals as far too simplistic for the more mixed farming that is predominant in Scotland.

The differences between the agricultural industries in Scotland and England demonstrate the need for a strong Scottish voice in the EU CAP negotiations. While the UK Government champions the principle of a free market in agriculture, we cannot trust that Scotland's distinctive needs will be represented. Even Dacian Cioloş, the European Commissioner for Agriculture and Rural Development, echoed those

concerns when he called for the UK Government to recognise the Scottish and Welsh “specificities”.

CAP reform is certainly necessary, as the current system is far from perfect. In the previous reform of CAP, the pressing concern was overproduction. However, it is now clear that the 21st century world faces many different challenges, not least the ever-increasing demand for food from a rapidly growing population.

In that context, it is crucial that we defend Scotland’s levels of production, which are not only vital for the people who work in agriculture—especially in less favoured areas—but will provide Scotland’s long-term food security. In an increasingly volatile world economy and with population growth continuing to strain existing production, we must think about the long-term security of Scotland’s food supplies. Scotland is currently in a relatively strong position and does not face the challenges that many developing countries and others face to provide enough food for their populations. However, that does not mean that we should be complacent.

A market without support for our farmers and crofters would leave many struggling to compete, solely because we happen to have more difficult land and are some distance from our markets. Such a development would lead to us relying on imports for a large proportion of our needs. That situation would leave us at the mercy of a world market in which demand for food will only increase.

As we move from the current less favoured areas classification to the new areas of natural constraints criteria, we must ensure that the system is flexible enough to recognise the different levels of disadvantage that land can face and permit differentiated levels of support that are based on needs. The move to a new system will inevitably entail some redistribution of support and the instability that that will cause. However, it is necessary. In all of that, we must ensure that our farmers and crofters do not lose out and that Scotland’s voice is heard.

Scotland has priorities and needs that are different from those of the rest of the UK. That has become clear this afternoon, and there is general agreement on that across the chamber. It is therefore vital that we ensure that those distinctive needs are given voice in the negotiations so that the reformed CAP does not disadvantage our crofters and farmers and, in turn, our nation. Richard Lochhead is certainly up to the job, but I have doubts about Owen Paterson. I hope that he will listen to the wise counsels of our cabinet secretary and ministers of the other devolved nations so that our people can continue to benefit from the superb food production of our hills, glens and straths.

The Deputy Presiding Officer (Elaine Smith):

That concludes the open part of the debate. We now turn to the closing speeches. Jim Hume has a generous six minutes.

16:25

Jim Hume: We have had a constructive debate, mostly. The debate is important for Scotland—not only for the obvious industries but for the wider community, as the Labour amendment helpfully highlights.

The CAP reform debate is at a crucial stage, and the Government must fully engage in it. Last week, Commissioner Ciolos made it very clear that he would be open to regional differences in the new CAP. That lays the ball firmly at the feet of Richard Lochhead to deliver for Scotland.

As I said earlier, rural Scotland is watching an important transformation of CAP, and it knows well that it is in the power of the devolved Government to deliver for Scotland by fully engaging in the processes. The Lib Dems are happy to help in the process. We have a record on that. George Lyon MEP drafted the early papers on CAP at the European Parliament, and we now—thankfully—have a Lib Dem farming minister at Westminster. David Heath has a rural background and past farming interests, which can only be good. Again, I urge Richard Lochhead to put aside any political differences to deliver, and I am happy to work constructively with him to do so.

I mentioned modelling in my amendment. The Welsh Government is doing that. I reiterate that it would be a useful tool for Scotland, and I am glad to hear that Labour members also take that view.

Graeme Dey: Jim Hume will be aware from last week’s meeting of the Rural Affairs, Climate Change and Environment Committee that pillar 1 modelling was done for the Brian Pack report—I have a copy with me—and that the Scottish Government has undertaken further modelling with the James Hutton Institute in preparing the way for the implementation of CAP. Does Jim Hume accept that it might be wise to wait until we have more meat on the bones of CAP and, in particular, until we know what the budget is before we take that matter any further?

Jim Hume: I am glad that work is still going on, but the modelling work is crucial, and we need to progress it immediately. I am sure that Graeme Dey agrees with that. The modelling is not only for rural communities to use to help them to plan for the future but for the Government to use in lobbying in all other places. I know that Brian Pack did some explorative work, but that was some three years ago, and the CAP debate has moved on quite a bit since then. I would appreciate the cabinet secretary giving his views on that in

summing up. At committee, both Claudia Beamish and I suggested that to the cabinet secretary, and he stated that he would be happy to take the suggestion away, look at what is being done in Wales, and commission work if he thought that that was necessary. It would be useful for us to hear from the cabinet secretary what the timetable is for that.

In the previous CAP round in Scotland, which involved Ross Finnie, who is the most experienced agriculture minister ever in the UK, with his eight years at the helm, Scotland took a different line from London on transitional arrangements. DEFRA went for a long transition whereas Scotland went for a short one. That was when we moved from an acreage payment-based scheme to an area-based scheme. Scotland based its area-based scheme on historical production payments, whereas England did not. That is what the industry in Scotland wanted then, and the industry is looking for transition at the moment. I would appreciate it if the minister remarked on that later.

We face a potentially major shift for Scotland, and the industry is calling for a longer transition to allow businesses to adapt to area-based payments that have no link to history. I realise that that may take a certain time, but I urge the cabinet secretary to consider that industry request seriously. We know that it is allowed as there is a record of it happening in the past and we know that Commissioner Ciolos is open to it. As it is a devolved matter, I hope that the cabinet secretary can deliver on that. I hope that he will comment on that in summing up.

The cabinet secretary told the committee that the transition period would

“very much relate to how we can help new entrants.”—
[*Official Report, Rural Affairs, Climate Change and Environment Committee*, 19 September 2012; c 1101.]

However, that need not be the case. The problem for new entrants to date has been the use of mandatory dates, but if we go for a national reserve, it will run for the full term of the next CAP, which will mean that we can help new entrants at any time and not be concerned about dates or lines in the sand. Again, there are precedents in the EU in that regard and I urge the cabinet secretary to look more deeply at the matter.

The debate has been constructive, but it must not stop here. We now need full engagement by the Government with all stakeholders. Commissioner Ciolos was receptive to our views when he visited Scotland last week. He is open to variations on CAP at the regional level. We have a new, receptive farming minister at Westminster, the Lib Dem David Heath, who is already on record as stating that it is important that UK

farmers are not disadvantaged as CAP decisions are finalised.

I have several final questions for the cabinet secretary. When is his next meeting with DEFRA ministers? When is his next scheduled meeting with the EU? What criteria will he call on for Scotland's share of CAP at those meetings? Will he call for an immediate change, as Brian Pack has suggested, or will he call for the transitional period that the industry wants? Will he call for a national reserve that runs for the term of the new CAP? Will he call for contingency plans for pillar 2 payments in light of a gap between the current CAP and the next one? Will he use his resources to implement a CAP model for Scotland?

The Liberal Democrats will support the motion and all the amendments. I seek support for my amendment, which I believe is constructive. Again, I look forward to the cabinet secretary's comments in his summing-up speech.

The Deputy Presiding Officer: I call Jamie McGrigor, who also has a generous six minutes.

16:32

Jamie McGrigor (Highlands and Islands)

(Con): I refer members to my agricultural interests in the register of members' interests.

I welcome the opportunity to close in the debate for the Scottish Conservatives and I thank the organisations that have provided useful briefings.

There have been some good speeches in the debate, including from my friend Alex Fergusson, who set out our approach to CAP reform. There has been consensus among speakers of all parties on a number of key issues, with support across most of the chamber for the retention of direct payments, which are so vital to so many of our farmers and crofters, and for LFASS payments—now called areas of natural constraint payments—to retain primacy over the SRDP over the life of the next programme. We recognise that the move towards equalisation or convergence of pillar 1 payments across Europe so that member states receiving less than 90 per cent of the EU average will move closer to that figure has the potential to be a real boost to Scotland, which has an average payment of around €125 per hectare, which is way below the EU average of €260 per hectare.

Dave Thompson: Will the member take an intervention?

Jamie McGrigor: In a minute.

The current system is simply unfair to Scotland, as we receive the fourth-lowest share of pillar 1 funding and, for that matter, the lowest share of pillar 2 funding in the whole of Europe, as many

members have pointed out. The convergence must also be reflected within nation states as well as between them. That will mean a better deal for Scotland compared with the current system in the other nations of the UK, and a larger regional development fund going forward. Can the cabinet secretary set out the timescale for the convergence that he supports? Does he agree that the transition period should be as long as possible so that farmers and crofters can adapt to new systems of support, which is something that Commissioner Ciolos̃ seemed willing to agree to on his visit to Scotland last week?

We also support calls for a continuing national reserve—not just a one-year reserve; we need one that can support new businesses and those that are locked out of the historical base for single farm payments.

On the rural development programme, NFU Scotland is entirely correct to call for “more accessible schemes” and

“easier application and inspection processes”.

Farmers and crofters, especially small-scale operators, require practical, user-friendly options that involve the minimum bureaucracy. That should apply across all agriculture support schemes. The point was made strongly to me recently in discussions with Sybil McPherson of the National Sheep Association Scotland.

Ministers must be ready with bridging arrangements for all parts of rural development support until the new scheme comes on.

LFASS is crucial to my region, the Highlands and Islands. We agree with the NFUS that the new areas of natural constraint system should be built on the principle of LFASS, with support going to the people who most need it, subject to an appropriate stocking requirement, to ensure continued agricultural activity. The retention of stock numbers in marginal hill and island farms and crofts is critical and direct support to protect production will be required.

I am glad that deer farmers have at last been included as legitimate recipients of SFP. Does the minister envisage an increase in deer farming in Scotland as a result?

Members were right to mention the growing importance of food security and I agree with them that feeding the world's growing population will become a bigger and bigger issue.

I can give way to Mr Thompson now, if he wants to intervene.

Dave Thompson: I thank the member. He mentioned convergence towards 90 per cent of the EU average for pillar 1 payments, and I am sure that he agrees that that would be great for

Scotland's farmers and crofters. Will he make representations to Owen Paterson and urge the UK Government to ensure that payments in Scotland reach the 90 per cent level?

Jamie McGrigor: We will do everything that we can do to bang that particular drum.

A theme that has run through the debate is flexibility, which will need to be embedded in many aspects of the proposals, so that the reformed schemes can be appropriate to Scotland's conditions and requirements. In that context, will the cabinet secretary please take on board my constituents' concerns about the potential exclusion from the eligibility criteria of non-herbaceous forage, such as heather and seaweed, which is a forage crop for sheep in some areas, especially Shetland and other islands? Such an exclusion would be most unfair for farmers who farm in such areas.

In the debate in January on the same subject, I said:

“Getting the CAP reform right and getting the fairest deal possible for Scotland are fundamental to the future of farms and crofts throughout Scotland and to the communities that depend on them.”—[*Official Report*, 18 January 2012; c 5397.]

That remains the case. The cabinet secretary will have our support if he can achieve that, working closely with the UK Government.

I support the amendment in Alex Fergusson's name. Mr Fergusson asked the cabinet secretary who would pay Scottish farm subsidies were we to be an independent state and not a member of the EU, but I did not hear an answer. Will Mr Wheelhouse have a conservative stab at one when he sums up?

16:39

Claudia Beamish (South Scotland) (Lab): As we near the end of the debate, I want to focus on part of the CAP reform explanatory memorandum on the European Commission's draft regulations on CAP direct payments. I am sure that I hear sighs from members—not least from Stewart Stevenson, who I am sure has been subjected to many long meetings. I promise not to take long and I ask members for their forbearance, because the issue reminds us of the context.

The Commission says, in its explanatory memorandum on the proposal for a regulation on the financing, management and monitoring of the CAP:

“agriculture and rural areas are being called upon to step up their efforts to meet the ambitious climate and energy targets and biodiversity strategy that are part of the Europe 2020 agenda. Farmers, who are together with foresters the main land managers, will need to be supported in adopting and maintaining farming systems and practices that are

particularly favourable to environmental and climate objectives because market prices do not reflect the provision of such public goods. It will also be essential to best harness the diverse potential of rural areas and thus contribute to inclusive growth and cohesion.”

Rob Gibson highlighted Rio+20, biodiversity and climate change. Subsidy will surely continue to be necessary to support the public good in agriculture. Graeme Dey highlighted the fact that 20 per cent of greenhouse gases come from agriculture, so a shift in emphasis is fundamental. Stewart Stevenson highlighted the need to do more about climate change in relation to forestry and peatlands.

Of course, food production is also, as many members have said, at the heart of CAP reform. How do we ensure that we correctly balance development of our food and drink exports with the imperative of facilitating connections between growers and local communities so that they can access fresh and affordable local produce?

I want to highlight the importance of the land use strategy in setting the context for Scotland for CAP reforms. Last week, I attended an event that was held in Parliament by Scotland’s Futures Forum, in collaboration with Scottish Natural Heritage, the Scottish Environment Protection Agency and the Scottish Government. The event was entitled, “Rethinking Wellbeing.” The seminar, which was about thinking about the environment differently, looked at why the environment is treated as a separate category, and it examined the role it plays in the quality of individual and community life. Those issues must underpin our rural future if we are to make it sustainable.

I will now move on to the specifics. It was reassuring to me, as a relatively new member of the Rural Affairs, Climate Change and Environment Committee, that Jim Paice seemed to recognise the specific Scottish solutions that we need for pillar 1’s three sections on greening. The new minister of state must continue that approach.

Are there tensions between farmers and the environment movement on ecological focus areas? Perhaps not. The Scottish Wildlife Trust states that the greening measures that are proposed by the Commission have the greatest potential to deliver environmental benefit, especially EFAs. We argue that many farmers are doing much to support biodiversity, and that the present action to support that should be included in future arrangements.

Mapping is a worry, as was highlighted by Margaret McDougall. We want to work with the Scottish Government to consider how that worry can be addressed. She highlighted the new entrants issue, too, and the cabinet secretary referred to new entrants meetings—I believe that one took place a fortnight ago.

Balance is needed in terms of how soon the move from historically-based payments to area-based payments takes place. From the new entrants’ perspective, that—understandably—cannot come soon enough. Will the cabinet secretary consider an on-going national reserve to help address their problems? For the farming businesses that stand to lose payments in the long term, the lead-in period must be fair, as has been highlighted by NFUS.

NFUS has also highlighted the necessity for regional payment—an issue that I highlighted in my previous speech about CAP reform. It has stated that

“Scotland has the most diverse farming in Europe.”

Scottish Labour supports that plea, as we support the request for an “early window for payments”. Will the cabinet secretary outline his present thinking on those issues, and on the concerns that have been highlighted by tenant farmers, and which were raised by my colleague Claire Baker, about the possible unintended consequences of Alyn Smith MEP’s amendment about slipper farmers?

NFUS further states:

“It is the EU’s proposal of converging payments through pillar 2 (based on objective rather than historic criteria) that will significantly improve the amount of money that Scotland has to spend on rural development measures.”

Stewart Stevenson highlighted the economic multiplier of farming. In our view, CAP and SRDP commitments and priorities stretch across Government departments, into other areas in which there are rural commitments, including health. Beyond that—to take up James Kelly’s point—connections with urban Scotland, including processing plants, need to be made.

Scottish Natural Heritage commissioned the “Scottish Recreation Survey: Annual summary report 2011”, which was published this week and highlights that walking is the favourite outdoor pastime of the people of Scotland. That might seem to be an obscure point to make, but we need to think about where people like to walk and how we can ensure that their enjoyment connects with the countryside in a real way. One way of doing that is to address the concern of Jonathan Wordsworth of Archaeology Scotland about

“why the historic environment and other landscape concerns are not integrated in a holistic agri-environment programme in Scotland.”

Another priority that is close to my heart—as is evidenced by what I am wearing on my lapel—is saving Scotland’s red squirrels, which are an iconic species. Beyond the red squirrel campaign, the Scottish Wildlife Trust would like 50 per cent of SRDP funds for agri-environment and climate measures

“to be coherent with the agenda of making CAP deliver public benefit”.

At last week’s meeting of the Rural Affairs, Climate Change and Environment Committee, the cabinet secretary expressed the view that the SRDP might have to be more targeted. He said:

“To be perfectly frank, I think that we need to make some significant and substantial changes to the rural development programme ... I am up for carrying out radical surgery on the SRDP of the future.”—[*Official Report, Rural Affairs, Climate Change and Environment Committee*, 19 September 2012; c 1087-8.]

As other members have pointed out, the SCVO has stated:

“Less than 15% of the current SRDP budget was available to rural communities and small non-farm enterprises. This proportion should rise significantly in the next SRDP to promote social inclusion, poverty reduction and a wider range of economic development initiatives.”

Dave Stewart highlighted the need for support for fragile communities. That is borne out by the findings of the Carnegie UK Trust in “Future Directions in Rural Development—Executive Summary”, which was also published this week, which

“identifies the risks of leaving unequal rural communities to their own devices and the importance of an ‘enabling state’ supporting communities to reach their full potential.”

Of course the SRDP cannot be all things to all people, but I am sure that in his dialogues and deliberations on the criteria for the new programme, the cabinet secretary will consider the essence of Scottish Labour’s amendment, as well as ensuring that there are synergies with other complex developments, such as tenancy issues, land reform, empowering communities and rural connectivity.

Concerns have been expressed by the woodland expansion advisory group and others about the need for seamlessness in the future SRDP. My colleague Graeme Pearson highlighted the concern about the complexity of the SRDP application process. It is complex enough for land managers; how much more complex must community groups find it. I hope that the cabinet secretary and his department will make every effort to simplify the application process for the new SRDP and to support a specialist advisory service.

The Deputy Presiding Officer: I must ask you to come to a conclusion now, please.

Claudia Beamish: Scottish Labour will try to assist the cabinet secretary in working to avoid the problems that were created for many land and community-based rural businesses by the gap in SRDP funding between the two most recent rounds. I hope that the same will not happen when we move to the next programme. Although we

wish the cabinet secretary well in the EU negotiations, we will certainly hold him and his team to account when we feel that that is necessary.

The Deputy Presiding Officer: I ask for some order and respect in the chamber. Conversations should be kept until 5 o’clock or held outside the chamber.

I call the cabinet secretary to wind up. You have until 5 o’clock.

16:49

Richard Lochhead: I thank all members for their contributions to what is an extremely important debate at a crucial time, given that we are in the middle of the CAP negotiations.

There has been a great deal of consensus around the chamber, not least in paying tribute to Stewart Stevenson for his tenure. I would echo all the positive comments that have been made. He was a good support to me, and he made an excellent contribution to the portfolio, particularly on the climate change agenda.

There is also consensus in welcoming Paul Wheelhouse to his new post. He did not speak in the debate, but I can tell members that he is looking grateful for all their compliments and warm welcome, as he is sitting next to me.

I also welcome James Kelly, who said that it was his first attendance at an agriculture debate. Well done—it is fantastic to see urban interests being represented in what is a debate for the whole of Scotland, not just rural Scotland. He made a good point. Most important, of course, he said that this has been his first opportunity to witness at first hand the cuddliness of Alex Fergusson. I am not sure whether “cuddliness” is a word, but if it is, it certainly applies to Alex Fergusson and will no doubt lead to a lot of curiosity and get us a full house for the next agricultural debate in Parliament.

It is important that there was consensus over the fact that Scotland has some unique qualities and is making some unique asks in the current negotiations over the new common agricultural policy. Our land quality, our climate and the nature of agricultural activity in Scotland are all unique; for that reason, we need a policy that suits Scotland and a policy that has the flexibility to allow us to tailor the regulations to Scotland’s needs. That is very important.

It is my job and the job of the Scottish Government to take our case to the EU. I was there for three days this week doing just that. It is also our job to take our case to the UK—which of course we will be doing as well—and to the other

26 member states, as we have also been doing in recent years in terms of CAP negotiations.

Rob Gibson and others said that it is important that we invite the new secretary of state at DEFRA, Owen Paterson, to Scotland so that he can see for himself the unique challenges that we face in Scottish agriculture. That is exactly what I did at our meeting earlier this week. I explained to the secretary of state that he is most welcome to come to Scotland to visit a hill farm to see some of the unique challenges that are faced in many parts of Scotland. I said that I would offer him as temptation a dram distilled using good Scottish malt and barley that have been grown by our farmers. Of course, it would be a Speyside dram.

The Scottish Government will, in the spirit of consensus, support all the amendments, which all make points with which we agree. I will, however, direct some specific comments towards Jim Hume's amendment. I want to point out to the Liberal Democrats—and others—that we will, of course, be carrying out more modelling in the future. Jim Hume used the example of modelling that is taking place in Wales. I gently point out to him that the Welsh are doing that to catch up with the modelling that is already carried out by Scotland on the impact of future agricultural policies.

Jim Hume: Will the modelling that the Scottish Government will carry out be open modelling that will be available to all and sundry, so that they can plan for their businesses, or will it be purely for civil servants?

Richard Lochhead: Of course we will make the results of any modelling available to the industry in due course, but first we need to find out exactly what the new common agricultural policy is going to look like.

In terms of some of the issues that were raised—

Claudia Beamish: Will the member give way?

Richard Lochhead: I will just make this point.

In terms of some of the issues that were raised, the transition period is a major concern to many members. There are two dimensions to the transition. First, there is the potential gap year when we do not have a new common agricultural policy—the old one will have to be extended for a year and, essentially, we will not have a rural development programme for a year. Therefore we will have to look domestically at extending some of the existing programmes to allow continuity. Expenditure will continue on agri-environment schemes. I mentioned before that LEADER will continue as well, as will help for new entrants and the important LFAS scheme. We are confident that that will continue through the gap year.

The other dimension that is important to the industry, as many members have pointed out, is the transition from the historically-based payments to area-based payments, which I appreciate is causing a great deal of anxiety.

Margo MacDonald: I thank the minister for giving way. Before he goes on to develop his thesis, can he tell us at this stage whether he is hopeful that there will be a proper renegotiation of CAP and the modernisation of it that we have looked for before, or does he think that it might slip back a bit, as usual? If it does slip back, will he consider the European Free Trade Association?

Richard Lochhead: I can only repeat what I said to Alex Fergusson during his opening remarks, which is that when I sit at the Council of Ministers in Brussels and Luxembourg, it ain't Scotland that the other member states want to eject from the room. We have a lot of good friends. When the EU is welcoming Croatia to join, the idea that it would not want Scotland at the same table is absolutely preposterous.

The transition from historically-based payments to area-based payments is a source of big anxiety. We have to change to the new system because of currently excluded sectors and—more important—because of new entrants. The length of transition will be guided by the extent to which we can allow new entrants to benefit from farming payments that are available to other farmers who carry out the same kind of activities. It is unfair that farmers are currently paid based on what they were doing in 2002.

The NFUS's briefing, to which many members have referred, laid out the idea that we should extend the transition until, in effect, 2022-23. Can anyone seriously look their constituents in the eyes and say that CAP support should be paid to a farmer in 2022 based on activity that they carried out in 2002? I do not think so, and it would be unfair to new entrants who join in the intervening period. We have to have a level playing field as soon as possible. Of course, if new entrants get help from day 1 of the new CAP, clearly we can have a transition period for the rest of the industry. However, eight years or so is not a realistic timescale; we have to do it a bit quicker than that. We will be guided by our negotiations.

Alex Fergusson: Does the cabinet secretary agree that front loading of the current arrangements is hugely disadvantageous and that we need to look to a more linear transition?

Richard Lochhead: Clearly, there are important issues and we will take them all into account.

The challenges that are presented by the transition from a historical basis to an area basis for payments will all pale into insignificance if we do not have a budget. Right now, we have a

Conservative-Lib Dem Government in London that is arguing for “a substantial reduction” in the CAP budget—which is opposed by farmers and crofters in rural communities in Scotland.

The negotiations, like all European negotiations, will boil down at the crunch point to political fixes and political horse trading. We must ask ourselves as a country, a sector and a Parliament: who will be in the room to carry out the political fixing and horse trading on behalf of Scotland? At the moment, it will be Owen Paterson, who has two political motivations. First, he does not believe in public intervention—he wants a free market. His second motivation is to cut the UK budget. Missing from those motivations is his wanting to stand up for Scotland. That is the big threat. Those who think that Scotland has had adequate representation through the UK in the past need only look at some of the themes of today’s debate. Currently, thanks to negotiations by past UK Governments, we have the fourth-lowest pillar 1 direct payment support in the whole of Europe and we have the lowest pillar 2—[*Interruption.*]

The Presiding Officer (Tricia Marwick): Excuse me, cabinet secretary. There is far too much noise and laughter. Members should please settle down and let the cabinet secretary finish.

Richard Lochhead: Members in the Labour Party who are laughing at the fact that Scotland gets the fourth-lowest level of pillar 1 funding in Europe and the lowest rural funding in the whole of Europe should bear it in mind, please, that those were negotiated by previous Labour and Conservative Governments. We are looking for a better deal next time round.

Claudia Beamish: Will the member take an intervention?

Richard Lochhead: I am sorry—I am running out of time.

The question of who is speaking up for Scotland at the negotiations really is important. We will do our utmost to influence Europe, other member states and the UK Government, but the best deal for Scotland would be achieved by being in that room speaking for ourselves—for Scottish farmers and crofters. We would have a voice and a better budget; that would be the result for rural Scotland.

The process will be complex. We have spoken about co-decision between the European Parliament and the Council of Ministers, which will take place for the first time. We have spoken of the fact that there are 7,000 amendments before the European Parliament, which we will have to wade through in the coming weeks and months. That will not be a simple task. We will not get everything that we want and we will have to compromise with 27 member states in the European Parliament, with their various

requirements. However, we will do our best to fight for Scotland.

This is not just about negotiations; it is about the future of Scottish agriculture. It is about the fact that we want to be able to continue to feed the people of Scotland and help to feed the rest of the world, as well. It is about supporting our rural economy—not just our farmers and crofters, but the marts, the hauliers, the meat-processing industry and the other sectors that have been mentioned today.

We would deliver a much better deal for Scotland if we had a bigger say in Europe. That would help us to deliver a better common agricultural policy for Scotland. However, in the meantime, the Scottish Government will fight tooth and nail for farmers and crofters in Scotland. We want the support of the whole Parliament so that we can get the best possible deal for the future of Scotland, our rural communities and our agriculture sector.

Decision Time

17:00

The Presiding Officer (Tricia Marwick): There are four questions to be put as a result of today's business. The first question is, that amendment S4M-04263.1, in the name of Claire Baker, which seeks to amend motion S4M-04263, in the name of Richard Lochhead, on the common agricultural policy, be agreed to.

Amendment agreed to.

The Presiding Officer: The next question is, that amendment S4M-04263.3, in the name of Alex Fergusson, which seeks to amend motion S4M-04263, in the name of Richard Lochhead, on the common agricultural policy, be agreed to.

Amendment agreed to.

The Presiding Officer: The next question is, that amendment S4M-04263.2, in the name of Jim Hume, which seeks to amend motion S4M-04263, in the name of Richard Lochhead, on the common agricultural policy, be agreed to.

Amendment agreed to.

The Presiding Officer: The next question is, that motion S4M-04263, in the name of Richard Lochhead, as amended multiple times, on the common agricultural policy, be agreed to.

Motion, as amended, agreed to,

That the Parliament notes the progress to date in the EU negotiations on the future Common Agricultural Policy (CAP) (2014 – 2020); supports the Scottish Government's commitment to press, in partnership with stakeholders, for a CAP that has sufficient flexibility for it to be implemented in Scotland in line with the Parliament's devolved responsibilities, ensuring that agriculture remains a dynamic and competitive industry that makes sustainable use of Scotland's natural resources; urges the Scottish Government to undertake financial modelling of CAP implications to allow rural industries to plan for potential future changes; recognises concerns about immediate implementation; notes the recent comments of the European Commissioner for Agriculture and Rural Development that the Commission would consider allowing a transition period and urges Scottish ministers to engage fully in negotiations to secure a sufficient transition period and a good deal for Scotland under a new CAP, while delivering public benefit and supporting rural communities; believes that the UK Government's negotiating position must take account of the priorities of devolved administrations, which should play an appropriately full role in the negotiating process, and further believes that the Scottish Government must take every opportunity to make its priorities known to both the UK Government and the European Commission.

Meeting closed at 17:01.

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