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Official Report

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Thursday 10 January 2013

Session 4

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Thursday 10 January 2013

CONTENTS

	Col.
GENERAL QUESTION TIME	15307
Fuel Poverty (Public Health Implications).....	15307
Scottish Court Service (Meetings).....	15308
National Health Service Boards (Meetings).....	15310
Prisons (Child-friendly Visiting Times).....	15311
Grassroots Football.....	15313
NHS Fife (Meetings).....	15314
Scottish Literature (Promotion in Schools, Colleges and Universities).....	15314
FIRST MINISTER'S QUESTION TIME	15316
Engagements.....	15316
Prime Minister (Meetings).....	15320
Child Benefit.....	15322
"Scotland's place in the Renewable Energy World".....	15323
Police Service of Scotland.....	15324
Tourism (CNN Poll).....	15326
MERGERS AND ACQUISITIONS	15328
<i>Motion debated—[John Mason].</i>	
John Mason (Glasgow Shettleston) (SNP).....	15328
Hanzala Malik (Glasgow) (Lab).....	15331
Richard Lyle (Central Scotland) (SNP).....	15332
Gavin Brown (Lothian) (Con).....	15333
The Minister for Energy, Enterprise and Tourism (Fergus Ewing).....	15334
YOUTH EMPLOYMENT	15338
<i>Motion moved—[Angela Constance].</i>	
<i>Amendment moved—[Ken Macintosh].</i>	
The Minister for Youth Employment (Angela Constance).....	15338
Ken Macintosh (Eastwood) (Lab).....	15343
Mary Scanlon (Highlands and Islands) (Con).....	15348
Gordon MacDonald (Edinburgh Pentlands) (SNP).....	15351
Jayne Baxter (Mid Scotland and Fife) (Lab).....	15353
Annabelle Ewing (Mid Scotland and Fife) (SNP).....	15355
Siobhan McMahon (Central Scotland) (Lab).....	15357
Chic Brodie (South Scotland) (SNP).....	15360
Liam McArthur (Orkney Islands) (LD).....	15362
Clare Adamson (Central Scotland) (SNP).....	15365
George Adam (Paisley) (SNP).....	15367
Neil Findlay (Lothian) (Lab).....	15370
Kenneth Gibson (Cunninghame North) (SNP).....	15372
Margaret McDougall (West Scotland) (Lab).....	15375
James Dornan (Glasgow Cathcart) (SNP).....	15377
Alison Johnstone (Lothian) (Green).....	15380
John Mason (Glasgow Shettleston) (SNP).....	15382
Liz Smith (Mid Scotland and Fife) (Con).....	15385
Kezia Dugdale (Lothian) (Lab).....	15388
Angela Constance.....	15391
PARLIAMENTARY BUREAU MOTIONS	15396
<i>Motions moved—[Joe FitzPatrick].</i>	
DECISION TIME	15397

Scottish Parliament

Thursday 10 January 2013

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

General Question Time

Fuel Poverty (Public Health Implications)

1. Aileen McLeod (South Scotland) (SNP): To ask the Scottish Government what consideration it is giving to the public health implications of the recently published Energy Action Scotland discussion paper, "The Relationship Between Fuel Poverty and Health". (S4O-01669)

The Cabinet Secretary for Health and Wellbeing (Alex Neil): The Scottish Government recognises that the determinants of health include more than access to health services. Housing and fuel poverty are two components of a complex picture that play a part in people's poor health. Hence, the Scottish Government is committed to tackling fuel poverty, with £68 million allocated in the current year to tackling the issue, as part of around £0.25 billion that we are spending on fuel poverty and energy efficiency over the spending review period.

Statistics from the 2011 Scottish house condition survey show continuing improvements in the energy efficiency of dwellings, with 65 per cent now rated as "good", compared with 31 per cent 10 years ago.

Fuel poverty statistics that were published in December show that 684,000 Scottish households were in fuel poverty in October 2011. Without improvements in the energy efficiency of dwellings, a further 35,000 households would have been pushed into fuel poverty.

Aileen McLeod: I thank the cabinet secretary for that detailed and comprehensive response. In its conclusions, the discussion paper highlights significant physical health benefits for very young children arising from tackling fuel poverty, especially in terms of infants' weight gain and hospital admission rates, to give two examples.

Will the cabinet secretary consider any further action that can be taken to ensure that the issue of fuel poverty and its health impacts on very young children are highlighted to health professionals such as health visitors and general practitioners and to family nurse partnerships, in order to continue to raise awareness and to help families that are affected by fuel poverty to access appropriate advice and assistance?

Alex Neil: I am pleased to say that such work is already on-going, as the Scottish Government's

energy assistance package includes a community liaison component. The purpose of that component is to work with trusted intermediaries, including health professionals and poverty and advisory groups. Local community liaison officers who are based with the five energy saving Scotland advice centres develop links and work with local organisations to encourage vulnerable households to access support under the package, and to facilitate that work. The community liaison officers have delivered more than 3,500 events, meetings and workshops since the programme began and have established more than 900 contacts within trusted intermediary organisations.

Scottish Court Service (Meetings)

2. Duncan McNeil (Greenock and Inverclyde) (Lab): To ask the Scottish Government when the Cabinet Secretary for Justice last met the chief executive of the Scottish Court Service and what was discussed. (S4O-01670)

The Cabinet Secretary for Justice (Kenny MacAskill): I met the then interim chief executive of the Scottish Court Service, Mr Eric McQueen, on Wednesday 14 November. I take this opportunity to congratulate Mr McQueen on his recent appointment as the permanent chief executive of the Scottish Court Service. We discussed a number of current civil and criminal justice policy issues.

Duncan McNeil: I thank the cabinet secretary for his response.

I have obtained figures from the Scottish Court Service that show that, in the past three financial years, 90,000 fines that were issued by the justice system had to be chased up with an arrest warrant because offenders failed to pay up. In addition, more than 200,000 citations have been issued ordering offenders to appear before the courts for non-payment.

In light of those figures, can we now acknowledge that a policy that allows more offenders to be fined as an alternative to prosecution has failed to achieve its objectives, is wasting police and court time and, more worryingly, is letting down victims of crime? Will the cabinet secretary instigate a review of that failed policy to ensure that those who break the law face the full consequences of their actions?

Kenny MacAskill: The position has been and remains that sentences are decided by the imposing sheriff or judge. If Mr McNeil wishes to vary that, he can seek to change the current understanding of our constitution. We, as a Government, respect the right of sheriffs and judges to decide what the basis of a sentence should be.

We accept that, once a sentence is imposed, it demeans and undermines the integrity of the system if the terms are not met. That is why the Government introduced fines enforcement officers. Things would be made easier if we were able to deduct payments directly from welfare benefits, but such matters are reserved to Westminster.

So far, Mr McNeil prefers that Westminster deals with the question of welfare benefits, whether that involves an attack on child benefit or the ability to take money from those who have prejudiced and done damage in our communities. I hope that he will work with us on that so that we can ensure that, once a sentence—whether it is a fine or a period of imprisonment—is decided by those with the powers to do so in Scotland, it is obtempered, and that collection is made easier by dealing with the Department for Work and Pensions.

Sandra White (Glasgow Kelvin) (SNP): On the proposed changes to court services, the cabinet secretary will be aware of the consultation that closed on 21 December. Can he give us an idea of the timescale for the publication of the consultation responses?

Kenny MacAskill: Obviously, that is a matter for the Scottish Court Service, which is currently reviewing the responses now that the consultation has closed. It is for the SCS to decide what proposals it wishes to take forward, but the Parliament will ultimately have the right to decide on any suggestions that the SCS makes.

I am due to meet the Lord President very shortly, and Mr McQueen will doubtless discuss matters with the Lord President in his role as chair of the Scottish Court Service. I am happy to come back to the member on the proposals thereafter, but we can work on the basis that the Scottish Court Service is taking the opportunity to review the numerous responses to the consultation and to consider its position, and thereafter it will return to Parliament if that is what it wishes.

Claire Baker (Mid Scotland and Fife) (Lab): Concerns have been raised that the proposed closure of Cupar sheriff court and the removal of trials from Kirkcaldy to Dunfermline will not realise significant savings but will significantly reduce access to justice locally.

Does the cabinet secretary share my concerns that the Scottish Court Service has not published a robust cost benefit analysis of proposed closures and reorganisation that recognises the potential for increased costs as well as perceived savings?

Kenny MacAskill: No, I do not. The Scottish Court Service has set out in its consultation document a significant basis for its thoughts and proposals. Having said that, it is a consultation, and the SCS is prepared to consider the

responses. I do not know whether Claire Baker made a submission, but if she did, it will doubtless be reflected on by Mr McQueen and colleagues acting with him.

The Scottish Court Service is acting fairly and appropriately. The points made by those in the bar or on Fife Council, or by Ms Baker or anyone else, will be reflected on, and it will be for the SCS to decide where to take matters next.

The Deputy Presiding Officer (Elaine Smith): Question 3 has been withdrawn for understandable reasons.

National Health Service Boards (Meetings)

4. Dr Richard Simpson (Mid Scotland and Fife) (Lab): To ask the Scottish Government when the Cabinet Secretary for Health and Wellbeing last met the chief executive officers of NHS boards. (S4O-01672)

The Cabinet Secretary for Health and Wellbeing (Alex Neil): I last met all Scotland's NHS chief executives yesterday, when we discussed the priorities for Scotland's national health service and matters concerning the health of the population.

Dr Simpson: When we last met, Scottish National Party members in the chamber appeared to be outraged when Labour called the PricewaterhouseCoopers review "a whitewash". I have to say that Labour is still of that view because the review failed to cover the period in which misuse of the social unavailability coding was most likely to be prevalent.

My question to the cabinet secretary today is simple. Can he explain how Lanarkshire Health Board was able to achieve a remarkable reduction of 75 per cent in the level of social unavailability, from a high of 27 per cent in the summer of 2011 to a low of 7 per cent in 2012, as reported in appendix 4 to its recent board papers? Both those levels of social unavailability cannot reflect a similar application of that particular coding.

Alex Neil: I have asked all the health boards and all the board chief executives to take the audit reports very seriously. While we had no repeat of the exact situation that we had in Lothian, it is clear that there were a number of issues that every health board—including Lanarkshire—will have to address to ensure that we get timeous and accurate reporting of waiting times. I am very determined to ensure that that happens.

I am happy to write to the member to give him a detailed breakdown of the reasons why there has been such substantial progress on figures relating to social unavailability in Lanarkshire—and elsewhere—as confirmed by the PricewaterhouseCoopers report on Lanarkshire.

Neil Findlay (Lothian) (Lab): Last year, we had the report into bullying and the management culture at NHS Lothian, which was soon followed by the report into the waiting times scandal. Now, we have the revelation that NHS Lothian has been deliberately withholding information from Audit Scotland. When will the health minister intervene to sort out what is clearly a dysfunctional and secretive organisation?

Alex Neil: Following the reports in this morning's newspapers, I asked one of my senior officers to contact NHS Lothian and make absolutely clear to it—this should already have been made clear—that every element of transparency has to be fulfilled and that there is nothing to hide. It is very important that every health board is open, transparent and totally accountable both to the Parliament and to its local population. My strong view is that, outwith the restriction of taking into account any commercial or patient confidentiality, every health board should be totally transparent in all its activities.

Prisons (Child-friendly Visiting Times)

5. Mary Fee (West Scotland) (Lab): To ask the Scottish Government how it plans to make prison visiting times child friendly. (S4O-01673)

The Cabinet Secretary for Justice (Kenny MacAskill): As with all questions regarding the operation of the Scottish Prison Service, I have asked Colin McConnell, the chief executive, to consider this question, and he has advised the following:

"The Scottish Prison Service ... recognises the need for contact to be maintained between children and their carers or parents who serve custodial sentences. The SPS already makes substantial provision for prison visits in general and is currently developing its approach to improving contact with the children of those in custody. The chief executive recently directed prison governors not to utilise children's visits as an earned privilege for good behaviour in prisons, but rather to maximise the opportunities to encourage and facilitate contact whenever possible but of course within the constraints of sensible prison operations."

Mary Fee: As the cabinet secretary is well aware, father-and-child visit contracts are being used at Shotts prison. Looking at the detail of the contracts, I note that visiting times are 9.30 am and 1.15 on Thursdays and Fridays. Does the cabinet secretary agree that such timings further disadvantage already vulnerable children, particularly when they should be in school or nursery, and disadvantage the parent on the outside, who may have to take extra time off work?

Kenny MacAskill: Those things are very difficult for the Scottish Prison Service, but it does what it can in difficult circumstances. For example, HMP Cornton Vale operates mother-and-child

bonding visits seven days a week, morning and evening, and HMP Peterhead has late-night visiting and will soon introduce a new, extended family-and-child bonding visit session on a Saturday morning.

Clearly, each prison has difficult matters and criteria to deal with, given the nature of the prison estate and facilities and the prisoners. In the circumstances, all I can do is remind Mary Fee that the chief executive is committed to doing the maximum and has made it clear to governors that the contact visits should not be used to try to deal with the individual prisoner but should be viewed from the child's perspective. I ask Ms Fee to recognise the progress that the chief executive has made and the difficulties under which the Scottish Prison Service operates, which would only be made much worse were the policy of Mr McNeil, who asked a question earlier, ever to be implemented. Maybe Labour should get on script on prison matters.

The Deputy Presiding Officer: Alison McInnes will ask a brief supplementary question. [*Interruption.*] Can we hear the question, please?

Alison McInnes (North East Scotland) (LD): Visiting national prisons is a particular challenge for family members, given the travel involved. I support the view of HM chief inspector of prisons for Scotland that the provision of visitor centres would make a significant difference. Is the cabinet secretary able to advise what progress has been made on such provision at Polmont, Glenochil, Cornton Vale and Shotts?

Kenny MacAskill: I agree that visitor centres are important. We already have them at Edinburgh and Perth. Dedicated visitor facilities are also available at Barlinnie, Kilmarnock and Addiewell. In addition, visitor facilities will be dealt with as part of the new build at HMP Grampian and HMP Inverclyde. Some of the difficulties are due to the nature of the prison estate that has been inherited. As Alison McInnes will know, because I know that she has visited prisons, the facility at Barlinnie cannot be provided within the confines of the estate and is having to be provided in a church hall that is as proximate to the prison as can be.

We should welcome the progress that the Scottish Prison Service has made. The Edinburgh and Perth outlets are the template that we seek to follow, and visitor centres will be dealt with in new builds, which is why Grampian and Inverclyde will have them built in. We are seeking to do what we can to ensure that, in facilities such as Barlinnie, where they have not been specifically built in, steps are taken.

Grassroots Football

6. Kenneth Gibson (Cunninghame North) (SNP): To ask the Scottish Government what progress is being made on developing grassroots football. (S4O-01674)

The Minister for Public Health (Michael Matheson): We are putting record levels of investment into football, with almost £8.5 million being invested in 2011-12 to support the development of youth and grassroots football in Scotland. Our investment has seen increases in participation, with 14 per cent more players in Scottish Football Association accredited community clubs, 10,000 more registered players, including 1,500 registered female players, and 2,000 more registered volunteers and coaches.

Through the cashback for communities programme, we are investing some £8 million in Scottish football up to 2014. That investment is delivering free football activities, a network of six female development officers and 22 new high-quality 3G football facilities in communities across Scotland, which will allow people to access excellent quality facilities all year round.

Kenneth Gibson: I thank the minister for that comprehensive reply. Uruguay, which is a nation of 3.3 million people, has won two world cups, two Olympic gold medals for football and the South American championship a record 15 times, which is seven times more than Brazil. Indeed, Uruguay is the current holder. What can Scotland learn from grassroots football in successful small footballing nations such as Uruguay to raise the standard of our national game and ensure that we, too, can compete at the highest international levels?

Michael Matheson: I cannot profess to be an expert on football in Uruguay, although I recall that the last time Scotland played Uruguay was at the Mexico world cup in 1986. It was a nothing-each draw and it was a rather ill-tempered game, if I remember correctly, particularly for Gordon Strachan.

As a Government, we have set aside some £25 million to help to support a new national performance centre for sport, which will be completed by 2016. [*Interruption.*]

The Deputy Presiding Officer: Order.

Michael Matheson: The centre will provide world-class facilities for high-performance sports, including football, and offer elite performers outstanding facilities and specialist support services in a single place where athletes can come together with their coaches to train, develop and go on to do as well as possible on the international stage.

NHS Fife (Meetings)

7. Helen Eadie (Cowdenbeath) (Lab): To ask the Scottish Government when it last met representatives of NHS Fife. (S4O-01675)

The Cabinet Secretary for Health and Wellbeing (Alex Neil): The Scottish Government meets representatives of NHS Fife regularly to discuss issues of importance to the people of Fife.

Helen Eadie: Can the cabinet secretary explain why the shortage of nursing across Fife hospitals had a direct consequence in the death of one of my constituents, who fell from an open window? What is he doing to address that situation?

Alex Neil: Obviously, this is a very serious matter. I do not accept the premise of Helen Eadie's question—that the death was due to a shortage of nurses. Appropriate procedures and reviews are going on to identify the proper cause of death and any lessons that need to be learned. I think that it would be more in tune with that if I write to Helen Eadie with the outcome of any review undertaken by NHS Fife into the matter.

Scottish Literature (Promotion in Schools, Colleges and Universities)

8. Jean Urquhart (Highlands and Islands) (Ind): To ask the Scottish Government how schools, colleges and universities are promoting Scottish literature. (S4O-01676)

The Minister for Learning, Science and Scotland's Languages (Dr Alasdair Allan): The value and importance of Scottish literature is being promoted in a variety of ways across education and at every stage of learning. Support is provided by a range of bodies including Education Scotland, the Association for Scottish Literary Studies, the Scottish Book Trust, Stòrlann and Scottish Language Dictionaries. I am also pleased to recognise that the first world congress of Scottish literatures will be hosted by the University of Glasgow in July 2014.

Jean Urquhart: I thank the minister for his response, but does he agree that it is a bit of a travesty that there is only one chair of Scottish literature in Scottish universities?

Dr Allan: As someone who studied Scottish literature at Glasgow, I certainly concur with the member's enthusiasm for Scottish literature chairs. I know and value the contribution that Professor Alan Riach has made as chair of Scottish literature at the University of Glasgow.

I agree that it is certainly unusual for any country to have only one university chair solely dedicated to its national literature. I would of course welcome the creation of similar posts in other universities and will continue to engage with

the Scottish Further and Higher Education Funding Council and universities on the issue.

First Minister's Question Time

12:00

Engagements

1. Johann Lamont (Glasgow Pollok) (Lab): I wish everyone all the best in 2013.

To ask the First Minister what engagements he has planned for the rest of the day. (S4F-01090)

The First Minister (Alex Salmond): Presiding Officer, with your permission I would like to pay tribute to Jimmy Halliday, the former chairman of the Scottish National Party, who sadly passed away last Thursday.

Jimmy Halliday led the SNP in the 1950s, when we had two candidates in the general election, and in his career he laid the foundations for the subsequent expansion of the party and the success that we have enjoyed more recently. His funeral is taking place in around an hour's time, in Dundee. Although many of us cannot be there in person, I am sure that all members on these benches—indeed, members across the chamber—will wish to send our thoughts and condolences to Jimmy's wife, Olive, and the wider family.

Later today I have meetings to take forward the Government's programme for Scotland.

Johann Lamont: I thank the First Minister for that and of course we, too, would wish to send condolences to Jimmy Halliday's family.

In the first week after summer recess, the First Minister moved his deputy, Nicola Sturgeon, from health and put her in charge of the referendum and economic recovery. Four months later, it is becoming increasingly clear why she was so keen to move on: a children's ward threatened with closure at St John's in Livingston, Borders general put at risk, surgery provision cut at Perth royal infirmary, the scandal of hidden waiting lists at NHS Lothian and beyond, and people with terminal illnesses being denied life-prolonging drugs that are available in other parts of the country.

Nicola Sturgeon proclaims herself "the yes minister". Can we start calling Alex Neil the clean-up-the-mess minister?

The First Minister: That is a cheery start to the new year. As I remember it, when Nicola Sturgeon, the Deputy First Minister, moved, many voices across the chamber were saying how excellent she had been as the health secretary—even Jackie Baillie moved herself to say so. I admit that that was in contrast to what had been said before, but nonetheless that was the general

tenor, so I do not accept Johann Lamont's revisionist view of Nicola Sturgeon's term as health secretary.

Let us look at some of the great successes of the health service. This Government has protected the front-line national health service budget and delivered record £11.6 billion resources, which would not have been guaranteed if we had had the misfortune of the Labour Party in office. We put patients and their safety first, which is why I suspect that the thing that really matters—public confidence and patient confidence in the NHS in Scotland—is at a very high level indeed.

I could also mention that, as I understand it, this party seems almost to be alone in this chamber in wanting to maintain an NHS that is free at the point of need. *[Interruption.]* As I understand it, prescription charges are part of the Labour cuts commission. That is perhaps another reason why the SNP Government's record on the health service is so warmly supported by the Scottish people.

Johann Lamont: Perhaps the First Minister might not have been so fulsome in his praise of Nicola Sturgeon when she moved if he had realised what we are hearing now about what is happening in the health service. There is a real-terms cut and whatever the First Minister says about free prescriptions, we know that that service is under phenomenal pressure. His denial of that is a denial of his responsibility as the First Minister of this country.

No matter what gloss the First Minister wants to put on it, on November 7, the Auditor General for Scotland, Caroline Gardner, put our health service on “amber warning.” When I challenged the First Minister about that, he said that the

“national health service is performing in outstanding fashion”.—*[Official Report, 8 November 2012; c 13224.]*

However, the Audit Scotland report highlighted Nicola Sturgeon's real legacy to the health service: a £1 billion repair backlog, health boards having to borrow to keep services up and running—*[Interruption.]* That is what the Auditor General said, not what I said. There have also been thousands of staffing cuts, which have left us with fewer nurses than we had when the SNP came to power.

Given the new revelations on a daily basis about the mess that Nicola Sturgeon has left the Scottish health service in, does the First Minister still think that the Auditor General is wrong?

The First Minister: I think that Johann Lamont is wrong, not the Auditor General. She is wrong in a range of ways but I notice in particular that she has now revised her previous claim, which she made on 4 September last year, that there were

fewer staff in the health service than there were when I became First Minister. That is what she said in the *Official Report* on 4 September. In fact, in June 2012, there were 130,363 full-time equivalents in the health service compared with 127,000 in September 2006. There are actually more staff in the health service than there were when the Scottish National Party took office, which is probably why Johann Lamont has not sought to repeat that claim. No doubt we will get a correction some time.

Let us assume that it will be difficult to convince Jackie Baillie, who said that Scotland was the centre of hospital-acquired infections just when such infections were dramatically declining in Scotland, and others on the Labour benches of the excellence of the work of the people in the national health service. I think that, instead of that invalidation of their work, what really matters is the satisfaction rate among the people, which has been recorded not by the Government but in the Scottish household survey. According to the survey, 88 per cent of people—up from 81 per cent in 2007—were satisfied with their local health services. That satisfaction ratio is not just at a high level but significantly higher than when the SNP took office. I somehow think that the verdict of the people of Scotland is somewhat more impartial than the verdict of the Labour Party benches; after all, was it not the verdict of the people of Scotland that has this Government in office and the Labour Party in opposition?

Johann Lamont: First of all, the First Minister says that he thinks that I am wrong. I work on the assumption that the First Minister thinks that I am wrong; the problem for him is that the Auditor General is saying something very serious and he is saying that that is wrong. Staff across Scotland are raising concerns about the pressures that they are under in the national health service. This is not an attack on staff, who are doing a phenomenal job; the charge is that this Government is not supporting them, which is making their job more difficult.

It seems that every week we get another damning report on the health service. In 2008, Nicola Sturgeon said that she had

“made tackling health inequalities”

her

“top priority”.

However, the Auditor General, Caroline Gardner, told the Public Audit Committee that, in terms of life expectancy,

“the gap is still increasing.”—*[Official Report, Public Audit Committee, 19 December 2012; c 1050.]*

The chief medical officer, Dr Harry Burns, has also acknowledged the lack of progress in tackling

health inequalities under this Government. Now we are told that we are having a rethink of the approach to health inequalities. Is that an admission that Nicola Sturgeon and the SNP have completely failed to deliver their top health target?

The First Minister: Health inequalities are a huge issue for the Scottish people. The reason that Harry Burns made that point—

Jackie Baillie (Dumbarton) (Lab): You have done nothing.

The First Minister: I heard the comment that the SNP had done nothing. As Harry Burns indicated, the SNP made the tackling of health inequalities and facing up to that situation, which incidentally has been with us for a generation or more in Scotland, one of the Government's top priorities.

I say gently to the Labour Party that a range of measures is directed towards improving the health of the Scottish people, one—and only one—of the most important of which relates to our attitude to alcohol. Our attempt to introduce minimum pricing would have a significant effect on improving the health of the Scottish people. If the Labour Party had shown rather more enthusiasm for it, its claims about the national health service might have slightly more credibility.

Members across the chamber would do well to remember that certain things such as health inequalities in Scotland and the whole approach to having a national health service free at the point of need should unite people in this chamber and should be joint objectives for it.

Nicola Sturgeon made the issue a key objective of Government policy and we will continue to pursue it. We know the task that has to be done and we know the measures—we also know that no measures will yield immediate short-term gains. However, the issue unites the Scottish Parliament because it is of huge importance to the Scottish people.

Johann Lamont: The problem for the First Minister is that saying it does not make it so. The difficulty for the First Minister is that we understand the challenge of health inequalities. We understand the challenge of inequality across our communities. The challenge in government is to test what the Government does and what it spends against the outcomes. When I said that, the First Minister said, "No, we will not have that debate at all."

The fact is that Nicola Sturgeon was health secretary for five years. In the 127 days since she left office, her successor has had to deal with review after review. He has had to deal with a review into the full extent of the hidden waiting lists in health boards across the country, although

Nicola Sturgeon had told us that NHS Lothian was an isolated case. He has had to deal with a review of access to groundbreaking drugs for people who are terminally ill, because under Nicola Sturgeon we went from being the best in the United Kingdom to the worst on that issue. He has had to deal with a review of health inequalities and the resuscitation of a task force, five years after Nicola Sturgeon made the issue her top priority.

How many reviews do we need? How many independent reports do we need before the First Minister realises that his Government is failing to deliver for the health of the people of Scotland?

The First Minister: There is a range of corrections that I could make. I point out that it was Nicola Sturgeon who established the review into waiting lists across Scotland. Of course, the fact that we were prepared to establish the review and do something about the issue puts us in stark contrast with the Labour Party, given that hidden waiting lists were institutionalised in Labour Party policy.

Johann Lamont talked about the difference between saying something and doing something. We said that we would protect the health service budget and we have done that. We have delivered in full on the manifesto commitment to pass on the Barnett consequential arising from the United Kingdom 2010 comprehensive spending review, which means that there will be a record £11.6 billion resource budget for Scotland in 2014-15. We are doing exactly what we said that we would do.

In sharp contrast, the Labour Party would not give a commitment to protect the health service budget. In the famous interview on "Newsnight", Iain Gray refused to say that the health service budget would be ring fenced in Scotland. We said that that would be a key priority of public spending in Scotland and we delivered that. We did exactly what we said in the election that we would do. That is why the Scottish people trust this party with the national health service and our other vital public services in Scotland.

Prime Minister (Meetings)

2. Ruth Davidson (Glasgow) (Con): To ask the First Minister when he will next meet the Prime Minister. (S4F-01089)

The First Minister (Alex Salmond): I have no plans in the foreseeable future.

Ruth Davidson: Two years ago, this Scottish National Party Government brought in community payback orders. The justice secretary said that criminals would be

"paying back through the sweat of their brow the harm they have done in our communities."

Can the First Minister tell me how much of the work that was handed down during the most recent financial year has been completed? Does he think that his CPO scheme is working?

The First Minister: I think that we are making good progress on CPOs, as we are across the range of justice issues in Scotland.

I gently remind Ruth Davidson that crime in Scotland is at its lowest level for 37 years, with just over 105,000 fewer recorded crimes reported to the police than in 2006-07. On a 30-year comparison and a session-of-this-Parliament comparison, the SNP is delivering on criminal justice in Scotland, in sharp contrast with Tory Governments in Westminster and the Labour-Liberal coalition in Edinburgh.

Ruth Davidson: So that is a no; the First Minister cannot tell me about his own scheme. However, I can tell him, and I can use his figures.

In 2011-12, more than 10,000 community payback orders were handed out, of which 7,763 involved actual work. Of those, only 2,536 were completed—less than a third. Even worse, of the more than 2,500 work requirements that were officially terminated last year, a third were signed off uncompleted, so the work will never get done.

Last week, a sheriff raised concerns about the fact that criminals are turning up and being marked down for two hours' work without lifting a finger. Sheriff Graham Buchanan thinks that the public would be horrified if they knew how

“these so-called robust community sentences were being administered.”

There is a massive backlog, whole sentences are signed off only partially completed, and offenders are credited with work that they never do. Communities are being conned and not paid back. Is that why, on Monday, the Scottish Government advertised for an outside body to evaluate whether CPOs are working at all?

The First Minister: We evaluate policies because we welcome that sort of independent scrutiny of the success of the policies. Independent scrutiny is something that I welcome, and today is an excellent day to be saying that, as I have been cleared yet again of nefarious charges that have been made by the Opposition parties in this chamber.

With or without a reference to an outside body, we look carefully at the success of our justice policies. It would therefore be helpful to point out to Ruth Davidson that the reconviction rate in Scotland has just dropped to a lower level than it has been in each of the past 13 years. That is particularly important because the community payback order is part of an approach that focuses

on disposals being effective in reducing reoffending.

Not only are we intent on making those disposals effective and not only are we subjecting all policies to scrutiny, the fact that we have 1,000 more police—and more—in the streets and communities of Scotland means that this is the worst time in recent history to be a criminal in Scotland and the best time in recent history to be a member of the public, with the fear of crime falling in Scotland for the first time in many years.

Liz Smith (Mid Scotland and Fife) (Con): Last week, NHS Tayside made a reduction in the provision of emergency cover for surgery at Perth royal infirmary, which comes on top of reductions that have taken place in paediatrics and maternity services in the past few years. Does the Scottish Government support those reductions in an area that includes many rural communities and is set to see substantial population growth in the years ahead?

The First Minister: The Cabinet Secretary for Health and Wellbeing will be delighted to address the question directly with regard to NHS Tayside. We are intent on securing high standards of care in Perth and Tayside and, indeed, across Scotland. [*Interruption.*]

The Deputy Presiding Officer (Elaine Smith): Order.

Kevin Stewart (Aberdeen Central) (SNP): What support can the Government offer the staff of the Foyer restaurant and gallery who are to be made redundant following the sad decision to close that well-thought-of social enterprise?

The First Minister: The Government will extend the normal impact and partnership action for continuing employment schemes and try to help the people who are in that situation. I am, of course, familiar with the Foyer restaurant and gallery and have been there a number of times. The Government has indicated record levels of support for social enterprise in Scotland and we encourage all people, including local authorities, to extend the same level of support.

Child Benefit

3. Linda Fabiani (East Kilbride) (SNP): To ask the First Minister what the impact of changes to child benefit will be on families in Scotland. (S4F-01103)

The First Minister (Alex Salmond): The United Kingdom Government's attack on the previously universal child benefit is expected to affect 91,000 households in Scotland, which will lose £1,400 a year on average. Of those households, 60,000 are expected to lose their entire child benefit

payments, and 31,000 will see their payments reduced.

Linda Fabiani: The First Minister will be aware that the vast majority of Scottish MPs voted against this attack on child benefits at Westminster. Does he agree that that is further proof that this Parliament should be the one that has responsibility for welfare, in order to protect Scotland from further Tory cuts?

The First Minister: Of course, Labour and the SNP voted in the same lobby in the House of Commons on Tuesday, because there was a recognition that the range of changes will affect a million households in Scotland, which will lose substantially. That includes many working households in Scotland, which will lose huge sums of money as a result of the policies of the Tory and Liberal Administration at Westminster.

That unity of purpose in defending people at this time of great economic trouble is to be applauded. There would have been an extra vote if the leader of the “No” campaign in Scotland had not been going about the country stirring up antipathy instead of doing his duty. Alistair Darling should have been in the House of Commons, voting with his Labour and SNP colleagues.

“Scotland’s place in the Renewable Energy World”

4. Rob Gibson (Caithness, Sutherland and Ross) (SNP): To ask the First Minister how the recent report by Pinsent Masons, “Scotland’s place in the Renewable Energy World”, aids Scotland’s sustainable growth. (S4F-01102)

The First Minister (Alex Salmond): A clean, green energy supply based on renewables is a key part of a strategy for sustainable economic growth. I welcome the fact that 84 per cent of respondents to the survey said that Scotland is the most attractive place across these islands to invest in renewables. Pinsent Masons said:

“Scotland’s renewable energy market is upbeat about its prospects for success in 2013 and beyond.”

It went on to say:

“There is every reason for confidence.”

And so say all of us.

Rob Gibson: I note that the Pinsent Masons report also highlights Scotland’s international reputation as a leader in renewables. Does the First Minister agree that that is a very encouraging fact and that we must seek to attract further investment to Scotland as a result, to create clean energy jobs from the Mull of Galloway to Muckle Flugga?

The First Minister: I agree with that. There is a contrast between this Government’s—and often, it

must be said, this Parliament’s—encouragement of and enthusiastic support for renewables and the somewhat mixed messages emanating from the Department of Energy and Climate Change in London. I welcome the report and I particularly look to the section that highlights our international reputation. It states:

“Scotland is recognised as an important contributor to the development of renewable energy markets globally. It is indeed viewed separately from the UK, and has a clear place in the hearts and minds of many investors.”

Police Service of Scotland

5. Jenny Marra (North East Scotland) (Lab):

To ask the First Minister what the Scottish Government’s position is on the assertion by the chief constable of the police service of Scotland that a change in legislation is required to properly define the roles and responsibilities of the service’s human resources and finance functions. (S4F-01106)

The First Minister (Alex Salmond): The respective roles of the Scottish Police Authority and the police service are set out in the Police and Fire Reform (Scotland) Act 2012—which was widely supported across the chamber—and are based on those which have been in place and have worked well for more than 40 years. The key operational point is, surely, that the chief constable and the chair of the SPA are due to meet on Friday next week—18 January—with a view to reaching an agreement on corporate functions. Everybody in the chamber, including Jenny Marra, will look forward to seeing that agreement, I hope, a week on Friday.

Jenny Marra: We look forward to the conclusions of that meeting, but we were looking forward to a conclusion that the Cabinet Secretary for Justice promised us before Christmas. He said on 5 December:

“There is no remaining contention about what the legislation says about the respective roles.”—[*Official Report*, 5 December 2012; c 14329.]

The First Minister himself, before Christmas, dismissed the issue as “creative tension” between the two men. That was wishful thinking at the time and remains so today. Is it not true that the Cabinet Secretary for Justice has stood back and let a beast with two heads emerge as both camps duplicate HR, finance and other functions? The cabinet secretary is not in control of the situation. What will the First Minister do to ensure that this power struggle is sorted out immediately?

The First Minister: I overestimated Jenny Marra’s goodwill and enthusiasm for the resolution of the dispute. The proposed structures are intended to be free from duplication and overlap. I also point out—to correct Jenny Marra’s memory—that before Christmas, in a letter to the

Justice Committee of 20 December, the chair of the SPA confirmed that good progress had been made and that he hoped for a formal agreement on corporate functions to be reached at the SPA's next meeting, on January 18. That is what was said before Christmas.

Despite Jenny Marra's remarks, there is substantial agreement across parties. We look forward to that meeting and, I hope, to that agreement on corporate functions.

Sandra White (Glasgow Kelvin) (SNP): I am sure that the First Minister welcomes the member's genuine interest in ensuring that the new police service of Scotland is a great success. Does he agree, however, that we need to focus on and highlight the substantial progress and success that have already been achieved since last summer and that have, among other things, resulted in the establishment only the other day of a national road patrol, which I am sure we all welcome as a way of making Scotland's roads safer?

The First Minister: That is a fair point. It is important to focus on the very substantial range of issues that have been introduced and are ready to go, rather than just focus on a disagreement that, I hope, is near its reconciliation.

I should also say to Sandra White and to the chamber that the new police service of Scotland will have 17,454 officers—that is the figure as at 30 September last year. If I remember correctly, the Labour Party forecast that it would take us 13 years to deliver that commitment. It seems that that commitment, like many commitments, has been delivered rather early.

Alison McInnes (North East Scotland) (LD): I have here the application pack for the appointment of the chief constable—[*Interruption.*]

The Deputy Presiding Officer: Order.

Alison McInnes: I quote from the application pack:

“Overall Purpose

To establish and lead the Police Service of Scotland ... Providing inspirational leadership ... including the direction and control of over 17,000 police officers and 6,500 police staff”.

Were the applicants misled? Is the legislation flawed? First Minister, what went wrong?

The First Minister: I know that job prospects for Liberal Democrats are poor these days, but I had no idea that Alison McInnes had offered herself for the task.

I know that Alison McInnes and members from across the chamber are genuinely looking forward to the meeting a week tomorrow and a reconciliation of the situation so that we can go

forward with the new national police service of Scotland. Of course, had it been up to the Liberal Democrats, the new service would never have been brought into being at all, so I have to revise what I said. Given that Alison McInnes was dead against having a national police service of Scotland, it is probably not true that she had the application form in order to put herself forward.

Tourism (CNN Poll)

6. Clare Adamson (Central Scotland) (SNP): To ask the First Minister what the Scottish Government's response is to the recent CNN poll that places Scotland as the number 1 tourist destination for 2013. (S4F-01104)

The First Minister (Alex Salmond): I hear some disgruntlement from the Tory benches—[*Interruption.*]

The Deputy Presiding Officer: Order. Let us hear the First Minister.

The First Minister: —about a strong good news story for the Scottish visitor and tourism industry. The fact that one of the world's major broadcasters put Scotland forward as the number 1 tourist destination for this year will genuinely be felt across Scotland to be something of a success and an accolade for our visitor industry. Only in the ranks of the better together campaign could they possibly find anything in that accolade from CNN to be disgruntled about. I suggest that most people in Scotland will say, “Well done CNN for making such a wise choice in putting Scotland top of the list.”

Clare Adamson: The First Minister will be aware that North Lanarkshire Council and South Lanarkshire Council have come together for this year to celebrate Lanarkshire 2013, which will include events surrounding the bicentenary of David Livingstone's birth. What boost to that campaign does the First Minister expect will result from the CNN poll rating?

The First Minister: That is a substantial point, because the David Livingstone bicentenary is a very important aspect for celebration. I recently visited the national museum of Scotland's exhibition on that, which I commend to people in Scotland. Last year, along with Cameron McNeish, I had the pleasure of launching the Scottish national trail, which was cited by CNN as a key reason for people to come to Scotland this year.

This is the year of natural Scotland and I am delighted therefore to announce an additional £2.9 million—as part of the shovel-ready capital projects programme—to improve visitor facilities at the Cairngorms and Loch Lomond and the Trossachs national parks. Scotland's national parks are already hugely popular and I know that the extra funding will boost their appeal as tourist

destinations and help us to encourage ever more people to come to our beautiful country.

Rhoda Grant (Highlands and Islands) (Lab): The First Minister will be aware of the 12 per cent drop in tourist numbers this summer, which is very worrying now that we are into the winning years. What steps is he taking to stop this dramatic decline?

The First Minister: There was actually a 12 per cent increase in overseas tourism expenditure over the period. There was a 2 per cent decrease in domestic expenditure—that is, in terms of GB tourism visits, in which there was a 3 per cent decrease.

Most analysis of the figures, particularly given the increase in spending, would say that that was an exceptionally good performance, particularly during a year in which many people suspected international tourists might be diverted elsewhere because of the understandable concentration on the London Olympics. I do not share Rhoda Grant's pessimism—the figures are very good in the circumstances. I know that she will join me in welcoming the CNN accolade as further evidence that Scotland will achieve even more in international tourism in the years to come.

Mergers and Acquisitions

The Deputy Presiding Officer (John Scott): The next item of business is a members' business debate on motion S4M-04421, in the name of John Mason, on mergers and acquisitions. The debate will be concluded without any question being put.

Motion debated,

That the Parliament notes the on-going debate concerning a possible merger between BAE Systems in Glasgow and EADS; notes with interest the recent comments of the former Chancellor of the Exchequer, Alistair Darling MP, and some backbench Conservative MPs, who recognise that, in some cases, a merger or acquisition is not in the long-term interest of the consumer or country as a whole; recalls examples, such as the mergers between the Royal Bank of Scotland and ABN Amro, AOL and Time Warner, Lloyds TSB and the Bank of Scotland, and Scottish Power and Iberdrola, which it considers have been of doubtful benefit to customers, staff or the wider national interest, and believes that a review of merger and acquisition policies might be of widespread advantage.

12:32

John Mason (Glasgow Shettleston) (SNP): As members will be aware, the original focus of the motion was on the potential merger of BAE Systems and EADS. It is probably a good thing that that merger will no longer happen. It was an interesting case because the United Kingdom Government had a veto on the merger and the German Government was strongly opposed to it. However, as the motion states, the wider aim is to look at mergers and acquisitions policy as a whole and to consider whether we are best served by that policy.

Investment is, of course, generally a good thing. It creates jobs and helps to grow the economy, whether we are investing in different parts of our own country or crossing borders into other countries. Whether or not Scotland is independent, we want to encourage foreign investment here and Scottish investment overseas. However, we do not want to repeat the mistakes of the past, when large grants were given to foreign firms without the same assistance being made available to local companies. In many cases, the foreign firms did not stay long and there was little benefit to the local economy.

Napoleon called England—perhaps he meant Britain—"a nation of shopkeepers". Of course, there is nothing wrong with being a shopkeeper, but if what he meant is that everything is available for a price if that price is right, that is a less positive statement.

Over the years, we have seen railways, electricity and gas sold off to the private sector while other countries have kept those industries in

the public sector. We have seen European companies, such as EDF Energy or German railways, take over some UK businesses. Is it fine if Scottish or British businesses are taken over by local or international competitors, or is there something wrong with the system, and do we need to improve it?

We can all think of many Scottish companies that have been taken over, including Scottish Power. My father worked for that company all his life. It seemed a very successful company that moved from the public to the private sector. However, it was sold off to Iberdrola of Spain. Of course, it was a quoted company and the shareholders agreed to the sale, so, in one sense, that was that. I accept that Iberdrola has made considerable investments in Scotland and beyond since then so, on the surface, that seems to be a good thing. However, was it really good for everybody? Was it good for Scottish consumers, the employees or the related businesses, which lost another Scottish headquarters—the restaurants, hotels, airlines and lawyers that lost business? Was it even good for the shareholders in the longer term?

Another, more recent example is the company that makes Irn-Bru—a successful company as far as most of us could see. It was situated in my constituency, although it moved out to Cumbernauld. Apparently, its legal HQ is to remain in Scotland but the operational HQ will be down south. The merger with Britvic is apparently to lead to 500 job losses, with Britvic being the larger partner and having some 63 per cent of the business.

Despite the fact that the company that makes Irn-Bru may nominally be a leader in that merger, the fear is that the larger partner always tends to dominate in such matters. I think that it was Henry VIII who pointed out that, when there was a marriage between the royal families of England and Scotland and the potential for a joint monarch, the larger would always dominate the smaller. In a sense, he foresaw James VI moving to London.

Those were my two examples until I watched television last night and saw the fascinating report on the whisky industry. I was particularly interested in the Guinness takeover of Distillers. The promise was made that the combined company's HQ would be in Scotland but, as we know, that did not happen.

Much policy on mergers and acquisitions is now decided at a European Union level, so it is not totally within the control of even the United Kingdom Government. However, are France and Germany better at keeping their own companies under local control than we are? Are French and German shareholders more loyal? Do they take a longer-term view, with UK shareholders taking a

short-term view? Do the German banks, for example, tend to be involved in a company more for the long term than just for the short term?

UK and EU policy seems to assume that all mergers and acquisitions are good except in the very few cases in which a monopoly might be created or the European defence industry might be damaged.

The Royal Bank of Scotland was the subject of a number of takeover bids before it grew as large as it did. Many of them were opposed in Scotland, but RBS takeovers were eventually allowed. Perhaps they should not have been. If a takeover is bad when the new company is based in London, it is probably equally bad if it is based in Edinburgh.

I am not saying that all mergers and takeovers are bad. Although I was not keen for British Caledonian Airways to be taken over by British Airways in 1988—once again killing off almost all BA's competition in the UK—I accept that air travel is largely an international marketplace and that we should ensure that there is healthy competition primarily at that level.

I was interested to see in *The Herald* on Wednesday 2 January a forecast for mergers and acquisitions in 2013. Again, the assumption seemed to be that they are always a good thing and show growth in the economy, as they create business for certain lawyers and accountants.

The result of that free-for-all policy has been banks that are too big to fail and which we are now thinking of breaking up. We have four large accountancy firms in the world, so there is no real competition if audit goes out to tender and it is hard for medium-sized firms to break through. International companies make profits that they move around the world, and we are unclear where those profits were made.

I was interested in the Institute for Public Policy Research's report in which it complains about lack of competition leading to artificially high banking costs. It says:

"The best way to increase competition ... would be to break up the banks."

If the banks are too big now, we should presumably be trying to prevent them from becoming bigger in future.

Present mergers and acquisitions policy in the UK and EU has not been a great success. Regardless of whether we are independent, there need to be improvements, particularly in Scotland. We must be able to start businesses, and we seem to be able to do that. However, once they grow, we need to be able to keep them based here—we need to keep headquarters here.

12:39

Hanzala Malik (Glasgow) (Lab): There is always a fear of job losses and an indirect impact on jobs in the supply chain when a large-scale merger is planned, but the proposed merger of BAE Systems and EADS needs to be looked at in a different context. The fact that it is not to be allowed means that the proposal had shortcomings.

I agree with the motion that we cannot assume that all mergers are good—or that they are all bad—and that we need to look carefully at the detail of each case. In this case, as in others, the merger would have impacted on more than just the companies involved. It would have impacted on suppliers—small companies—that engage with them. Sometimes that effect is not clear and the total number of job losses cannot be calculated. In the cases that are cited in the motion, such as the merger of RBS and ABN AMRO, the devil was in the detail. In a time of economic instability, lessons need to be learned about the weaknesses in the system of regulating mergers and acquisitions.

I believe that the House of Commons Defence Select Committee's inquiry into the merger and its potential impact on Scottish jobs was important, but the big threat that was perceived to exist to jobs on the Clyde was the uncertainty caused by the lack of defence orders and the threat that Scotland might leave the United Kingdom. We need to protect our industry from those fears, so it is important that we ensure that Scottish firms, in particular, are encouraged to engage with one another rather than look elsewhere.

In addition, when mergers are considered, the Government has an important role to play. Historically, Governments have not played that role. We have allowed companies to make commercial decisions by themselves, but when a merger would impact on jobs and the growth of industry, I think that we have a role to play, primarily to provide assistance. When companies go overseas, all sorts of shortfalls are left in Scotland. I cite the example of the wind farm manufacturing industry that we no longer have in Scotland. Although we might be one of the leading countries in the world when it comes to renewable energy, we do not have a leading manufacturing position. In many cases, imports are being considered.

We need to export; without exports, we will not grow. The Scottish Government needs to have a policy that sets out what it is willing to accept as far as mergers are concerned. Although I agree in principle with the motion, I believe that we need to ensure that we support our industry more than we have done and that we do not simply rely on Scottish Enterprise and others. The Government must play a bigger role. We must support our

industry. If we do not, we will not be able to support and maintain jobs. Therefore, I ask the Government to look at how it can make a positive contribution in that area.

12:43

Richard Lyle (Central Scotland) (SNP): I thank John Mason for securing the debate, and I welcome his comments and those of Hanzala Malik.

It is important that the debate is a positive one. It is often the case that a merger or acquisition is positive for the companies involved and the national interest, encourages growth in the economy and provides stability for the companies concerned.

That said, there have been some recent high-profile cases that have brought to light aspects of merger and acquisition policies that it might be in the public interest to look at. The case of RBS has been mentioned, but I want to talk about the merger between Lloyds TSB and the Bank of Scotland in 2008, which is particularly interesting. Although the merger took place in exceptional circumstances at the height of the economic crisis, it was allowed to go ahead. Questions were raised about the legality of the merger, which in normal circumstances would most likely have been blocked by a competition watchdog, as it created a huge firm with 22 million customers. The deal was pushed through only by the use of a national interest provision in competition law, which allowed the UK Government to override any objections that watchdogs raised.

The deal was completed and allowed the newly merged companies to survive the worst of the economic downturn. However, serious concern was expressed about whether the deal delivered the best for the customer, because it caused a lack of competition. John Mason mentioned the fact that banks have got bigger.

More recently, the high-profile proposed merger of BAE Systems and EADS highlighted the possible need to re-examine merger and acquisition policies. David Cameron was put under pressure by a number of his back benchers, who were concerned that that merger was not in the UK's national or manufacturing interests. I am sure that members are aware that, as has been said, that deal fell through because the UK, French and German Governments could not reach a compromise to suit all three nations.

As I said, not all mergers and acquisitions are detrimental, despite the uncertainty that they bring to the workforce of the companies involved. The merger between Scottish Power and Spain's second-largest electricity company, Iberdrola, has brought benefits to both companies and to the

public whom they serve. That merger created the world's largest wind power developer, which invests 25 per cent of its business in renewables. In turn, that has helped Scotland in its desire to lead the world on renewable energy. Scotland is also first in line for investment from the newly merged company, as it has 24 per cent of total investment. The company will invest nearly £4 billion in the next three years.

Despite that, it is important to review mergers and acquisitions policy, to ensure that the best outcomes are achieved for the national and public interests. I thank John Mason again for bringing the debate to the chamber.

The Deputy Presiding Officer: I call Gavin Brown, to be followed by the minister—the cabinet secretary—for the closing speech.

12:47

Gavin Brown (Lothian) (Con): That was a nice promotion, Presiding Officer. The phrase “Cabinet Secretary Fergus Ewing” has a nice ring to it.

When I first saw the motion, I had two observations. The first was to ask whether John Mason is a man of extraordinary power and influence because, on 8 October 2012, he lodged the motion, which cast doubt on the potential merger between BAE Systems and EADS, and days later—on 10 October—the deal was aborted. Some say that Angela Merkel put the final nail in the coffin; some say that John Mason had the larger influence.

Aside from that, I am slightly unsure about exactly what Mr Mason wants to happen. He gave us a list of mergers and acquisitions with which he was uncomfortable and which he did not think had succeeded. My view on Scottish Power and Iberdrola differs slightly from his; on many levels, that merger has proven to be successful and enduring. He was absolutely right about the merger of AOL and Time Warner—a corporate disaster that was so bad that a demerger took place afterwards. There is now no AOL Time Warner.

I got the impression that Mr Mason's starting point was that mergers and acquisitions are potentially negative, in the main, and that UK or Scottish companies are more likely to be taken over than to take over others. I looked at an Office for National Statistics bulletin on mergers and acquisitions, to get a flavour of what happens out there in the marketplace. The most recent publication came out at the start of December last year. In quarter 3—the most recent quarter for which we have figures—outward mergers and acquisitions, which involve UK companies taking over overseas companies, amounted to £7.8 billion, while inward mergers and acquisitions,

which involve UK companies being taken over, amounted to £8.6 billion. Slightly more UK companies were taken over than were taking over. In quarter 3 of the previous year, the figure for UK companies that took over foreign companies was £6.8 billion, and the figure for UK companies that were taken over by foreign companies was £5.1 billion. Therefore, I am not convinced that everything is one direction; things seem to ebb and flow year on year.

On the bald numbers, there were 736 mergers or acquisitions over £1 million in 2010, and 896 mergers or acquisitions over £1 million in 2011. Most of those mergers and acquisitions happened without comment. There has been no fall-out and there have been no negative consequences. Merger and acquisition activity is a normal and critical part of a successful economy.

John Mason is right to point out that there are dangers and that not every merger or acquisition will have a successful result, but the system that we have is fairly robust for most of the time. We have the combination of the Office of Fair Trading and the Competition Commission. The secretary of state has limited—I stress the word “limited”—powers to intervene, of course. There is also the Panel on Takeovers and Mergers, which is now on the 10th edition of its takeover code. It has more than 300 pages and the express interest is in having orderly mergers and takeovers and in protecting offeree shareholders. Therefore, the position is not entirely negative. That said, regardless of the system that we have, there will, of course, be some mergers and acquisitions that simply do not work.

The Deputy Presiding Officer: I call the minister, Fergus Ewing, to close the debate.

12:51

The Minister for Energy, Enterprise and Tourism (Fergus Ewing): I am indebted to John Mason for bringing the topic before members.

In his speech, John Mason set out the potential benefits and potential risks that are attached to mergers and acquisitions. That balanced approach is correct.

Mergers and acquisitions are a reserved issue. As far as I know, they have not been frequently debated in the Parliament, if at all.

Obviously, I have analysed the relevant legal provision that exists, which stems from the Enterprise Act 2002, and the role of the Office of Fair Trading, which can investigate mergers that either meet the turnover test or the share of supply test. The turnover test is whether the target company has a UK turnover that exceeds £70 million. The share of supply test is met if the

merging parties will supply together at least 25 per cent of goods or services of a particular description either in the UK as a whole or in a substantial part of it. I have much more information, but there is no point in my reading it out. However, I thought that it would be useful to start off from that standpoint of legal fact, as that is the legal backdrop against which the UK Government considers these matters. It should be pointed out that that led to the failed merger talks between BAE and EADS.

I believe that mergers and acquisitions can enable the injection of significant amounts of capital into businesses, and that they often do so. It is undoubtedly true that businesses that operate in various sectors require capital in order to succeed, and it is self-evident that companies that make profits are better than companies that make losses, not least because the latter tend not to have good survival prospects, so the stakes of customers and employees are at risk. Well-capitalised companies are therefore in the public interest. It is in the public interest that companies have the capital to make the investment that is necessary to remain competitive and succeed globally.

My experience of visiting companies in 20 months has been not insubstantial. I have visited a great many companies that have benefited from investment from furth of Scotland, and that is a good thing. The Scottish National Party has never proposed putting a tartan curtain around Scotland that would deter foreign investment. Just this morning, I opened the offices of UFW, which is a company that has established an ecohub and brought together small businesses to see a display of various types of renewable installations, which the public can also go and see. What a great thing. The company is not owned in Scotland but, on behalf the Scottish Government, I welcomed our friends from south of the border and the contribution that they are making.

On a larger scale, INEOS, Dana Petroleum and Talisman Energy have received substantial investment from China. I cannot speak for the companies, but my understanding is that often such investment provides a long-term perspective and means that they can take a longer-term view. In sectors such as oil and gas and in the refining business, the scale of the investment is enormous.

I have also had the pleasure of visiting companies such as FMC Technologies and Oceaneering at their headquarters in the United States of America. John Grempe, the chief executive officer of FMC Technologies, told me, "There are only three guys that ever come and see me—Singapore, the state of Louisiana and Scotland. I like Scotland." He went on to add that

he was not a wild fan of federal government, for reasons that one may deduce.

There is confidence in Scotland in many sectors of the economy where we have great strengths. That confidence comes from knowing that, in this country, we welcome investment. It is difficult to generalise about whether mergers and acquisitions are in themselves a good thing. They are, after all, simply mechanisms and structures. What is more important is that Scotland is the best place in the world to do business. I want that to be the case and I believe that in many cases Scotland is seen as pre-eminent. Yesterday evening, we had a reception for the oil and gas sector that was extremely well-attended and the general mood was one of optimism and a belief that Scotland is a good place to do business.

My friend Mr Malik made a number of points. For the record, I strongly disagree with a number of his contentions. We have wind turbine manufacturing companies with a presence in Scotland. Gaia-Wind Ltd in Glasgow manufactures turbines and I believe that Wind Towers in Argyllshire also manufactures turbines. In addition to that, we have attracted most of the large players in the world. I believe that Gamesa and Arriva have commitments to come to Scotland and that is welcome.

The presence of such companies has been hard fought for by Scottish Enterprise, Scottish Development International and Highlands and Islands Enterprise. Every single major inward investment is a result of a huge amount of work. It cannot be otherwise. We cannot expect any company to invest in Scotland just because we wish it; we have to show commitment and we have to provide the relevant support. In my experience, most companies are not looking for large cheques. They want to know that they are coming to a country where there is a supply of labour; a positive attitude to work; a supportive Government environment; and sufficient governmental support for training and for additional costs that may arise from taking particular premises from a multitude of areas.

We do our best to provide all that but, above all, companies like the can-do attitude and, if I may say so, the direct access that they have to me, the First Minister and the Cabinet Secretary for Finance, Employment and Sustainable Growth. We will move heaven and earth to attract major investment to Scotland; we do it every day. We provide that leadership across a whole range of sectors that are doing very well—oil and gas, renewables, finance and also the chemical industry, which I believe does not receive sufficient coverage. The tourism sector is doing so well that, as the First Minister said, Scotland has been singled out by CNN as being one of the best

countries, if not the best country, to visit in the world. Such things do not happen by accident; they happen because of the people involved in the business.

Therefore, although I am grateful to Mr Mason for raising the topic of mergers and acquisitions, it seems to me that the more fundamental point that we should bear in mind—one that should be the leitmotif for our policy on enterprise—is that we must continue to strive and to look forward to tomorrow, rather than praising ourselves for what we may have had a part in achieving yesterday, to ensure that Scotland is the best place in the world in which to succeed in business.

12:59

Meeting suspended.

14:30

On resuming—

Youth Employment

The Deputy Presiding Officer (John Scott):

The first item of business this afternoon is a debate on motion S4M-05319, in the name of Angela Constance, on action to support youth employment.

The Minister for Youth Employment (Angela Constance): I wish all my colleagues across the chamber a happy new year.

Today's debate is timely, not only as we look forward with hope and ambition to 2013, but as we look back on, reflect on and learn from our progress and the challenges over the past year. I do not need to tell members that youth unemployment remains one of the most important challenges that we and other Governments across and beyond Europe face.

For the past year or so, it has been my job to put young people at the heart of our response to rising youth unemployment, to marshal resources across the Government and to harness support from others outside Government—the business community, as well as the public sector and the third sector. My job has been to spearhead a national response to a national challenge.

The good news is that the youth unemployment rate in Scotland has decreased over the year. Scotland now has 25,000 fewer unemployed young people compared with this time last year. That represents the biggest decrease in youth unemployment since the figures were first collected on the current basis in 2006.

The most recent set of employment figures showed Scotland's progress on youth employment: we have higher youth employment, lower youth unemployment and lower economic inactivity among young people than anywhere else in the United Kingdom.

However, that is not enough. Although it is all a welcome step in the right direction, there is much more to do. As I look forward to 2013, I ask everyone across the chamber to work together to increase our efforts and strengthen our resolve to do all that we can to support young people towards and into employment.

Mary Scanlon (Highlands and Islands) (Con):

The Conservatives also welcome the reduction of 25,000 in unemployment. However, the same table on the same page of the statistics states—I have checked this with the Scottish Parliament information centre—that there are 4,000 fewer 16 to 24-year-olds in employment. The minister just

said that there were more in employment, but the figure clearly states that there are fewer.

Angela Constance: Yes, there was a marginal reduction in the employment figure. I was trying to say that, in comparison to the UK, we perform better on employment, inactivity and unemployment. However, Ms Scanlon is factually correct to say that there is a marginal reduction in the employment figure. From memory, I think that it was either 0.1 or 0.2 per cent.

The employability fund forms part of the Scottish Government's commitment to supporting people towards and into work. It sits alongside a unique guarantee of a place in education or training for all 16 to 19-year-olds; at least 25,000 modern apprenticeship places in every year of this session of the Parliament; and the upcoming £15 million employer recruitment incentive.

Colleges are key providers of employability provision, but they are delivering in a period of considerable change, so we are responding positively to their call for stability. That is why we have asked the Scottish Further and Higher Education Funding Council to allocate £18 million to colleges within the existing committed resources for 2013-14 in addition to the £6 million that they will get from Skills Development Scotland. That money forms part of our £500 million-plus commitment to colleges that was previously announced in the draft Scottish budget. It also reaffirms our support for the work that the sector does to help people to get jobs.

Central to our endeavours as we move forward in 2013 is making the business case to employers that young people can play a strong part in our economic recovery. That is highlighted in the make young people your business recruitment campaign for young people, which I launched just before the recess. That campaign is about changing hearts and minds. There are around 330,000 companies in Scotland of all shapes and sizes, and around 86,000 young people in Scotland are looking for opportunities to work. Between us, I am sure that we can find ways to mobilise our combined resources and shared appetite to help young people move towards and into employment, thereby giving them hope for their future.

In that work, we are not just responding to recession. The Government is undertaking a wide programme of reform. It is tackling structural issues to drive employment opportunities through reforms to the post-16 learning system and is delivering on the promises of curriculum for excellence to better prepare our young people for the jobs of the future. The scale of our ambition is not limited to achieving a return to pre-recession levels of youth unemployment. Prior to the recession, during a time of economic growth, rates

of youth unemployment in Scotland were still around 14 per cent, which, to my mind, is far too high.

With that in mind, I recently visited Brussels and the Hague to investigate why a small cluster of northern European countries have continued to experience very low levels of youth unemployment during the economic downturn. I want to replicate that success for Scotland's young people, because they deserve nothing less.

This Government is ambitious for all of Scotland's young people. Action for jobs, our youth employment strategy, sets out short, medium and long-term actions to support young people. It is built on three strategic themes: adopting an all-Government, all-Scotland approach; enhancing our offer to and support for young people; and engaging with employers. Above all, it is a call to those who can effect change—those who can bring people together to provide better solutions for the young people who are out of work—to do so.

As part of our all-Government, all-Scotland approach, I have led a series of regional action forums, which have involved young people who are affected by unemployment in action-focused discussions with local employers, key stakeholders and many MSPs who are here today. I have also held a national rural skills summit and a women's employment summit, and last month, in partnership with Young Scot and the Scottish Youth Parliament, I hosted a national employment summit for young people, which brought together more than 100 young people and gave them the opportunity to engage directly with a range of Government ministers and other senior stakeholders to identify what measures would be most effective in supporting them towards employment.

Those events have given me an opportunity to engage directly with young people and employers, both of whom have been clear on how we can help them to succeed. They have told me that we need a more joined-up skills and employment system and more support for employers to recruit young people; that young people want better careers guidance; and that young people have asked for more high-quality job opportunities and work experience.

In response to that, we are enhancing our offer to young people. Overall, we are harnessing additional resources across Government and our agencies up to the value of £80 million to support some 23,000 young people towards and into work. We have made clear our unprecedented commitment to young people in Scotland through opportunities for all and have prioritised 16 to 19-year-olds in the 46,000 training places, including 25,000 modern apprenticeships, that will be

available each year for the duration of the parliamentary session.

We are modernising the careers services by making them more flexible and responsive to the needs of our young people. Graduates, too, are being supported by the provision of high-quality, paid graduate placement programmes. We are piloting a scheme to offer recruitment incentives to small companies to take on an unemployed graduate. To support young entrepreneurs, the Scottish Investment Bank has allocated around £1 million for 2012-13 to the revolving loan fund, which will support young people who are interested in starting or growing their business through access to loans. In the coming year, we will build on that work and will continue to respond to the needs of young people and employers.

I will continue to engage with employers of all sizes and in all sectors to identify and address the barriers that they face in employing young people. Yesterday, I visited Stepper Technology, which, in the past year, along with its sister company MES Marine & Engineering Services, has taken on 22 new employees, of whom 15 are under 24. Stepper Technology feels that the business community has a social responsibility to ensure that young people are employed and well trained.

Bigger companies—such as Diageo, which is investing £5 million of its own money in youth programmes—know that it makes sense to recruit young people. They are passionate about helping young people to grow and to realise their full potential, because they get it—they know that their success in the future will depend on the quality of the young people whom they attract now, so recruiting some of the best and brightest young people is a key part of their strategy. Through such practices, they can be safe in the knowledge that skills will be passed on to the next generation, which enables companies such as Diageo to remain world leaders in the highly competitive spirits industry.

We are responding to help employers to recruit young people. The employer recruitment incentive, which John Swinney announced in the draft budget, will support about 10,000 young people into work. The our skillsforce service, which draws together national and local services, will help employers to plan, recruit and develop skills for the workplace. That has been directly influenced by feedback that was received from employers during my series of action forums.

Kezia Dugdale (Lothian) (Lab): The minister will be aware that business is keen for the conditions of the employer recruitment incentive not to be too strict. Will she confirm whether, when she releases the details, the incentive will focus on 16 to 19-year-olds or be broader than that?

Angela Constance: We will release the details very soon. The thinking behind the employer recruitment incentive is very much that it should enhance our offer to older young people, by whom I mean 18 to 24-year-olds. We have a good offer to 16 to 19-year-olds, and we wanted to do something to extend our offer to other young people.

Ms Dugdale is right that it is important to have something that is easy to use and easy for business to work with. We also want to ensure additionality from the use of public resource. We are working closely with colleagues in local government, trade unions and the Federation of Small Businesses on how, in addition to providing financial incentives, we can help small businesses and microbusinesses to recruit young people and on how we can help those businesses with practicalities.

There is demand from employers. The UK Commission for Employment and Skills employer perspectives survey report, which was published on 12 December, showed that employers in Scotland were more likely than those in the rest of the UK to have taken on someone who is under 25 in the 12 months that preceded the survey.

The public sector is rising to the challenge, too. I have asked public bodies and other agencies to create opportunities for our young people. I am heartened by the response so far but, as always, there is more to do. Perth and Kinross Council is committed to offering 50 modern apprenticeship places for the next three years, Scottish Enterprise recently recruited 20 new apprentices, with a view to doubling its young workforce, and NHS Tayside is developing a modern apprenticeship in care.

I will highlight a proposal from the European Commission, which suggests a European Council resolution to introduce a youth guarantee across European member states. That would seek to provide young people up to the age of 25 with an offer of employment, further education or training within four months of becoming unemployed or leaving formal education. I support that proposal, which is worthy of further debate and exploration. It is clear that public employment services are fundamental to the success of such a scheme. With that in mind, I have written to the Secretary of State for Work and Pensions to suggest an early discussion of an approach across the UK that will work for Scotland.

We are in the midst of a debate about the sort of country that we want to live in—I, for one, want to live in a nation with a Parliament that has the full range of job-creating powers—but, right now, we must all continue with our all-Scotland, all-Government approach. I include everybody in the Parliament in that. Members are rooted in their

communities—they know the businesses in their areas and the needs of their young people.

Many members have already directly responded to that by, for example, hosting jobs fairs or other events that relate to important sectors in their areas. I commend those efforts and I ask all members to do more for the young people in their constituencies. In the same way as members urge me and the Scottish Government to do more, I very much believe in a relationship of mutual challenge.

We each must play our part to make young people the business of all of us and to do all that we can to support them through the current difficult economic times. Above all, we need to ensure that our young people have hope and ambition for the future and that they do not become disengaged from society and become just another unemployment statistic. I look forward to this important debate.

I move,

That the Parliament supports the Scottish Government's "all-Government, all-Scotland" approach at the centre of Scotland's Youth Employment Strategy, which has had a positive impact on the challenge of youth unemployment; further welcomes the launch of the Make Young People Your Business campaign; recognises that this approach is vital in the development of Scotland's young workforce; agrees that all MSPs have a role to play in their constituencies to actively encourage local employers and other partners to do more, and welcomes the decrease in youth unemployment by 25,000 seen in the December 2012 labour market statistics.

14:45

Ken Macintosh (Eastwood) (Lab): I do not know whether it was because of the festive cheer or our communal new year resolutions, but the two debates that we have had in our first week back—on employability and, yesterday, the oil and gas industry—have been characterised by a remarkable display of consensus across the chamber. We have managed to put more emphasis on that which we have in common than on that which divides us.

I assure members that we in the Labour Party stand ready to make common cause with colleagues from all sides in the face of the economic difficulties that we face. Perhaps few of those difficulties are much more formidable than that of mass unemployment.

Unfortunately, just as the attractions of the 1 January pledges to eat a little less and take a little more exercise begin to wear off with each successive visit to the gym, so our enthusiasm to reach out across the chamber yet again this week is waning. It is not that we doubt the minister's intent to tackle youth unemployment, but that the motion is too complacent to capture either the

scale of the challenge or the political energy and drive that are needed to overcome the problem.

More worryingly, the Scottish Government's actions simply do not match its words. I am not trying to pretend that the Scottish National Party does not care about unemployment and that it is, for example, in the category of those who believe that unemployment is a price worth paying. Far from it. My frustration results from the lack of delivery. Where exactly is the action that is spoken of in the title of the Government motion? My fear is that we are seeing a return to the party that talks a lot about its good intentions, but does very little to make them happen—to the party of broken promises, which promised so much on class sizes, school meals and the writing off of student debt, but has failed to deliver on any of those pledges.

Kenneth Gibson (Cunninghame North) (SNP): Mr Macintosh will not be very happy this week after the child benefit changes.

Is Mr Macintosh not disappointed—embarrassed, even—that, according to evidence that is presented in table 1 of the Finance Committee's employability report, the number of 16 to 19-year-olds not in employment, education or training in Scotland was 5,000 more in 2005 than in 2011? That was pre recession, when Labour was in control at Holyrood and Westminster and in most local authorities in Scotland.

Ken Macintosh: Mr Gibson makes a couple of serious points. He has reminded me that, as a father of six children with an income of between £50,000 and £60,000, I absolutely have not been happy about the child benefit changes.

Mr Gibson is right to identify the fact that long-term youth unemployment was rising before the current recession and therefore cannot be put down entirely to that. However, it has been exacerbated by the recession. That reinforces my point that we should all be taking decisive action. We are absolutely willing to stand shoulder to shoulder with the SNP in tackling the problem, but we do not see enough evidence of action from the Government.

Mary Scanlon: Given that Mr Gibson has compared the 2005 and 2009 figures for those not in education, employment or training, it is only fair to compare the figures for 2007 and 2011, which is the most recent date for them. I can confirm that 9,000 more people are not in education, employment or training.

Ken Macintosh: Mrs Scanlon is less charitable to Mr Gibson than I was prepared to be, but she is absolutely right. The difficulty is that I find the gloss that the SNP constantly puts on figures and its selective quoting of statistics to be simply misleading. That demeans the seriousness of the

problem and the situation, and stands as a barrier between us and concerted action across the Parliament.

Angela Constance: Will the member take an intervention?

Ken Macintosh: I am sorry. I normally take all interventions, but I want to make a little progress.

I assure members that we believe that full employment should be the Parliament's overriding ambition. One way to start is to agree on the scale of the problem that is before us, because I was slightly worried by the gloss that was being put on it by the minister in her opening speech. More than 20 per cent of all young people who are eligible to work are officially unemployed. Unemployment has risen remorselessly since 2008. We have in effect returned to the mass unemployment of the 1980s and 1990s, but this time with a particularly devastating focus on the young.

As we have heard in our constituency surgeries, in evidence to parliamentary committees and in the experience sometimes of friends and family, youth unemployment is not just emotionally debilitating, with an immediate impact on individuals and their families, but has a long-term scarring effect on many. As described by economists David Bell and David Blanchflower, unemployment

"while young, especially of long duration, causes permanent scars rather than temporary blemishes".

People who experience long-term unemployment in their youth are more likely to experience unemployment later in life and less likely to earn as much over the course of their careers. The worrying fact is that alongside mass youth unemployment we have growing long-term unemployment. The unemployment figures are striking—they have risen every quarter except for two since the middle of 2008.

Of particular concern to me, despite the minister's figures, is that long-term youth unemployment appears to be worse here in Scotland than it is across the UK. A further worrying feature of this recession, compounding matters and adding—

Angela Constance: I agree entirely with Mr Macintosh on the scale and scope of the problem and I am well acquainted with Danny Blanchflower's research. Mr Macintosh is right to point out that long-term unemployment amongst young people in Scotland has quadrupled. That is one of the reasons why we are introducing an employer recruitment incentive.

Does Mr Macintosh accept that at least we now know the figures for the long-term unemployed? Under the Tory Government work programme, people were counted as employed when that was

not the case—those who had signed up to the new deal were removed from the unemployment statistics. I recognise that unemployment is still too high.

Ken Macintosh: I am delighted to hear the minister talk about transparency and figures, particularly given the budget process that we are all going through, in which we seem to have to wrestle in every committee to get level 4 figures—to get any information—and in which, to be honest, this Parliament is sometimes on the verge of being treated with contempt by the SNP with regard to access to information.

I am not sure whether to mention this, but Danny Blanchflower, I believe, is a former football manager—a great one—of Chelsea and of Northern Ireland and David Blanchflower is the economist. I think that the First Minister confuses his football managers and his bank managers sometimes, too.

Another feature of this recession is underemployment. I am delighted to see that the Parliament's Economy, Energy and Tourism Committee has established an inquiry into underemployment, although Professor David Bell's evidence this week that the youth unemployment figures underestimated the extent of the problem was disconcerting.

According to Professor Bell, the number of part-time workers, including those who are self-employed, has risen by more than 70,000 since 2008 and that has been matched by a dramatic fall in the number of hours worked by full-time staff. The experience of so many individuals in this situation is not revealed in the official unemployment statistics, but the reduced hours, the move from full-time to part-time work and the loss of overtime are felt in increased hardship.

That has been backed up by research carried out by Citizens Advice Scotland that highlighted invisible underemployment—young people withdrawing from the labour market altogether or working in jobs where their skills are not adequately utilised, displacing others.

Women in particular are on the receiving end, both of the increase in unemployment and of increased underemployment. Women are more likely to be in low-paid work, more likely to work part time and less likely to have savings. They face a greater risk of immediate poverty should they lose their jobs. What that means for families is revealed by the Scottish Government's own statistics, the most recent of which are for the year 2010-11. They show that the average Scottish household income fell by almost £1,200 per year.

I hope that we can all agree on the extent and the seriousness of the unemployment situation in Scotland. I acknowledge that there are steps that

the Government has taken that we can agree on. The appointment of a Minister for Youth Employment was something that Labour called for and certainly supports. The allocation of additional resources, with £36 million of funding announced last year, is also welcome. However, it is difficult to see much evidence to demonstrate the overall effectiveness of Scottish Government interventions and we have a deep concern at the Government's lack of consistency in tackling the employment challenge.

For example, even in today's motion I am unclear whether the Government is claiming that the supposed decrease in youth unemployment of 25,000 last month was due to actions that it had taken. If so, which specific actions can the minister point to and what evidence does she have of their impact? I am not suggesting for one second that the SNP caused the problems that we are facing, but I question whether it is doing enough to counter unemployment and whether its delivery matches its oratory.

Most SNP and Labour members are united in opposing the UK Government's policies on the economy, and the SNP is lined up behind Labour in resisting austerity economics and calling for a more Keynesian approach. However, there is little evidence that the SNP is backing those words with actions here in Scotland.

Rather than mitigating or trying to counter the austerity approach, John Swinney simply appears to be passing on the Tory cut, and sometimes making it worse. I find it particularly depressing that, while the Tory Government has a target of reducing the public sector by some 500,000 posts, John Swinney is doing exactly the same here in Scotland.

I direct members to the recent article by Dave Watson of Unison, which points out that we have already lost 50,000 posts in the public sector throughout Scotland. The majority of those are in local government—cleaners, caterers and carers—but they are also midwives and nurses, because of the real-terms cut to the national health service budget. That is not just affecting vital services, but sucking demand out of the economy.

Annabelle Ewing (Mid Scotland and Fife) (SNP): Will the member give way?

Ken Macintosh: Shall I take another intervention, Presiding Officer?

The Deputy Presiding Officer: I would be grateful if the member could just draw to a close gradually.

Ken Macintosh: Very well, Presiding Officer. I had a lot more to say, but I will conclude by pointing out to the Government that its cuts to the

public sector, and to colleges at a time when young people need opportunities and skills, are absolutely the wrong steps to be taking.

Cutting the housing budget has had a dramatic effect on the construction industry and has depressed demand at a time when we should be increasing it. There are actions that the Government could take now on colleges, housing, rail investment and childcare that would not cost any money and would make a difference.

It is time that the Government woke up from its complacency and realised that fine words and good intentions are not enough. Scotland's young people need action, and they need it now.

I move amendment S4M-05319.2, to leave out from "the Scottish Government's" to end and insert:

"an 'all-Government, all-Scotland' approach at the centre of Scotland's Youth Employment Strategy; notes with concern that, according to the December 2012 labour market statistics, more than one in five young people eligible to work are officially unemployed and that long-term youth unemployment is higher in Scotland than in the rest of the UK according to the latest claimant figures; further notes the comments of Professor David Bell to the Economy, Energy and Tourism Committee that youth unemployment figures underestimate the problem; believes that the 24% real-terms cut to college funding between 2011 and 2015 threatens to exacerbate rather than improve this situation and that cuts to Scotland's housing budget similarly threaten growth and apprenticeship opportunities; is concerned that current efforts to tackle youth unemployment through the modern apprenticeship programme are falling short of the needs of young unemployed people in Scotland; believes that the Scottish Government could do more, for example, on investing in transport, improving childcare and better use of government procurement to tackle Scotland's unemployment and underemployment crisis, and agrees that all MSPs have a role to play in their constituencies to actively encourage local employers and other partners to do more."

14:56

Mary Scanlon (Highlands and Islands) (Con): We very much welcome the estimated reduction of 25,000 in the unemployment figures for 16 to 24-year-olds over the past year. We hope that it is the start of a downward trend, and an opportunity for all those people to gain work experience, training and skills and to secure employment in the future.

However, over the same period that unemployment for 16 to 24-year-olds has fallen by 25,000, the number in employment has fallen by 4,000. There are 25,000 fewer young people unemployed, but 4,000 fewer in employment. I am sure that there may be a very good explanation for that, and I ask the minister if she could give us her thoughts on that in her summing up.

Kenneth Gibson: Young people being in training and education will account for many of those figures.

Does the member not think that unemployment would be a lot lower in Scotland if the Tories had not imposed an extra £1 billion VAT burden, taken £100 million out of our pension pot and cut our capital budget by 26 per cent and our resource budget by 11.6 per cent, and if they were not going to impose a £2.5 billion cut in the Scottish economy to 2015 through their welfare reform proposals?

Mary Scanlon: The unemployment situation in Scotland—and especially education, skills and training—would be massively improved if there was not a 24 per cent cut to the college budget, particularly given that the bulk of that cut is to the teaching budget. I say that as someone who spent more than 20 years teaching in further and higher education before coming to the Parliament. It is time that the Government woke up, took responsibility for all the powers that it does have and did its best for Scotland, rather than constantly blaming Westminster.

I come back to the table of figures that I mentioned to the minister, which also highlights an estimated increase in the inactivity rate from 27 per cent to 31 per cent—just over 4 per cent. There are 24,000 more young people who are deemed to be inactive than there were a year ago; the figure is up from 161,000 to 184,000. Again, there may be a good explanation for those figures and I would find it very useful to find out exactly what that is. The figures seem to me, as an economist, to point to quite a serious concern.

The motion

“further welcomes the launch of the Make Young People Your Business campaign”.

That campaign is very welcome. If we are serious about helping young people into employment, it is right to form good working relationships with the private sector and the third sector as well as the public sector.

The guide “Making Young People Your Business” has been endorsed by the John Lewis Partnership and others who offer graduate programmes, internships, apprenticeships and work experience. They see young people as a benefit to their business, as the minister said, as they adapt to the latest trends, give insight into new markets and bring their information technology skills with them. Nonetheless, it is disappointing that only 25 per cent of businesses in Scotland have recruited straight from school, college or university in the past two to three years. A more flexible approach is needed, given that so many young people cannot get jobs because they have no experience, but they cannot get

experience without getting a job. As was debated earlier in the week, the clear message here is to build employability skills.

I was surprised that the minister did not mention the Prince’s Trust, although I appreciate that she cannot mention everything. However, in my research for this debate, I discovered that the trust does an awful lot more for young people than I had appreciated. For example, it has a team programme that teaches young people the benefits of team working and it provides a residential course, work experience and grants of up to £500 to fund tools or equipment needed for a job or a course. The grant can be used, for example, for hairdressing kits, carpentry tools or chef’s whites. Those are all difficult to fund if someone is unemployed. There is also the enterprise programme, with workshops, mentoring and start-up funding. I just hope that the systems are in place for those opportunities to be made available to all those who could benefit from them. It is far better for someone to start off their working life with a grant rather than a loan, as was mentioned. [*Laughter.*]

I hope that the free vacancy advertising— [*Interruption.*] SNP members may think that it is funny to try to help young people into work, but I do not.

The Cabinet Secretary for Education and Lifelong Learning (Michael Russell): Will the member take an intervention?

Mary Scanlon: No. I am nearly finished.

I certainly hope that the free vacancy— [*Interruption.*] I ask SNP members to stop laughing, because I would quite like to be able to continue.

I hope that the free vacancy advertising service, recruitment incentives, wage subsidies, work placements, internships and the fully supported modern apprenticeship programme will ensure a reduction in the numbers of those not in education, employment or training. The latest information from SPICe is that that figure is still 31,000, but it is based on 2011. As I said earlier, the figure has gone up 9,000 since the SNP came to power. I hope that, as with the unemployment figures, that figure is falling. We are probably due an updated figure in that regard.

On the cuts to the college budget, there is no doubt that reducing the number of training places for 16 to 19-year-olds has a devastating effect on giving young people the opportunity to get into employment. The Conservatives will, therefore, support the Labour amendment. We think that it is more thorough and considered and that it looks at a wide range of initiatives that are needed to address youth unemployment.

The Deputy Presiding Officer: We now move to the open debate. I call Gordon MacDonald, to be followed by Jayne Baxter. Six minutes please, Mr MacDonald.

15:03

Gordon MacDonald (Edinburgh Pentlands) (SNP): Scotland has more than 600,000 people in the age range 16 to 24, of whom nearly a third are students, over half are employed and just under 15 per cent are unemployed. Even when using the international standard of comparing the level of youth unemployment with the number of those who are economically active, Scotland's rate of 21 per cent is lower than the UK's and the European Union average and, thankfully, it is nowhere near the levels recorded in summer 2012 of 55 per cent in Greece, 53 per cent in Spain and 35 per cent in Italy. However, 21 per cent is still too high.

The Scottish Government, recognising the growing problem of youth unemployment, established the post of Minister for Youth Employment in December 2011. The minister, Angela Constance, was tasked with helping Scotland's youth into training, work or education to secure a strong workforce for the future. At the time of her appointment, we had a higher level of youth unemployment than the rest of the UK. However, as the minister said, that level is now lower than the UK's and the annual change in the youth unemployment rate shows that ours is dropping faster than the UK's, with a 4.3 per cent reduction compared with the UK's 1.8 per cent.

Scotland's youth employment strategy outlines the key measures that the Scottish Government is taking, including a pledge to deliver 25,000 modern apprenticeships each year over the lifetime of this Parliament and the commitment to offer a training place to every 16 to 19-year-old not in an apprenticeship, training, full-time education or a job.

In education, the Scottish Government has supported youngsters to stay on at school or college through the education maintenance allowance, and almost 35,000 young people in Scotland are receiving an EMA. More than 60 per cent of them are at secondary school, and the result is another year of record-breaking exam results, with the highest ever pass rates for standard grades and higher.

Colleges are refocusing provision for 16 to 24-year-olds and student numbers are being maintained at 116,000 full-time equivalent places, despite cuts to the Scottish Government budget by Westminster. Scottish universities have a record number of Scottish students, with Universities and Colleges Admissions Service figures showing that Scotland is the only part of the UK that has seen a

rise in university admissions. Thanks to the Scottish Government's policy of free education, Scotland is the only country in the UK to ensure that young people can go to university based on ability and not the ability to pay.

The modern apprenticeships scheme in Scotland is the most recognised of its kind in the UK, with statistics revealing that 56 per cent of businesses are aware of the programme—double the figure for any other scheme in the UK. That has resulted in a record number of modern apprenticeships in 2011-12, at 26,427. As the National Union of Students Scotland states in its briefing regarding that drive to upskill young Scots, we need to

“ensure that we have highly skilled young people in Scotland ready to take advantage of the economy's eventual upturn, investing our resources on productive spend, in boosting our human capital, rather than on welfare benefits.”

It is imperative that we have highly skilled young people who are ready to take up the challenges because in many areas of employment across the UK a retirement time bomb is looming. The ConstructionSkills briefing highlights that, over the past 20 years, the number of workers aged 24 and under in the construction industry nearly halved from 22 per cent in 1990, while the number of workers aged over 55 increased by 65 per cent in the same period.

In the health sector, 20 per cent of general practice nurses are over the age of 55 and, according to an article in *PharmaTimes*, 10,000 GPs across the UK are due to retire in the next five years. The *Motor Transport* website highlights that a quarter of light goods vehicle drivers are aged 60 or above, with only 1 per cent being under 25. It estimates that 48,000 professional LGV drivers will retire in the next five years. In the food industry, the sector skills council Improve predicts that 137,000 new recruits will need to be attracted to the sector by 2017 to replace those who retire.

We need to ensure that our young people select the careers in which there is the greatest potential for career development. That highlights the importance of the my world of work website, as it gives everyone 24/7 access to details of different career paths, training availability and current vacancies. In addition to the opportunities for all initiative and the modern apprenticeships scheme, the Scottish Government has launched an employer recruitment incentive to help to support the most disadvantaged young people to enter the labour market. It supports up to 5,000 new jobs, and the number will increase to 10,000 in 2013-14.

The Scottish Government is supporting 1,000 subsidised jobs for 16 to 19-year-olds in social enterprises and voluntary organisations through

Community Jobs Scotland, and the third sector challenge fund provides pre-employment support for 800 young people.

However, the Government and the public sector cannot tackle youth unemployment alone. That is why, in December, the Minister for Youth Employment launched the make young people your business initiative, presenting the case for investing in young people, showing how some companies in Scotland have gone about doing that and describing some of the support that is available to employers.

Some 33 per cent of respondents to a Federation of Small Businesses survey reported that their business generated enough work for them to need extra help. With the age demographic problem and the support that is on hand through the our skillsforce website, now would be a good time for small and medium-sized enterprises to start recruiting.

The Deputy Presiding Officer: I call Jayne Baxter and I remind members that she is making her first speech in our Parliament.

15:09

Jayne Baxter (Mid Scotland and Fife) (Lab): Thank you, Presiding Officer.

I am pleased to be making my maiden speech in this important debate on youth employment. Ensuring that young people can achieve their potential in education and employment, alongside creating and sustaining job opportunities, must be at the heart of the Parliament's agenda.

I am proud to have been elected as a member of the Scottish Parliament to serve Mid Scotland and Fife. I have taken over this role from my friend John Park, who I know served his constituents and the Parliament well. I wish him well as he moves on to new challenges.

It is my intention to campaign on the issues and priorities that matter to the individuals, families and communities that I have been elected to represent, so it is a major concern to me that long-term youth unemployment levels are still worryingly high. Young people, by definition, have their future before them. Our task must be to ensure that high rates of youth unemployment do not have long-term negative impacts on those individuals affected, with consequent issues for their communities and demands on public services.

I believe that equality of opportunity should not be a one-off, pass-or-fail, life-defining event, but a lifelong experience. That belief is due to my experience of growing up in Fife, where, although I went to university straight from school, I found that academic life was not for me. I returned to university as a mature student, but my life has

taken a very different path from that which was mapped out for me from school. Although I believe that young people should have the option of going to university, we need to recognise that it is not the only or, even the best option. Indeed, in Fife, a much higher proportion of young people leave school and go to college. I know that there are widespread concerns about the levels of funding in further education.

I believe that Government at every level has the mandate and resources to make investments and build partnerships that will create employment and support young people to gain the skills and experience to get and keep a job. Whether that is through capital investment or procurement policies, there is scope to use public money to achieve value for people and, in particular, for young people.

I want to highlight the example of Labour-controlled Fife Council, where £5 million is being provided over the next 3 years to give 600 young people who are aged between 16 and 24 years old the chance of a modern apprenticeship with a local employer. The council also proposes to spend an additional £1 million on its own in-house apprenticeship.

If there ever was an issue to unite all the political groupings in Scotland it must surely be working to avoid a lost generation. In Fife, the willingness to work together towards that crucial common cause has been shown with the appointment of the senior Liberal Democrat councillor Tony Martin as the council's ambassador for youth employment. He will work directly with employers in all sectors, colleges and the voluntary sector to ensure a focus on the challenge of creating and sustaining youth employment.

Young people deserve the best chance that we can offer them. I recall working in the 1980s in the council's youth training scheme to support young people aged 16 and 17 to get the skills that they needed for the world of work, which included life skills and social skills. Margaret Thatcher's Government was running the country at that time and mass unemployment meant hard times for individuals, families and communities. For many young people, that meant a loss of ambition, opportunity and hope—a legacy from which some communities are only just recovering. What I learned from that experience—and believe to this day—is that investment in high-quality training and support will bring dividends to a young person and his or her community for years to come. The Christie commission report said:

“We must prioritise expenditure on public services which prevent negative outcomes from arising.”

Nowhere is that more valid than in creating and maintaining employment for young people.

In the 1980s, Dunfermline Athletic football club was an employer that participated in the YTS scheme. The manager—a Mr Jim Leishman—had a gift for inspiring young people and helping them to grow as individuals, whether or not they went on to become professional footballers. I still work with Jim. We are both Labour councillors in Fife and Jim is provost of Fife. He uses that position to spread the message of opportunity and aspiration in schools and colleges across Fife.

That is the message that I want to get over today. Those of us in public life have a responsibility to do all that we can: to work with employers, training providers, trade unions and the third sector to make sure that we all have a clear focus on supporting young people into training, skills and jobs.

In conclusion, I believe and hope that, with clear direction and support from the Parliament, the whole of civic Scotland—the private and public sectors—can come together and put in place the investment and support to ensure that growing up in Scotland means a positive and productive future for young people. The alternative cannot be an option. [*Applause.*]

The Deputy Presiding Officer: Thank you—and well done.

15:15

Annabelle Ewing (Mid Scotland and Fife) (SNP): I am very pleased indeed to follow fellow Mid Scotland and Fife MSP Jayne Baxter who, in her maiden speech, made a very thoughtful and interesting contribution to the debate. I am sure that she will be a credit to the Parliament.

I am pleased to have been called to speak in this very important debate on youth employment and on the actions that the Scottish Government is taking to support our young people into work. Few issues are more important than helping young people find their way in life through getting a job, earning a wage and contributing to the society in which they live. I know that that is what young people want—indeed, are desperate—to do and believe that for them it is as much a matter of pride, of being able to pursue a particular interest, of taking responsibility for their own lives, of proving their abilities, of earning trust and of gaining confidence as it is of earning a wage and contributing to their communities and to society at large. It is therefore incumbent on us all to work together to promote youth employment, particularly in these very difficult economic times. That is what our constituents want us to do—they want us to work hard across the parties to get a result for our young people.

In her opening remarks, the Scottish Government's dedicated Minister for Youth Employment—and I mean "dedicated" in both senses of the word—told us about the plethora of activities that the Scottish Government is pursuing to improve our young people's employment prospects. The fact that we have the first ever dedicated Minister for Youth Employment since the Scottish Parliament was reconvened in 1999 speaks volumes about the absolute priority that the SNP Government places on tackling youth employment. At the same time, the Scottish Government has recognised that the post must be backed with resources, and we have heard this afternoon about the additional public funding that has recently been allocated to tackle youth employment.

However, it must be said that as long as the Scottish Government does not have the full economic powers of a normal independent country we will be tackling this key issue with at least one hand tied behind our backs. At present—and in advance of securing the support of the people of Scotland in a yes vote in 2014—it is clear that this SNP Scottish Government is using all the tools and levers at its disposal to promote youth employment. I therefore differ from Mr Macintosh's views because it is axiomatic that, without having the full tools and levers at our disposal, we are operating with more limited possibilities than if we had full power.

Ken Macintosh: The SNP has full control over college budgets and further education. Can the member therefore tell us how exactly the 24 per cent cut to college budgets has helped our young people?

Annabelle Ewing: Of course, the key point is that Scotland does not have full control over its budget—

Ken Macintosh: You don't have full control over your budget?

Annabelle Ewing: I do not know where Mr Macintosh has been recently with regard to the key debate that we are having. The point is that Scotland does not control its resources. If it did, we would not be seeing the unprecedented cuts that we are facing to our budget or the austerity agenda that the Westminster Government is pursuing. Of course, it all raises the question whether Labour actually supports the devolution of employment services or whether it is content for cuts to such services, like the cuts to welfare, to be left to the Tories at Westminster to impose on the people of this country while Labour works hand in glove with them in an unholy alliance to place a ceiling on the ambitions of the people of this country—and shame on them for doing so.

Drew Smith (Glasgow) (Lab): Will the member give way, on that point?

Annabelle Ewing: No. I must make progress, I am afraid, because my time is nearly up. I was so interested in Mr Macintosh's comments that I felt I must respond fully to them.

Many positive initiatives have been mentioned, such as opportunities for all and the modern apprenticeships scheme. Much work has gone into making the scheme the huge success that it is and I pay tribute to everyone who has been involved, particularly the people who have been working hard behind the scenes in the private, public and third sectors to ensure that modern apprenticeships are available to our young people.

We heard about the employability fund, which is intended to offer more flexibility to respond to training needs, and about the certificate of work readiness. I hope that in due course, when the pilot project has been properly evaluated, the minister will be able to provide a progress report.

I make two brief final points. First, it is key that the small business sector is as involved as possible with initiatives. I ask the minister, when she sums up, to say how we can better involve the sector, perhaps via the make young people your business campaign, which was recently launched.

Secondly, there is a greater role for the third sector in local delivery plans. That is the case with respect to the Fife initiative to which Jayne Baxter referred, which was initially pursued by the SNP-led Fife Council administration and then taken on and developed by the current administration. Third sector involvement happens to varying degrees around Scotland and it would be helpful if the minister could provide more information about what is happening.

15:21

Siobhan McMahon (Central Scotland) (Lab): I congratulate Jayne Baxter on making her maiden speech. I know how nerve-racking that is—as all members do—and I am sure that she is relieved that it is over. I look forward to hearing many more of her speeches.

The sharp escalation in youth unemployment has been one of the most visible and vexing features of the recession. Although the overall UK unemployment rate has not exceeded its 1984 peak during the current recession, youth unemployment hit an historic high in 2009 and now stands at 21.1 per cent.

As David Bell and David Blanchflower said, “workers of all ages are accepting lower skilled jobs than ... when the labour market was stronger, but”

the

“effect is strongest for those aged 16 to 24”.

Whatever one's age or credentials, scouring the market for jobs, submitting endless applications, attending countless interviews and absorbing constant rejections, is exhausting, stressful, discouraging and, for some, ultimately soul-destroying. That is the predicament in which many young jobless people find themselves.

The effect of youth unemployment on future employment prospects and earnings is well documented, and the psychological impact on confidence and self-esteem should not be discounted. Research shows that young men who experience prolonged unemployment are three times more likely to suffer from depression and that high levels of youth unemployment have a detrimental social impact, leading to increased rates of crime, drug abuse and chronic ill health.

It is only natural, therefore, that, as an MSP for Central Scotland, I have watched the rising claimant count among young people with a growing sense of trepidation. The most worrying factor is the incidence of long-term youth unemployment—16 to 24-year-olds who claim jobseekers allowance for more than one year—which has increased exponentially over the past four years. In North Lanarkshire, the rate of long-term youth unemployment rose by a staggering 3,367 per cent between March 2008 and March 2012.

Although the upward trend has tapered slightly, the most recent data from the Office for National Statistics revealed that the number of 16 to 24-year-olds claiming jobseekers allowance for more than one year rose by 137 per cent in the past 12 months. As matters stand, there is nothing to suggest that the rate will fall to pre-recession levels. That will certainly not happen without decisive intervention from government at every level.

I welcome the Scottish Government's investment of £30 million and the additional £25 million in European structural funding to support youth employment initiatives. However, despite the Scottish Government's financial commitments, there are areas in which it has been seriously remiss.

One such area, as we note in the Labour amendment, is the funding of further education. As Scotland's Colleges said in “Scotland's Colleges: Shaping a Sustainable Model for a Successful Future”, the Scottish Government is consistently failing to

“recognise the critical role colleges play in delivering ... a successful Scotland.”

The 24 per cent real-terms cut to college funding between 2011 and 2015 has had and will continue to have a severe adverse impact on young people

who rely on colleges to furnish them with the skills and qualifications to secure employment or progress to higher education. I join my Labour colleagues in urging Mike Russell to rethink this misguided policy with the greatest possible urgency.

Careers advisory services have also been affected by Scottish Government cuts. John Swinney wrote in a recent letter to me:

“the biggest impact in addressing the occupational choices of individuals comes through the provision of good careers advice.”

I could not agree more. If young people are to progress into good careers and enjoy fulfilling lives, it is imperative that they are given the appropriate advice and guidance. I was disappointed, therefore, to learn that Skills Development Scotland has shifted the emphasis of careers advice from personalised interviews to a web-based service called my world of work.

Although there is a place for an online advisory service, it is no substitute for one-on-one interviews that are tailored to individual requirements. Young people, especially those of school-leaving age, are not always receptive to advice or guidance about anything. At such an early age, it is difficult to appreciate the repercussions that decisions that are made now will have on later life.

Angela Constance: I reassure Ms McMahon that the introduction of my world of work is a service enhancement and is certainly not a replacement for face-to-face contact. We are committed to introducing career management skills into classrooms.

I know that Ms McMahon has a passionate interest in young people from disadvantaged backgrounds. The purpose of the reforms is to better utilise professional careers management staff to work more intensively, and on an on-going basis, with young people who are at risk of disengaging or who have disengaged.

Siobhan McMahon: I do not agree with that intervention, as the paragraph that I was about to read out will show.

The fact that only 17 per cent of young people in South Lanarkshire and 14 per cent in North Lanarkshire have registered for my world of work shows that the message is not getting across to the young people who need that service now.

I understand that delivering effective careers advice is not straightforward. It requires considerable knowledge and expertise. The Scottish Government's youth employment strategy highlights the contribution that is made by the voluntary and third sector in supplying the advice and guidance to help young people to find work.

Last November, I visited the Motherwell office of Rathbone, a voluntary youth sector organisation with over 30 years' experience of helping young people to find work. Rathbone focuses on disadvantaged communities and tailors its programmes to suit the needs of the individual and the local economy. The employees I spoke to exhibited great knowledge, enthusiasm and commitment to their work. I was therefore disappointed to learn that, between April and November 2012, Rathbone received fewer referrals from Skills Development Scotland than it did in the same period in 2011. Given that youth unemployment rose substantially over that period, I find that detail perplexing. Let us be clear: scrimping on college funding and careers advisory services will solve neither the economic nor the youth unemployment crisis.

If the Scottish Government requires guidance, it should follow the examples that are being set by local councils. Falkirk Council deserves particular praise. Through its backing Falkirk's future initiative, it has collaborated with local employers to secure work experience and employment opportunities for young people. Thanks to such initiatives, Falkirk has performed robustly against the generally gloomy outlook. Last September, it achieved a two-year low in overall unemployment, and a year-on-year reduction in the number of 18 to 24-year-olds who are claiming jobseekers allowance.

We are all aware that youth unemployment is a difficult and intractable problem. With that in mind, I hope that the Scottish Government will take this speech and Labour's amendment in the collaborative spirit of the all-Government, all-Scotland approach, and act in the best interests of Scotland's young people.

15:28

Chic Brodie (South Scotland) (SNP): I welcome this debate, as it focuses on the biggest challenge that faces us as a community. I repeat what I said in the budget debate just before the Christmas recess, which was that we in this chamber have to lay aside the sometimes cosmetic and sometimes visceral tribalism that can pervade this type of debate. The “anything you can do I can do better” syndrome and the torrent of numbers do not play well outside the chamber and certainly do not give solace to the young unemployed.

If there are alternative proposals to the Government's programme, it is incumbent on those who make those proposals to say what they are, what the costs are and how they will impact on other policies and priorities. I am happy to think outside the box and consider other proposals, but I find the Labour amendment disappointing and

saddening. I do not diminish the concern of Labour and Mr Macintosh for the young unemployed—I am sure that we all share that—but the amendment smacks of an uncosted, scattergun approach that asks for more but does not indicate what will have less.

Ken Macintosh: There are a number of interventions in housing, rail and colleges that we were happy to describe in our budget contribution. However, specifically, why have we not seen action on childcare and procurement, neither of which necessarily has to cost much money and both of which the Government is supposed to be committed to? The childcare intervention, in particular, was in the SNP manifesto and would make a real difference in getting people back into the workplace.

Chic Brodie: The member reminds me of the pessimist who sees the difficulty in every opportunity, whereas the optimist sees the opportunity in every difficulty. I would like to see the whole programme that Labour proposes costed.

The amendment states clearly that

“long-term youth unemployment is higher in Scotland than in the rest of the UK”—

it is not—

“according to the latest claimant figures”.

The amendment also quotes David Bell, but let us look at what he said yesterday. I have the advantage of Mr Macintosh in that I was at the Economy, Energy and Tourism Committee yesterday. On page 3 of his report to the committee, Professor Bell stated:

“the claimant count is no longer the accepted measure of unemployment.”

He went on to say:

“the growth in unemployment rates since the beginning of the current recession ... has been relatively modest”—

certainly a lot better for us than for all our European counterparts.

And so the numbers game goes on. Mrs Scanlon is not here—she is probably rehearsing the next set of numbers outside. We talk about numbers around colleges, housing, the modern apprenticeship scheme and so on. Opposition members say—without evidence—that those are all threatened, which will exacerbate the position of the young unemployed. We have a duty—an obligation on all sides of the chamber—to say not just what we are against, but what we are for and how we will pay for it. Do we find the level of youth unemployment acceptable? Of course we do not. However, let us debate and quantify what else might be done in the context and the

consequences of the resources that are made available to us.

As Mr Macintosh said, David Bell highlighted the fact that unemployment creates permanent scars rather than temporary blemishes. In the face of that, most of us accept that, in the current economic circumstances, the minister and the Government are laying out plans to mitigate that as best we can in the economic circumstances. From opportunities for all to the record number of modern apprenticeships, and from employer recruitment incentives to activity agreements, community jobs for Scotland and so on, there is a plethora—as Annabelle Ewing said—of programmes to encourage young people into training or work. Maybe there are too many, but I welcome the make young people your business programme, which I believe is very sensible. I mentioned earlier the need for us to start to think outside the box.

Had fiscal circumstances been different, and they will be, the easier action would have been to create more demand in the economy—hence our *cri de coeur*, very often, for a significant stimulus on capital investment in the economy. However, our circumstances are not different, and never will be, in the job market; tomorrow will never be the same as yesterday in the job market. That is why I believe that we must have a fundamental change—a seismic shift—and give businesses, particularly a significant proportion of the 335,000 SMEs in Scotland, not just finance but business support and experience to encourage them to take on help and to employ young people, to build their skills and, in the process, to build those businesses. That is also why I believe in creating an entrepreneurial spirit coupled to community empowerment through social enterprise and the third sector. That means our evangelising and taking the message out to the young in the communities in the cities and the countryside.

I believe that, once we have our hands on the levers of fiscal management, we will be able to consider things such as pensions and other provisions so that people can leave the working population earlier to promote the skilling up of the young and allow the more mature to skill down. Given our economic strategy and focus, the harsh reality is that we must invest in our young. Although I support the initiatives that have been taken to date, it is time to take the power and responsibility to seek to tip the balance of decision making in favour of young people. Our young must be inspired to aspire—they are the future.

15:34

Liam McArthur (Orkney Islands) (LD): Like many in the chamber, I was desperately sad at the decision of my good friend John Park to step down

from Parliament and I wish him well in his new challenges, but I think that Jayne Baxter has demonstrated today that she will be a very able replacement. I am sure that she will serve the constituents of Mid Scotland and Fife exceptionally well.

Like others, I welcome today's debate and the further opportunity that it provides to consider the vital issue of youth employment. Although the motion is right to acknowledge—I certainly add my welcome of the news—that there has recently been a fall in the number of young people out of work, we should obviously guard against any temptation to take our eye off the ball. The number of 16 to 24-year-olds out of work remains unacceptably high at 87,000, while the number of young people in employment has fallen sharply over the past three years. Ken Macintosh is right to point to the health warning that Professor Bell has attached to the figures. Whether our performance is better or worse than that of the UK seems to change with each new set of figures, but what does not change is the need to do more to improve the situation, as I think all speakers today have accepted.

In particular, as the Barnardo's briefing highlights, providing more effective support for those furthest from the labour market is essential. Of looked-after children, 36 per cent are still looking for employment six months after leaving school—almost four times the average for school leavers as a whole—and the figures for those securing a place in further education are scarcely any better. I will return shortly to possible options for improving provision, opportunities and outcomes for that group, but I hope that the minister will accept that further attention on that is required.

Other areas also need to be addressed—I will come to those in a minute—but at the outset let me reiterate my strong support for the appointment of Angela Constance to her role, welcome the publication and on-going development of a youth employment strategy, notably through the youth action plans, and endorse the continued all-Government, all-Scotland focus that has been given to the issue, including the additional funding from the European regional development fund. The minister will know that her efforts to provide job training and education opportunities for our young people in these difficult economic times enjoy the whole-hearted support of MSPs across the chamber. She is also right to point out the role that we all have, particularly at a local level in our constituencies and regions.

In that context, let me outline a number of areas where I think that, despite the encouraging figures, changes in the Government's approach and

thinking are needed. As I mentioned, Barnardo's has once again made a compelling case for more targeted action to support some of the most vulnerable young people in Scotland. That will come as no surprise to colleagues on the Education and Culture Committee, whose recent inquiry on improving outcomes for looked-after children identified alarming evidence of how, despite a collective commitment and the efforts by successive Governments as well as those in the field, we are still well short of being able to claim any real success.

Barnardo's argues strongly for the third sector to be more closely involved in the development of opportunities for all at a local level, including the youth action plans, and points to

"a serious gap in long term, nurturing and supportive provision for care leavers."

With care leavers often facing additional barriers to entering the job market, whether through a lack of literacy and numeracy skills, self-confidence or motivation, addressing those obstacles is critically important. That often requires intensive input from specialists, but experience shows that such inputs can make a difference. Barnardo's works programme is just one example, but there are others that demonstrate the value of fully engaging the skills and expertise available within the third sector in Scotland. That theme is also picked up by the Scottish Council for Voluntary Organisations, so I hope that Angela Constance will agree to bring some renewed focus to that over the course of 2013.

Likewise, I hope that Angela Constance will accept that there is now widespread agreement about the need for ministers to look again at the cuts to college funding that are proposed in the Government's draft budget. As I said, care leavers continue to experience particular difficulties in accessing further education courses and it is becoming increasingly clear that the way in which colleges are trying to adapt to the FE funding cuts is having a more pronounced effect on those with specific support needs. Again, I am sure that Ms Constance will wish to take up that point with the co-sponsors of her motion, notably the education secretary.

The planned cut of around £34 million to college budgets threatens to have a far wider impact that cannot but work against the Government's objectives for youth employment. In evidence to the Education and Culture Committee recently, colleges, staff unions, student representatives and business groups all underscored the risk of reduced opportunities and quality of provision. NUS Scotland warned that, if the cuts go ahead, they will have

“a significant negative impact on the contribution our colleges would be able to make to improving employability in Scotland”.

I accept that planned reforms can deliver savings in due course through mergers and so on, but Audit Scotland has pointed out that the extent and timing of the savings remain questionable. In the meantime, the loss of staff, reductions in course and the concentration of provision are having an effect that is felt across all age groups, including those that fall within the minister’s portfolio. It is therefore important that Ms Constance lends her support to the widespread calls for the Government to reverse the cuts.

Over successive Government budgets we have seen that money continues to be found for pet projects and to grab headlines, even after the budget is agreed. The issue is ultimately about political choices and ministers must choose to attach a greater priority to our colleges and those whom they support.

I am delighted that the UK Government’s youth contract scheme is to be extended beyond unemployment hotspots so that wage incentives of more than £2,000 will be available to employers across Scotland when taking on a young person who has been out of work for some time. As the minister suggested, that helps cover the costs of additional training or supervision, while giving young people an opportunity to gain meaningful work experience. I am sure that the minister will agree that awareness of those opportunities needs to be properly highlighted in the local action plans that are being developed.

I am conscious that there are many areas that I have not covered, but I conclude by again welcoming the debate and reiterating my support for much of what the minister is doing in relation to an all-Government, all-Scotland approach to tackling the serious challenges facing our young people. However, I urge her to take on board and respond positively to the concerns that I, and others, have raised.

15:41

Clare Adamson (Central Scotland) (SNP): I, too, congratulate Jayne Baxter on making her maiden speech, which was reflective, poignant and relevant to what I was thinking about when I was considering what I would say today.

I was one of the original lost generation—the YOPper or youth opportunities programme generation—of the late 1970s and early 1980s. Many of my school colleagues went on to the youth opportunities programme, which offered a small payment for work experience. When I was thinking about that time, I noticed a lot of similarities with the position that we are in today in

Scotland. We had a Labour Administration in Westminster followed by a Tory Administration, and we were moving into a period of severe austerity and recession. Many of the criticisms of the youth opportunities programme—that it was cheap labour and it exploited young people—are being laid at some of the proposals from Westminster to tackle unemployment.

After that period, the Ravenscraig steelworks in Lanarkshire closed. Many people whom I grew up with and went to school with did not have the education opportunities that I had. They suffered from the lifetime scarring that Ken Macintosh spoke about. Indeed, there are many pockets in Lanarkshire that have not recovered from that recession, nor are they prepared to deal with the current one. It is all the more sad that many of those people will be most hit by Westminster’s welfare reforms.

Nearly 30 years later, and as the mother of a teenage son, I think that it is sad that we face similar challenges for the young people in Scotland. However, I am confident in the work of the Scottish Government; it is doing everything that it can to address the challenges that we face due to the economic circumstances.

Mr Brodie mentioned how important it was that we, as representatives, act on the problems. That point is referred to in Labour’s amendment, too. I also want to mention Linda Fabiani, who cannot be in the chamber today. She is organising an event this Friday with local businesses, many of which are SMEs in the area, in conjunction with JobCentre Plus, to highlight some of the additional funding and opportunities that businesses can give young people. That includes voluntary work experience, sector-based work academies and work trials. She is encouraging the SMEs and other businesses in the area to take on some of those opportunities. That goes hand in hand with some of the work across the country that the minister has mentioned, such as the job summits that have taken place.

I am a member of Motherwell College’s KT hub—the knowledge transfer hub—which is an organisation that brings together local small businesses and interested parties. It meets once a month for a breakfast meeting, usually with a business or a motivational speaker. The KT hub has been instrumental in highlighting what opportunities there are for local small businesses to work with young people and improving youth employment in the area.

It is hard not to think of Labour always being negative. Ken Macintosh used the word “complacent” in relation to what the Government is doing, but it is difficult to see any complacency when members consider the success of the modern apprenticeship programme. Not only is it

increasing—we have more than 26,000 young apprentices this year—but there is a great increase in the number of women undertaking modern apprenticeships, which must be welcomed.

As if that is not enough, the survey that Gordon MacDonald mentioned shows that the modern apprenticeship programme in Scotland is the best recognised one in the UK. The UK statistics reveal that 56 per cent of businesses are aware of the programme in Scotland. That compares with 28 per cent in Northern Ireland and 25 per cent in Wales. The scheme also exists throughout England, but no region has an awareness level of more than 23 per cent. The level of recognition in Scotland is fantastic.

Neil Findlay (Lothian) (Lab): I am aware that it is Thursday, but what does that matter? It is not awareness of the programme but whether people engage in it that matters.

Clare Adamson: I say to Mr Findlay that knowledge is power and knowledge is welcome. I do not know what he does with the knowledge that he has in his working life.

Scotland's modern apprenticeship scheme is the most recognised in the UK, which is a glowing testament to the hard work of those who are involved in the programme. Getting young people into employment or training is a priority for the Government. That is why it has delivered 26,427 modern apprenticeships and will deliver 25,000 more every year in this session of Parliament.

The business community has recognised how those opportunities benefit the whole economy. Far more companies recognise the Scottish system than recognise the system anywhere else in the UK. The report also showed that establishments in Scotland were more likely than those in the rest of the UK to have taken on an under-25-year-old in the year before the survey.

The latest employment figures show that youth unemployment in Scotland has fallen by 4.3 per cent. It is clear that the modern apprenticeship programme is an important scheme in supporting our young people. The Scottish Government's paid placements are different from the modern-day serfdom that the Westminster system would seemingly implement. That shows why it would be far better for all such decisions to be taken in Scotland.

15:47

George Adam (Paisley) (SNP): I welcome this extremely important debate. I declare an interest in that my daughter is going through education and will, I hope, be part of the generation of young people who will get the opportunity to be all that

they can be, with the Scottish Government's support.

As Mr Macintosh mentioned, at this time of year, we do our new year's resolutions. My usual ones are to go to the gym—which has not been too successful recently—and to watch what I eat, although lunchtime today did not help too much with that.

One of my other resolutions was to be more understanding of the Opposition parties in Parliament because I know that they have a role to play within the process and that we must work together. Alas, however, it seems that I can get to the end of only my first couple of sentences before I have to mention Mary Scanlon's having said that a grant is better than a loan. I agree wholeheartedly with that, but would she and her Tory friends in Westminster say the same to the diminishing number of students in England who pay £9,000 for university places? Scottish students pay nothing. That is the fundamental difference in this tale of two Governments: one focuses on its people and believes in positive outcomes for their future, but the other just does not care.

Mary Scanlon: I appreciate George Adam's understanding and sensitivity to the Opposition parties in giving way.

On grants, I was reading from information from the Prince's Trust. A person who has been unemployed for some time must find it helpful to get a £500 grant to buy the tools that are needed for them to start an apprenticeship, rather than initially being landed with a loan. George Adam can consider tuition fees, but I was talking about the commencement of work experience or apprenticeships.

George Adam: The point of the Government's plans for college education and higher education in Scotland is that we are giving young people the opportunity to be all that they can be and to achieve everything that they can in the working world. We are not just picking and choosing what we want to discuss in whatever debate we are in.

Ken Macintosh: Will George Adam give way?

George Adam: I ask Mr Macintosh to let me move on.

Politics—our job—is about people. For me, it is particularly about the people of Paisley, which will not be surprising to members. What we do and the decisions that we make affect people and their families.

Today, I was at Jimmy McIntosh's funeral in Paisley. He was a 90-year-old lifelong St Mirren man who ran supporters clubs for decades. He was a Paisley man to the core. Generations of St Mirren fans, Paisley people and members of his

family attended the funeral. The place was a sea of black and white—the colours of St Mirren. During that highly emotional funeral, it occurred to me why we are involved in politics. All the people whom I saw today entrust us with their futures and the futures of their families. That is why I agree with Angela Constance that we must all—local councillors, Opposition members, members of the Government and SNP back benchers—play our part in tackling youth unemployment.

I also agree with Angela Constance that we must ensure that young people retain hope and ambition for the future, because they are, indeed, our greatest asset. I lived through the 1980s as a young man—I know that it does not show and that members will all be extremely surprised to hear that—and I experienced the devastation that was caused by the Thatcher Westminster Government. That is the cardinal difference between the position that Scotland is in now and the position that it was in then.

Scotland needs more powers; we need the levers and powers of independence, because there is only so much that we can do for Scotland and our future with the limited powers of devolution. When I looked at the people at the funeral, I realised that that is why I am involved in politics; that is what motivates me to come here every day to argue on behalf of the people of Paisley and the people of Scotland in general. We must stay focused and grounded.

If we look at the Government's plans for the future, we find a number of measures that will make a difference to many of the people whom we represent. College reform will ensure that the FE sector better suits the needs of our young people, focuses on jobs and careers and provides high-quality futures for generations of young people. That is what the business sector wants, and that it is exactly what it said when the Education and Culture Committee discussed the issue. It wants young people to be able to work in the sector and to be all that they can be without intervention.

At local level, the previous SNP administration in Renfrewshire invested in our young people—it invested £2.5 million to create 800 to 1,000 jobs for 16 to 24-year-olds in Renfrewshire. That included a six-figure sum from Angela Constance's department. I agree with the minister that we must all take responsibility for tackling youth unemployment and delivering for our people. That is why the Scottish Government will not adopt the heartless approach that previous Westminster Governments have taken to youth employment.

I mentioned that, for me, politics is about people—representing their needs and protecting their futures. Scotland needs the full levers and powers of independence if we are to deliver all

that for our country. The Scottish Government has shown its continued support for our young people, and I back it in that endeavour. The issue is too important for us to play petty politics with and constantly to hit each other over the head with a metaphorical hammer. We must ensure that we get things right for our young people, because we do not want to go down the route that was taken by previous Administrations at Westminster.

15:53

Neil Findlay (Lothian) (Lab): I, too, welcome my new colleague Jayne Baxter. I enjoyed her speech very much and I look forward to working with her over the next few years. This is not good for her, but she sounds like my type of woman.

This afternoon's debate is not just about getting people a job; it is about much more than that. Employment is an important factor in making people, families and communities who and what they are. Unemployment is an ugly scar that blights and debilitates communities. Quite simply, it is a national scandal. We will not discuss anything more important this year.

We have youth unemployment levels such as we have not witnessed since the 1980s. The youth unemployment rate in my village is 30 per cent—a level that has not been seen since the Thatcher Government butchered huge employers such as the National Coal Board and British Leyland. We are now in the middle of another closure of a big local employer—Hall's of Broxburn—which is shedding 1,700 jobs.

When the First Minister tries to deflect criticism, he usually likes to talk about the number of people who are in employment, rather than the number who are out of work. If we use his methodology, we can see that, although unemployment has dipped recently, so has the number who are in employment. Mary Scanlon referred to that. Fewer people are working, even though the official unemployment rate has declined.

Another note of caution comes from the stark reality of what is going on in the real world. The labour force survey exposes the gravity of the situation. Since March 2007, the youth unemployment figure has increased from 51,000 to 87,000. That means 36,000 more young people are out of work under this Government. The claimant count shows that the number of 16 to 24-year-olds who are on jobseekers allowance has gone from 22,600 to 35,800. The number who had claimed benefits for more than six months was 3,700 in 2007 and is now 12,275, which is an almost fourfold increase. Even more worrying is that the number who had claimed for more than a year, which was 555 in 2007, was up to 7,050 by

November. That is a twelvefold increase, yet Mr Brodie does not want to talk about statistics.

Perhaps most worrying of all is that 12.2 per cent of all young people are still not in education, employment or training. The last school-leaver destination figures showed that more than 11 per cent of school leavers did not go on to any positive destination. The most recent school-leaver destination figures were supposed to be published in December, but we appear still to be waiting for them. I hope that the minister will respond to that in summing up. I wonder whether the figures will be published later this week, after the debate.

Of course, for those who are fortunate enough to find work, underemployment is a major problem, about which members have spoken. Young people are much more likely to have the temporary jobs that economists have told the Economy, Energy and Tourism Committee are dead ends. The Scottish Trades Union Congress describes those jobs as

“low wage and insecure with very little prospect of training or career progression.”

Given the grim jobs scene, we should support efforts to tackle overall youth unemployment. However, I say to Government back benchers that a fundamental part of the job of Parliament and parliamentarians is to hold the Government to account and to ask questions about the success, or otherwise, of policy. It is our duty to ask whether interventions are creating long-term and sustainable jobs or whether they represent merely a variety of ways in which to shuffle the figures by creating what one professional in the field recently said some of the schemes promote—“holding corrals” for the unemployed.

Bruce Crawford (Stirling) (SNP): I understand the point that Mr Findlay makes. However, does he accept that, when the Opposition lodges amendments that suggest additional expenditure on transport, colleges, childcare and housing, it is the Opposition’s responsibility to tell us exactly where that money would come from and where the cuts would be made to fund the expenditure increase? Is it not also the Opposition’s responsibility to behave maturely?

Neil Findlay: I am sure that Mr Crawford took that position when he was in the Opposition and I am sure that he identified several times over every single penny that he would have spent—I do not think.

At this time, we would expect our colleges to be key to the drive to get people back to work, but a deliberate Government policy has been to target and reduce college funding. We have seen 70,000 places for part-time students cut, 1,400 jobs lost and fewer courses available. How on earth is that a sensible policy?

Members have mentioned the careers service, which we discussed a few weeks ago. We have heard staff, trade unions and independent academics highlight how the so-called modernisation will not improve but will hinder job prospects. How is that a sensible policy?

Clare Adamson: Will Neil Findlay take an intervention?

Neil Findlay: No. I am in my last minute.

What of the Government’s much-championed modern apprenticeship scheme? On the face of it, who could disagree with it? However, we have introduced the scheme without having any way to measure whether it is effective. Skills Development Scotland has written to me and stated exactly that. The Government cannot tell us whether any of the people who go through the schemes remain in full-time employment afterwards.

There are apprenticeships that last for three months and six months, and thousands more are completed within a year. Of course young people are right to take the opportunities, but rebadging vocational training and calling almost anything an apprenticeship diminishes the value of apprenticeships and leads young people on with false promises.

What about the get ready for work programme? Only 20 per cent of those on it are moving into full-time employment, and there are activity agreements with which people get a few hours of advice. That is now classified as a positive destination, and that is simply wrong.

The Deputy Presiding Officer (Elaine Smith): Mr Findlay, you must conclude.

Neil Findlay: I am sorry, Presiding Officer. I know that I have come to the end of my time. I will leave things there.

I look forward to the rest of the debate.

16:00

Kenneth Gibson (Cunninghame North) (SNP): I, too, thank Jayne Baxter for a very thoughtful and considered maiden speech. I agree that she will be an asset to Parliament.

The debate has focused on what everyone agrees is one of the most pressing concerns that Scotland currently faces. The Scottish Government is absolutely focused on tackling unemployment broadly, but it must be remembered that, during any economic downturn such as the current recession, young people always tend to suffer disproportionately in respect of employment opportunities. That is mainly due to the fact that in an increasingly competitive labour market, employers tend to employ those who have

greater experience and skills and that, during uncertain times, many people are keen to hold on to positions that they are already in. That means less flux and fewer opportunities in the job market for young people who are looking for their first jobs. It is therefore clear that youth unemployment is not a new phenomenon.

In evidence to the Finance Committee last year, the Joseph Rowntree Foundation highlighted that youth unemployment started to rise in 2004 under previous Labour Governments at Westminster and Holyrood—long before the financial crash. I touched on that in my intervention during Ken Macintosh's speech.

During the Finance Committee's recent inquiry into employability, the National Endowment for Science, Technology and the Arts—NESTA—pointed out:

"The proportion of 16-19 year old NEETs has remained static since 1996."

Official Scottish Government figures also show that the proportion of 16 to 19-year-olds not in employment, education or training was higher in 2005 than it was in 2011. As I mentioned earlier, the figure was higher by some 5,000 people.

Unemployment of any kind is, of course, a societal ill, but youth unemployment must be considered to be worse. In the paper entitled "Increasing the Employability of Disadvantaged Youth"—which Siobhan McMahon and Ken Macintosh quoted from—Bell and Blanchflower made it clear that, at current levels, youth unemployment in Scotland will incur future costs to the Government of £200 million and will result in £500 million of lost economic output. However, it is clear that individuals suffer much more as a result of unemployment.

There are many facets to the problems of youth unemployment that must be tackled to address the matter properly. The establishment of the United Kingdom's first Minister for Youth Employment shows how seriously the Scottish Government views the matter.

As we heard in Tuesday's debate, employability remains an issue of huge importance. Ensuring that young people are well prepared for the world of work is almost as important as ensuring the availability of work. The Scottish Government has done much to improve matters on that front for Scotland's young people, and I am heartened by the cross-party consensus on the issue. Our opportunities for all initiative guarantees all young people between the ages of 16 and 19 a training or education opportunity if they need one.

The availability of jobs is, of course, massively important. With a 26 per cent cut to our capital budget, it is extremely difficult for the Government

to create and sustain employment as we would wish through investment in major infrastructure projects. It is disingenuous of the Tories to pretend that a 26 per cent cut in capital and an 11 per cent cut in resource somehow have no impact on the ability to provide employment in Scotland. There were crocodile tears from Mary Scanlon over colleges; the Tories and their Lib Dem allies have completely eviscerated the college sector south of the border.

There are, of course, great hopes for Scotland's economy, with the investment in our renewables potential, which has helped to meet our demands and fulfil our environmental obligations, and is creating thousands of highly skilled and well-paid jobs. We have heard from Opposition members that more money should be spent here and there, such as on housing. In 2011-12, the Government spent £352 million on building 6,882 houses. That helped to create and sustain jobs in the construction sector. In the final year of the previous Labour Government, only 4,832 houses were completed for £562 million. Given the difficult financial situation, we are doing what we can to ensure that the construction sector works, that houses are built and that we succeed in our objectives.

The Scottish Government is also doing a lot to incentivise recruitment by businesses. I was heartened when Kezia Dugdale said on Tuesday:

"I know that the Government understands the potential that young people have to offer businesses; its own make young people your business initiative demonstrates that."—*[Official Report, 8 January 2013; c 15144.]*

I was also heartened by her comment that she welcomes the employment recruitment incentive.

In a recent survey by the FSB, a third of respondents felt that their businesses generate enough work to need extra help, but only 28 per cent were thinking of recruiting. The £15 million of funding for the employer recruitment incentive to create up to 10,000 jobs will therefore be welcome.

I was deeply disappointed by Neil Findlay's speech—hardly a first. It was all criticism, with no solutions whatever. He should be ashamed of his comments on apprenticeships—that they are somehow worthless and meaningless. The minister will make it clear that those apprenticeships are being evaluated and that they make a significant contribution to reducing youth unemployment.

Our manufacturing sector is not able to produce the number of jobs that it once did. For example, between 1997 and 2007, when Labour was in control at Westminster, the number of manufacturing jobs in Ayrshire fell from 28,000 to 13,500; more than half those manufacturing jobs

were lost in only a decade. Indeed, Scotland lost more than 100,000 jobs from that sector.

The Scottish Government is by no means complacent and there is much work still to be done to bring unemployment levels down further. However, it is clear that this Government remains fully committed to making sure that everyone has the opportunity to work and to play their part in society.

MSPs can also do more and I am delighted that the Minister for Youth Employment is attending the Ardrossan jobs fair that I am hosting on 4 February, which has strong support and commitments from employers and from providers of education, training and volunteering opportunities. More members should look at what they can do as individuals to help combat unemployment in their areas.

Margaret McDougall (West Scotland) (Lab): Kenneth Gibson has not invited me to come along to that jobs fair.

Kenneth Gibson: If Margaret McDougall wants to explain how many jobs she is thinking of providing or whether she will provide any training or volunteering opportunities, I may consider inviting her.

16:07

Margaret McDougall (West Scotland) (Lab): I congratulate Jayne Baxter on her excellent maiden speech, and I look forward to many more of her speeches.

The most recent statistics show that youth employment in Scotland is falling. If we exclude those in full-time education, we find that 21.6 per cent of 18 to 24-year-olds are unemployed and, as Angela Constance has pointed out,

"The percentage of young people in the workforce in the public and private sectors has been falling since 2005".— [*Official Report, Economy, Energy and Tourism Committee*, 19 December 2012; c 2288.]

Both nationally and locally, female youth unemployment is worse than male unemployment. It becomes a much more complex issue when we take into account young women with children, because they have to find not only a job but affordable childcare, which can be extremely difficult if the only jobs on offer are part-time or involve working unsociable hours.

In North Ayrshire, one in eight young people face little chance of finding employment. Youth unemployment has doubled in the past five years from 6.5 to 12.6 per cent, and it shows no sign of improving. That means that North Ayrshire is the second fastest rising youth unemployment hotspot in the UK. Many of those young people feel that

they have nothing to aspire to and nothing to look forward to.

We must remember that behind every statistic there is a human being who is struggling to get by and, if we are not careful, many could fall through the cracks. North Ayrshire Council welcomed the one-off £800,000 payment from the Scottish Government last year to help to address youth unemployment, but with the scale of unemployment in the area there is a need for such support to occur regularly.

Last year I attended an event at the Playz in Pennyburn, Kilwinning, where I spoke to numerous young people and heard about their experiences of looking for work in the area and the struggles that they faced. All those young people were actively looking for work but were unable to find quality jobs. Many were suffering from underemployment and had to resort to part-time and temporary work just to get into the labour market. In some cases, they were overqualified but felt that such work was the only option that they had left.

Underemployment is a serious problem in Scotland, particularly among young men. In Scotland, 10.95 per cent of the population are underemployed, so I am pleased that the Economy, Energy and Tourism Committee is undertaking an inquiry to explore the impact of underemployment on the economy and on the people concerned. We will hear the results of that inquiry in due course.

North Ayrshire's most recent area profile states:

"the proportion of school leavers going into full time higher and further education is much higher at 68.7% in North Ayrshire than for Scotland as a whole (62.9%)."

Although that is welcome, it is also a reflection on the available alternatives that exist for young people, many of whom would rather go into work.

Worryingly for young people, a 24 per cent real-terms cut in college places between 2011 and 2015 means that opportunities in further education are reducing. We need to develop an approach that not only encourages young people to go into education but ensures that there are quality jobs and apprenticeships out there when they want to join the labour market.

I welcome the current investment in apprenticeships, but more needs to be done. The CITB-ConstructionSkills briefing states that the industry is crying out for skilled young people, argues that the industry is facing a "retirement timebomb" and notes that only 12 per cent of construction workers are under 24. The Scottish Government needs to do more to get young people into trades, and yet the industry's recovery is being threatened by further cuts to the Scottish housing budget.

John Mason (Glasgow Shettleston) (SNP): Does the member feel that the schools have a part to play in that, too? Are they always pointing young people in the right direction for careers?

Margaret McDougall: The schools have a part to play in that, as do colleges. We are all working together on the issue, so it should involve a partnership.

I was concerned to read in a recent Skills Development Scotland paper that some modern apprenticeships are only of six or nine months' duration. It seems that a modern apprenticeship in accountancy lasts for only nine months. How can that be right?

I have been given examples of young people who are apprenticing in call centres under the guise of an administration apprenticeship. They are supported by a wage subsidy when in fact all that they are doing is making or taking phone calls. Does the Government really consider such a job to be a quality apprenticeship?

I am sure that we all have examples of young people who are being exploited by employers who are backfilling posts under the pretext of modern apprenticeships. I look forward to the publication of the Government's report on the number of young people who have a positive destination after completing one of those modern apprenticeships—or are modern apprenticeships simply an exercise to reduce the unemployment statistics?

In tackling youth employment, we need to provide more training opportunities by encouraging more employers to take on young people, and we need to provide more college places rather than reduce them. We need to ensure that they are quality jobs and genuine training places that give young people the skills to fulfil their potential and the future that they deserve.

16:14

James Dornan (Glasgow Cathcart) (SNP): Like other members, I thank Jayne Baxter for her thoughtful contribution, and I look forward to more over the next few years.

Siobhan McMahon's contribution was thoughtful and meaningful too. I did not agree with everything that she said, but at least she said it in the right spirit, which I welcome. I must also mention Neil Findlay's intervention on Clare Adamson. It is not often that an MSP gets up in the chamber and proudly states that he knows what day it is, but I offer him congratulations anyway.

There is no doubt that the issue of youth employment is one of the most serious challenges facing Governments on both sides of the border.

Just this week the Prince's Trust published its report "The Prince's Trust Youth Index 2013", whose headline figures are stark and which highlights the personal impact that unemployment has on the young. Just over a quarter of the young people surveyed believe that their future prospects have been permanently damaged by the recession; one fifth of young people who are not in education, employment or training feel that they cannot cope with everyday life; and over a third "always or often" feel "down or depressed".

The report also highlights that one third of the so-called NEETs did not have someone to talk to about their problems while they were growing up and that young people who have not grown up in a supportive family environment are twice as likely not to be in education, employment or training. It is important that we do all that we can for young people who have not achieved a positive destination, because not being in education, employment or training impacts heavily on health and wellbeing. According to the Prince's Trust report, 49 per cent of NEETs are unhappy with their lives, compared with the 14 per cent of young people in education, employment or training who state that.

That is why the Scottish Government's commitment to its opportunities for all programme, which guarantees a place in education, employment or training for every 16 to 19-year-old, is important for the health and wellbeing of our younger citizens. It is important, too, because having young people in the workforce is beneficial not just to them but to us. It will help Scotland to achieve the modern, vibrant, well-educated and trained workforce that will be the cornerstone of our economic recovery.

The testimonials included in the guide for the make young people your business scheme show that far more can be gained than lost by having young people in the workplace. I hope that members across the chamber will consider signing my motion on the scheme, which has been marked for a members' business debate. I strongly believe that, as well as businesses working to make young people their priority, all members in this chamber should work to make them their priority, too.

I held a constituency jobs fair last October that the Minister for Youth Employment came to. I thank her for the time that she took to speak to those who attended and to the exhibitors. I think that she will agree that the fair was perceived as a huge success. I thank, too, Langside College for hosting the fair and for publicising it within the college. We also publicised it externally through local papers, social media and so on. Ultimately, more than 500 people attended, and a number of large employers in my constituency, including the

NHS, the Glasgow Housing Association, City Building and Asda, were there, along with representatives from Skills Development Scotland, Jobcentre Plus and a number of training organisations, who were able to give more general help, advice and assistance.

Despite what has been said about the my world of work website, it was one of the things that seemed to attract people's attention at the fair. Quite a number of people looked at it, including a lot of young kids—they looked like young kids to me, although they were probably in their twenties. However, they seemed to be attracted by the website and to see its benefits.

The feedback that I have received on the fair from both organisations and participants has been extremely positive. The participants said that the opportunity to make contacts, find out more about training opportunities and get tips on how to structure CVs, apply for jobs and undertake the interview process, in a setting that was more informal and less intimidating than they are used to, was beneficial to them. I have since spoken to some of them who have gone on to get interviews that I hope will lead to employment for them. I am waiting for responses back on that.

The organisations involved in the fair also saw its benefits. It was an opportunity for them to network with other like-minded organisations, to speak to people face to face whom they would normally deal with only by email, to publicise their employment and training opportunities in a different way, and to have access to a pool of potential workers already showing how keen and committed they are to finding employment or training opportunities. A number of the organisations have been back in touch to pledge their support for future events.

I am currently in the middle of my second competition for a paid intern. All high schools in my constituency, or where constituents attend, have been involved, and the interviews are taking place later this month. Last year's intern, Campbell, was a great addition to the office, and I am confident that this year's winner will be equally so. No matter what the predominant rhetoric of the UK Government is, we know that young people as a group are not the feral, feckless, workshy, lazy, computer-game-playing scroungers that they are made out to be. In the shameful common Westminster parlance, they are much more likely to be strivers than skivers.

We are all aware at the local level of so much good work that young people do for their peers and the community at large, be it through youth groups, churches or any number of other ways. Indeed, the Scottish Youth Parliament played an integral role in civic Scotland in a number of key campaigns over the past year, including their love

equally campaign for marriage equality, their one fair wage campaign on the implementation of the living wage, and their votes at 16 campaign, because being able to pay tax, get married, start a family, join the army and drive before being able to vote for who leads the country is both unjust and unfair.

This Government is clear in its commitment to the next generation of Scots, and the make young people your business initiative is just the latest in a long line of initiatives that the SNP has taken to show that young people are an integral part of the common weal of Scotland. However, only full powers over the economy will allow us to have a Scottish solution to Scotland's employment challenges and to ensure that, with welfare reform in Scotland, we have our own welfare system—one in which "welfare" is the important word, and not one under which those at the bottom of the wealth ladder are forced to pay for the sins of Westminster's politicians, both past and present, and the greed and profligacy of bankers.

I listened to the speeches that have been made during the debate, and I have pointed out the ones that I was taken by. One or two others were pretty much what we would expect, as my colleague Chic Brodie said. If we are going to have a serious debate about the future of our young kids, it is incumbent on Opposition members, and particularly those from the main Opposition party, to use it not as an opportunity to have a go at the Government but as an opportunity to put their vision of how they would help the young people of Scotland. I beg Opposition members to realise that it is incumbent on them, as an Opposition and as what they see as a future Government of this country, to come to the chamber with another plan and not just another plan of attack on the Scottish Government.

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

James Dornan: Until they do that, they are abusing the privileged position in which we all find ourselves as MSPs. Our young people deserve better.

16:21

Alison Johnstone (Lothian) (Green): I, too, congratulate Jayne Baxter on her thought-provoking and well-measured maiden speech. I was one of the young people who took part in the YTS—I was a yopper—and from that training post I secured permanent employment, so I share her conviction regarding initiatives to lessen the impact of unemployment on young people.

Youth employment is an incredibly important issue. In my time today, I want to focus on disadvantaged young people, whose routes to

employment have more barriers than most, even when there are more jobs to go round.

At the end of February last year, more than 16,000 children and young people were being looked after by councils in Scotland. The figure has increased annually since 2001. Some 1,408 of those leaving care in 2010-11 were between 16 and 21 years old. Those are young ages at which to deal with a major life event and strive to become a self-sufficient adult. The difficulties of such a transition are evident when we consider that a third of homeless people were formerly in care. On the whole, care leavers have poorer educational qualifications and health outcomes than their peers and, notably, they are more likely to have contact with the criminal justice system.

Many companies, local authorities and other governmental institutions are offering modern apprenticeships. The City of Edinburgh Council recently announced a further 50 such apprenticeships. As there is a particular issue regarding the employment of young people leaving care—Liam McArthur mentioned the issue, too—I ask the minister to ensure that all local authorities share best practice and try to ensure that looked-after children are given every opportunity to take up such apprenticeship places where they are available, because future life chances for looked-after young people are improving where councils are focusing on getting care leavers into education or employment.

Third sector organisations such as Barnardo's and Action for Children have expertise in supporting young people to maintain college, training and work placements, and funding support for such initiatives is very much preventative spending. Research by the University of York in 2010 showed that every young person who is not in employment, education or training costs public authorities an average of £56,000 over their lifetime. Demos has demonstrated savings of more than £90,000 where children in care leave at 18 with good qualifications and good mental health, compared with those who leave care at 16 and a half with no qualifications and mental health problems. We know, too, that 23 per cent of the adult prison population has been in care. That highlights the need for holistic and personalised employment support for these young people.

This week, the Economy, Energy and Tourism Committee started an inquiry into underemployment that will investigate tackling in-work poverty without increasing overall unemployment. The issue was underlined by a Barnardo's report this week called "Paying to work: childcare and child poverty". It found that the introduction of the universal credit benefit system as it stands will mean that a lone parent who is in part-time, low-paid work will lose out financially if

they increase their work hours, because they will need more childcare. The Scottish Government plans to increase flexibility and the number of hours of childcare, and I welcome that as it will help to remove barriers to young parents entering education or employment. That increased flexibility is urgently needed—and I raised that issue during our previous debate on colleges.

I feel uncomfortable with the apparent priority that universities have been given over colleges. I am extremely supportive of the Government's aim to base access to education on ability to learn and not ability to pay, but it does not sit well with me that universities should be supported while colleges are made to feel the pain of £34.6 million-worth of cuts to their grants. Colleges are part of the answer to employability and are essential for optimal youth employability. Notwithstanding that many people would much rather learn on the job and gain work-based qualifications, colleges are the institutions that can provide the access and flexibility that many disadvantaged young people need.

I would also like to talk about enterprise. The stand-out fact in the FSB briefing this week was that the UK labour force survey demonstrates that, between 2008 and 2011, 88 per cent of people who moved from unemployment to private sector employment found work in SMEs, compared to 12 per cent who found work in large businesses. It is clear, as the FSB says, that employment in small firms is the most important route to employment for the unemployed and economically inactive. Annabel Ewing touched on that, too.

Our youth employment efforts must also focus on supporting businesses to recruit and train the right young people. I ask the minister to recognise in her closing speech the importance of microbusinesses and small businesses as employers of previously unemployed people, and to listen to the FSB's wealth of experience in how existing microbusinesses can best be supported to recruit young people.

Finally, it is important to recognise the enterprising talents of young people who can, if given the chance, become very successful with their own businesses. The last motion in Parliament lodged by my predecessor, Robin Harper, called on the Government to create a microfinancing scheme for young people, and since then I have been pleased to see the Grameen microfinance model being set up in Scotland, as it has the potential to help those locked out of the financial system.

16:27

John Mason (Glasgow Shettleston) (SNP):
On Tuesday we had a debate on employability

and it is good to have a debate on a related topic today. As I did on Tuesday, I would like to spend a bit of time looking at work experience, but first I will comment on some of the speeches that have been made.

I particularly note some of the Labour speeches. For example, Ken Macintosh seemed to be critical of the fact that cuts from Westminster were being passed on. Surely the cuts from Westminster have to be passed on because we have nowhere else to get money from.

Ken Macintosh: Will the member give way?

John Mason: Oh, straight in. Okay.

Ken Macintosh: The point that I was making, which Mr Mason perhaps can address, is that Westminster has a particular agenda, which is to cut the public sector, but there is absolutely no need for the Scottish Government to follow the same agenda. [*Interruption.*] Why is the Government cutting the public sector and not protecting public employment in Scotland?

John Mason: I missed some of the detail of that, because my fellow back benchers were heckling you.

Ken Macintosh's first point was that there is no need to pass on Westminster cuts. There is nowhere else for the money to come from—we have to pass on the Westminster cuts. The question is how we do it and the point has been made—in the Labour amendment especially—that we are looking for more money for colleges, housing and transport, which we all support; however, there has been no suggestion from Labour or, I think, the Tories or Lib Dems, about where that money should come from. I give credit to Alison Johnstone, who suggested that we could trim university funding to give more to colleges. Is that what Labour is saying, or is it saying that the money has to come out of thin air?

Ken Macintosh: I have two suggestions, the first of which regards the rail improvement programme. The Government could borrow from the rail asset base and I would like to ask the SNP why it is not doing so.

Secondly, why has the SNP cut its own PFI by more than £330 million? What is wrong with using that money to get shovel-ready projects off the ground?

John Mason: I will deal with the second point first. Traditional funding and, preferably, saving, which we should have been doing for many years, is what we should be using for capital projects, primarily.

If we can run eight-coach trains from Queen Street to Edinburgh on the railway system more cheaply than running more six-coach trains, which

are harmful to the environment, I support the eight-coach trains and the cheaper option.

I agree with Mary Scanlon that grants are better than loans. That applies to students, the Prince's Trust and the social fund. Grants are better than loans—full stop.

I agree with Jayne Baxter that universities are not the right way for everybody.

I was also interested in Neil Findlay's criticism of Clare Adamson, saying that she was merely describing the problem, given that he then spent six minutes doing the same.

I said that I would like to spend a bit of time on work experience, which was mentioned in Tuesday's debate. I welcome the report that most employers who take on young people find them ready for work; however, there is still a perception—or indeed the real problem—that many of them lack experience. As a result, I very much welcome the intention behind SDS's make young people your business campaign to encourage employers to help young people to build up their skills.

The issue came up a number of times in the Finance Committee's employability inquiry and the overall feeling was that there was room for improvement. Schools might be encouraging one-week placements—I have had a number of youngsters in for a week and, indeed, have another coming in next week—but the fact is that there can be a few hoops to go through. For example, in an evidence-taking session for the employability inquiry, a witness from Menzies Hotel said:

"Recently, Glasgow City Council surveyed the hotel for a work placement and, in its paperwork, it probably went into more detail than the environmental health officers go into. The person in question was not allowed to pull out a bed, touch anything in the leisure club or do this, that or the other."—[*Official Report, Finance Committee, 23 May 2012; c 1212.*]

At the inspection that we had on Monday, we were told that the pupil must not use cleaning materials and there was a question whether the office was warm enough, as if it might not be—which might sometimes be the case.

Of course, schools have to be responsible about the places that they let their pupils go to, but I sometimes wonder whether they are making things too difficult for employers. Even a one-week placement is very little. It would be difficult to say that, after it, the employer knew the young person very well or the young person understood the job to any great extent.

That is a problem not just for school pupils but for graduates, who cannot get a job or even an interview because they have no experience. I agree, however, that taking on an unpaid intern for

a year can be considered exploitation. What, then, is the answer? The motion refers to members being involved in this work and, indeed, as small employers ourselves, we can be involved and set an example. I have been trying to think of some of the things that I could do. In the autumn, I took on a graduate who had no experience and needed some; however, I decided to limit his work experience to 120 to 150 hours to ensure that it would not be considered exploitation. I think that he managed to get reasonable experience and we can now write him a reference that he can use elsewhere.

Moreover, real work experience has to be provided. Recently, there has been some media coverage about the Department for Work and Pensions and Jobcentre Plus encouraging employers to change real jobs into work experience in order to meet their targets. Allegedly one Glasgow nightclub took on 40 youngsters for the busy November and December season, had them work unpaid from 7 pm to 3 am and eventually took on only three as actual employees. That is not right and when I raised the matter with one of the agencies that work with the DWP on a recent visit, it said that it had refused to take part in certain schemes that it felt to be dodgy.

We all want to do more within our limitations. We can and will do more but we could do a lot more if we were independent.

The Deputy Presiding Officer (John Scott): We now move to closing speeches. I call Liz Smith to close for the Conservatives. Ms Smith, you may have a generous six minutes.

16:33

Liz Smith (Mid Scotland and Fife) (Con): Some very interesting points have been raised in this debate, which I think has struck a very interesting tone. After all, tone is as important as the context in which we are discussing many of these issues, and several members have mentioned the fact that the debate comes on top of other debates that have a coherence with it. That is important because we all have a responsibility for tackling youth unemployment. We also have a responsibility to focus on employability because, as Mary Scanlon made clear in setting out the statistical facts as proof, it is essentially the main issue in this debate.

Mary Scanlon is absolutely right to say that there are some signs of progress that it would be churlish to diminish in looking at the overall picture. However, what remains clear is the considerable gap between demand and supply in different aspects of the labour market, not just with regard to the total numbers but in the qualitative adjustments required. I was struck by comments

made from all parts of the political spectrum by Chic Brodie, Liam McArthur, Ken Macintosh and Siobhan McMahon about the need to drill down into some of this. After all, we cannot simply come out with blanket statements.

Apart from the underemployment issue, which Ken Macintosh rightly raised, there are three main problems. First, there are those who are willing and able to work but who are unable to find work in an economy that is obviously demand-deficient at the moment and prone to some very serious cyclical downturns. Secondly, there are those who are willing and able to work but who cannot find a job because they do not possess the relevant skills and qualifications that would make them sufficiently attractive to employers who have jobs available. Then there are those who are able to work but who are, for one reason or another, unwilling to do so.

Each situation encompasses different problems in the labour market and, by definition, requires a different approach from Government. When we examine why just under half of 16 to 24-year-olds in Scotland are currently unemployed and why the youth unemployment rate here continues to be far too high, it is important that we look at the underlying trends and that policy focus distinguishes between different types of unemployment.

Several members said that many factors are at work, which is right. A concern that has been raised consistently, and which I think has emerged in almost every committee in the Parliament, given the consistent theme that employers take up when they make representations to parliamentarians, is the lack of employability skills among by no means all but too many of our young people. Employers say that too many school leavers have poor communication skills and a lack of understanding of the ethos that is expected and required in the workplace. Although employers acknowledge that there are outstanding programmes to address that issue, including many in the voluntary sector—we talked about the Prince's Trust—time and again they make the point that policy is not sufficiently coherent across the country.

There is a wealth of evidence on the topic, and whether we consider the sophisticated economic analysis that the Confederation of British Industry produced or the sophisticated social analysis that Barnardo's produced, we can see seriously worrying signs of personal barriers in the way of too many young people. Barriers can include poor literacy and numeracy skills, a lack of confidence and motivation, issues to do with housing and money management and, just as important, an inability to understand what is required in the workplace.

It is clear that an increasing number of commentators think that schools and colleges have the most significant part to play in tackling the problem. The Scottish Chambers of Commerce told the Finance Committee recently that a great deal more needs to be done to improve links between employers and schools and colleges and to address young people's expectations. In that context, I congratulate Jayne Baxter on her thoughtful maiden speech. She made the point strongly that the transition between school life and working life is the most important one.

Members who attended the meeting of the cross-party group on colleges and universities just before Christmas, when we considered articulation, were struck by the contribution of Chantelle Robson, who is a classic example of the importance of successful articulation. The young lady is in her first job and made it clear that if she had not been lucky enough to get beneficial advice, she probably would not have succeeded. She argued strongly that careers guidance at school, particularly in secondary 3, should be much better.

John Mason: I am interested in what the member is saying and I think that she is right. Does she have suggestions about how we improve careers guidance at school? Should we get teachers out into the workplace more often? Should we get more business people into schools?

Liz Smith: The member has asked important questions. What the young lady said was that there must be a mixture of things. She argued that teachers should have additional qualifications, to help them to understand some of the problems that young people face. However, nothing beats work experience. As the member said quite rightly in his speech, it is important that people like us offer valuable work experience. A combination of approaches is needed and I do not underestimate their importance—I think that the Smith group made the same point to the Parliament.

I have great sympathy with the Labour amendment, because colleges are crucial and are central to the issue. I ask the Scottish Government again to reflect on how it can possibly justify the extent of the cuts that have been imposed on college budgets. The cuts are punishing the very institutions that have had the greatest impact on providing better and more flexible employment opportunities. Why on earth, at this time of such high youth unemployment, do colleges have to be punished?

The Deputy Presiding Officer: I call Angela Constance to wind up—I beg your pardon; I call Kezia Dugdale. I will need to put my specs on.

16:39

Kezia Dugdale (Lothian) (Lab): I am quite happy to have the last word, Presiding Officer.

I take this opportunity to congratulate Jayne Baxter on an excellent maiden speech. The strength and depth of her experience is self-evident, and I think that her speech served as a timely reminder that we have a public duty, as politicians, to do everything that we can to help young people into work. Her words burst through some of the rhetoric and the back-slapping that we have heard this afternoon.

One thing that Jayne Baxter did not mention when she listed her impressive CV was the time that she spent as a youth club leader in Dunfermline's Abbeyview, which was a pretty rough area back in the 1980s, full of unruly, challenging and cheeky young people, the worst offender among whom, I understand, was the young John Park. She is responsible for a lot in that regard.

I had not met Jayne until her election. Since then, however, we have put the world to rights on a couple of occasions, which I have thoroughly enjoyed. I know that she will not only make a good parliamentarian but be a good friend to many people across the chamber.

When I saw the title of today's debate, just before Christmas, I thought, "Great! The word 'action' finally appears in a Scottish Government motion," and was glad that there would be no talk of strategies or consultation processes. I assumed that we would hear more details about the Government's employment recruitment incentive, which is a long-standing Labour policy, whose implementation we have been calling for since the minister's appointment. I was pleased to see it in the budget and I understand that it will be on stream from April. Surely today would have been the day to tell us more about it, as that would give business three months to get its head around the detail. It would certainly give people time to find the policy—I will deal with the complexity of the employability landscape shortly.

I am pleased to hear that the employment recruitment incentive will be focused on 18 to 24-year-olds, because I am becoming increasingly concerned about the focus on 16 to 19-year-olds, having met a 20-year-old guy in the Wester Hailes job centre recently who was desperate to be a mechanic but had been told that he was too old for Government help. That is just one story, but it represents a depressingly regular trend.

The latest figures show that the unemployment rate for 20 to 24-year-olds is on the rise, going from 8.9 per cent to 17.7 per cent in the past year alone. I say to Kenneth Gibson that he would perhaps be less enthusiastic about the

opportunities for all proposal, which focuses on 16 to 19-year-olds, if he looked at the statistics in his constituency, where 33.6 per cent of 20 to 24-year-olds are out of work, which is almost double the national average—a generation of young people written off for not being young enough.

Kenneth Gibson: I am trying to do something about that, which is why, unlike any of the Labour members in the West Scotland region, I have organised a jobs fair.

Does Kezia Dugdale share my disappointment that, under the last Labour Government, 14,500 manufacturing jobs—more than half the total—were lost in Ayrshire?

Kezia Dugdale: So it is all Labour's fault—we are back to the blame game.

I point out to Kenneth Gibson that Margaret McCulloch, who is not here today, has organised a jobs fair, and I know that she is not alone on the Labour benches in that regard. She has made a number of speeches in the chamber about that.

Surely, rather than having to set up his own jobs fair, Kenneth Gibson would prefer that his Government was taking action. I commend him on his action, but surely he would like his Government to do the same.

I mentioned the young guy in Wester Hailes, which is, of course, in Gordon MacDonald's constituency. I admit to being truly shocked by his "everything is rosy" speech. He might have thought that the speech went down well with his front bench, but it would not have gone down particularly well in the Wester Hailes job centre. He also made great play of the importance of free higher education. He should take no joy in free higher education in his constituency when it is coming at the expense of college places. Under his Government's education policy, in 2010-11, just three kids from Wester Hailes went to university. That is a classic case of free tuition contributing little to widening access to higher education. It is his Government that is cutting £900 from the bursaries of the poorest students, who I bet come from Wester Hailes. Far from widening access, his Government is ruining the chances of kids in his constituency of going to university.

Annabelle Ewing: Will the member give way?

Kezia Dugdale: No, I am afraid that I am not done yet.

Thirty-eight kids in Wester Hailes went to college in 2010-11. The member should look at the statistics.

Since 2008, under this Government, there has been a fall in student places of 79,000. Someone who lives in Sighthill can see Stevenson College across the road but cannot get in the door. I

thought that the member's speech was truly shameful.

Michael Russell: Now you are scaremongering.

Kezia Dugdale: The cabinet secretary says that I am scaremongering, but I have the school leaver statistics on my desk and I can share them with him afterwards.

Neil Findlay: Will the member take an intervention?

Kezia Dugdale: I would rather not, if that is okay with Mr Findlay. I have a lot to get through.

Kenneth Gibson was, however, right to point to the fact that I welcome the Government's "Make Young People Your Business" document. I spoke at great length on Tuesday about how much I welcome that. It is particularly important that we say to businesses that it is about not a moral duty to employ young people, but the opportunities that they give companies to build and grow. I completely welcome that, but I want to see more emphasis placed on getting that message out to businesses. I do not want this to be a glossy leaflet that sits in a council office, which businesses can rush by without picking up. We need to make sure that the message is getting out to businesses.

Earlier this week, the cabinet secretary talked about a website dedicated to promoting that, called "Our Skillsforce". I have looked at the website and I am afraid that it has many of the same problems as the "My World of Work" website. I will share those with the minister. I hope that, if she takes one message away from the debate, it will be the need to look into this. Just before Christmas, the minister and I shared a platform not about youth unemployment, but about sexism and gender inequality. On that subject, we had a lot of views in common. On the home page of the website, there are 10 photos, nine of which are of young men and just one of which is of young women. I am sure that the minister will want to look at the presentational impact of that. There is also a page on the website about recruitment, with a message for businesses on how to access Government programmes. That one website page still has four different contact telephone numbers for businesses to access support. Once again, businesses are faced with the complexity of the employability landscape. Surely one telephone number would have been enough.

It gets worse. I thought about how, if I were a business, I would access support for youth recruitment. I googled the words "help recruiting a young apprentice in Scotland" and that website did not come anywhere in the first 10 listings on Google. I tried again, googling the words "our skillsforce Scotland". Again, the website did not appear in the first 10 listings on Google. How are

businesses going to access the website and find the support if it does not come up in a web search? I ask the minister to think seriously about the approach from a business perspective. How can businesses access the information and make the best of it? It is of no use if it is just in a glossy document.

In the time that I have left, I will say why Labour cannot support the Government today. We support an all-Government, all-Scotland approach but we do not think that the Government is doing enough. Where is the report on what the Government agencies are doing to tackle youth unemployment? Do they have their own strategies? What are Government departments doing across the board? How is the Government taking best practice from different local authorities and sharing it across the country?

The other big factor is the statistics. Of course, we welcome the fall in unemployment but we cannot help but point out that, when the figures were rising to over 100,000, the minister said that she could not do anything about it without the economic powers; yet, when the numbers are falling, she is claiming the credit for it as if it were all her own work.

Chic Brodie: Will the member take an intervention?

Kezia Dugdale: I am afraid that I have only seconds left—in fact, I am over my time. I am sorry, Mr Brodie.

We have supported every youth employment motion that has come from the Government to date, but our patience has worn thin. Today will be the day that we break that pattern. I am afraid that the lack of action and the hypocrisy of the way in which the Government has treated the statistics have led us to this position and that we cannot support the Government today.

I support the amendment in the name of Ken Macintosh.

16:48

Angela Constance: I add my congratulations to Jayne Baxter on an eloquent maiden speech. I listened with interest to the activities that her colleagues on Fife Council supported—in particular, the appointment of a youth ambassador. She might be interested to know that North Lanarkshire Council has also appointed a youth employment ambassador, who even attended Alex Neil's jobs fair in his constituency. I was thrilled to hear her talk about her contact and work with Jim Leishman. I am known to Jim from his days at Livingston Football Club. Far be it from me to cause any problems among the rank and file of the Labour Party in Fife—I hope that Jim will

forgive me for saying this—but he spoke at a fundraising dinner on my behalf before I was elected in 2007. Jayne Baxter can take back to Fife my best wishes to Mr Leishman for all the work that he continues to do.

I hope that Mary Scanlon will forgive me, but we got a bit of light relief when she gave her grants-not-loans speech. Alasdair Allan and I looked at each other and thought, "Where was Mary Scanlon in the late 1980s, when we were fighting the Thatcher Government over the introduction of student loans?" However, I think that she has clarified her position on that.

Mary Scanlon: Will the minister give way?

Angela Constance: No. On a more important point, I want to reassure Mary Scanlon that there is no reduction in the number of training places for young people. The number of modern apprenticeships is up and we have delivered our commitments to the national training programmes. Also, in accordance with outcome agreements, 70 per cent of college provision will be targeted at 16 to 24-year-olds, which is actually a 5 per cent increase.

Liam McArthur and others raised a genuine point about looked-after children. We need to ensure that looked-after children get their fair share of opportunities, whether in the national training programmes or in the modern apprenticeship programme.

The third sector has an invaluable role in working with young people who are furthest away from the labour market—

Mary Scanlon: Will the minister give way?

Angela Constance: No, I have moved on.

I am very familiar with the Barnardo's works project—in fact, I visited the project in my constituency last Thursday—and I know the work that it does in linking up with employers and reaching out to some of the most disadvantaged young people in our communities. I should emphasise that one reason why the Government funds the modern apprenticeship programme in every framework between the ages of 16 and 24 is, among other things, a recognition that quite often care leavers may not be ready to participate in a modern apprenticeship between the ages of 16 and 19 and may be in their 20s before they can do so.

As one of the children's charities highlighted in its briefing paper—Alison Johnstone also raised this point—we need to do more to promote the modern apprenticeship programme among all children and young people. Members may be interested to know that the Scottish Children's Reporter Administration is a good public sector employer that leads by example in employing

looked-after children, but I accept that much more needs to be done. As we go into 2013, as always we must seek to raise our game in terms of looked-after children. Yes, positive destinations for looked-after children have increased from 44 per cent to 55 per cent—those figures relate to sustained destinations—but that is still simply just not good enough.

Regarding Mr Macintosh's speech, I say to him that I think that we agree on the scale of the problem. We know and understand the scarring or life-changing impact of youth unemployment that David Blanchflower has described. I also share Mr Macintosh's concerns about long-term unemployment. That is why we have introduced, among other things, an employer recruitment incentive. I also share the concerns about underemployment, which is an issue for young people, is bad for our economy and is also an issue for women workers and for some graduates. Like others, I look forward to learning more about the issue from the Economy, Energy and Tourism Committee's inquiry.

I also agree with Mr Macintosh on the importance of capital investment, given that every £100 million of capital investment is estimated to support 1,400 jobs. Yes, the challenge is to ensure that, when we get economic growth, our young people are given the opportunity to benefit from that growth, and that is where procurement comes in. I began work with Mr Neil on the sustainable procurement bill—this is an all-Government approach—and, as part of our legislative programme, that work will continue with Ms Sturgeon.

On housing, which is mentioned in Mr Macintosh's amendment although he did not say much about it in the debate, all that I will say is that our record is better than his. Perhaps, just now and again, Mr Macintosh and others could, with a bit more good grace, acknowledge the positives. We cannot allow ourselves to succumb to a cycle of despair. We must give out a strong and clear message that, whatever the scale of the challenge, we will strain every sinew to tackle the challenge. We must ensure that our young people receive a message of hope and not a message of despair.

I would have been more reassured if the Opposition had welcomed the recent drop in youth unemployment—25,000 fewer young people are unemployed now than were at this time last year. I know that this is no time for us to be taking our foot off the pedal, but that is a welcome step in the right direction.

Mr Macintosh talks about action. As part of our all-Government, all-Scotland response, we have identified an additional £80 million to assist 23,000 young Scots towards and into work. He talks about

evaluation, too. I agree that that is important; we had a debate about that on Tuesday. However, the Labour Party never says which programme is not working, which programme it wants to improve or which programme it would scrap. Our national training programmes deliver a good job, but they can do much better. That is one of the reasons why we are moving towards an employability fund and moving away from a one-size-fits-all approach, and why we are having pre-vocational and pre-employment training that meets the needs of young people—including those young people most disadvantaged and far removed—and local economies.

I would have hoped that there would be some cognisance of the record levels of modern apprenticeships, the employment recruitment initiative, initiatives such as community jobs Scotland and the third sector challenge fund. We are taking a plethora of action.

Bruce Crawford made the sensible point that the Opposition never says how it will pay for its proposals for additional expenditure. I very much believe in social democracy, but I also know that we have to be able to pay for that.

A good thing about the debate is that we have, in a consensual manner, articulated that there are three strands to tackling youth unemployment. First, there is what we can do as individuals. We have heard about the jobs fair. I had one in my constituency and James Dornan had a hugely successful one. Labour members have also organised activities in their constituencies with a view to addressing issues relevant to their local needs. I urge all members to get behind and promote, in their constituencies, opportunities for all and the helpline, our modern apprenticeship programme and the make young people your business campaign, and to promote the employer recruitment incentive among small business, because that is where it is targeted.

One change that has occurred over the past decade that has adversely affected young people in the labour market is the reduction of large business and the rise of small business. Small businesses invariably want to recruit those who are tried and tested. There are other structural changes in the labour market that have had an adverse impact on young people. We need to create more entry-level jobs—that ladder of opportunity has been taken away from many school leavers who have reasonable qualifications.

We need economic and structural change to tackle youth unemployment. There is a case for structural reforms in relation to the early years, curriculum for excellence, colleges and career guidance. We have to make tough decisions in response to Tory cuts and adversity. However, we

are also reforming public services in terms of prevention and early intervention. I hope that all members will unite behind the European Commission's call and support its proposal for a youth guarantee to all young people up to the age of 25 that, within four months of unemployment, they can secure a place in education, get a job or get further training. That is something positive that we could engage with the UK Government to achieve. I hope that I will receive members' support for that.

Change always happens. If we consider the NEET rate and youth unemployment at a time of economic growth, we see that we need change. Can any member look me in the face and say that it is not necessary? There are other countries in Europe that, despite the economic recession, have youth unemployment levels of less than 10 per cent.

I commend the good work that is taking place. We should celebrate the reduction in youth unemployment as a step in the right direction, but I assure the Parliament that we will most certainly not take our foot off the gas. We will, indeed, strive for a Parliament that has the full range of job-creating powers.

Parliamentary Bureau Motions

17:01

The Deputy Presiding Officer (John Scott):

The next item of business is consideration of two Parliamentary Bureau motions. I ask Joe FitzPatrick to move motions S4M-05336, on committee membership, and S4M-05335, on substitution on committees.

Motions moved,

That the Parliament agrees that Bob Doris be appointed to replace Sandra White as a member of the Public Audit Committee.

That the Parliament agrees that—

James Dornan be appointed to replace Bob Doris as the Scottish National Party substitute on the Equal Opportunities Committee;

Gil Paterson be appointed to replace Bob Doris as the Scottish National Party substitute on the Infrastructure and Capital Investment Committee; and

Roderick Campbell be appointed to replace Gil Paterson as the Scottish National Party substitute on the Rural Affairs, Climate Change and Environment Committee.—
[*Joe FitzPatrick.*]

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

Decision Time

17:02

The Deputy Presiding Officer (John Scott):

There are four questions to be put as a result of today's business.

The first question is, that amendment S4M-05319.2, in the name of Ken Macintosh, which seeks to amend motion S4M-05319, in the name of Angela Constance, on action to support youth employment, be agreed to. Are we all agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

For

Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Baxter, Jayne (Mid Scotland and Fife) (Lab)
 Bibby, Neil (West Scotland) (Lab)
 Boyack, Sarah (Lothian) (Lab)
 Brown, Gavin (Lothian) (Con)
 Carlaw, Jackson (West Scotland) (Con)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Davidson, Ruth (Glasgow) (Con)
 Dugdale, Kezia (Lothian) (Lab)
 Eadie, Helen (Cowdenbeath) (Lab)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 Findlay, Neil (Lothian) (Lab)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Annabel (West Scotland) (Con)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Harvie, Patrick (Glasgow) (Green)
 Henry, Hugh (Renfrewshire South) (Lab)
 Hume, Jim (South Scotland) (LD)
 Johnstone, Alex (North East Scotland) (Con)
 Johnstone, Alison (Lothian) (Green)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 Macdonald, Lewis (North East Scotland) (Lab)
 Macintosh, Ken (Eastwood) (Lab)
 Malik, Hanzala (Glasgow) (Lab)
 Marra, Jenny (North East Scotland) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 McArthur, Liam (Orkney Islands) (LD)
 McDougall, Margaret (West Scotland) (Lab)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McInnes, Alison (North East Scotland) (LD)
 McMahan, Michael (Uddingston and Bellshill) (Lab)
 McMahan, Siobhan (Central Scotland) (Lab)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Milne, Nanette (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Murray, Elaine (Dumfriesshire) (Lab)
 Pearson, Graeme (South Scotland) (Lab)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Rennie, Willie (Mid Scotland and Fife) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Drew (Glasgow) (Lab)

Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Liz (Mid Scotland and Fife) (Con)
 Stewart, David (Highlands and Islands) (Lab)

Against

Adam, Brian (Aberdeen Donside) (SNP)
 Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Brodie, Chic (South Scotland) (SNP)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Eadie, Jim (Edinburgh Southern) (SNP)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hyslop, Fiona (Linlithgow) (SNP)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Keir, Colin (Edinburgh Western) (SNP)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 MacKenzie, Mike (Highlands and Islands) (SNP)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West Scotland) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McDonald, Mark (North East Scotland) (SNP)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Russell, Michael (Argyll and Bute) (SNP)
 Salmond, Alex (Aberdeenshire East) (SNP)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)
 Torrance, David (Kirkcaldy) (SNP)
 Urquhart, Jean (Highlands and Islands) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

The Deputy Presiding Officer: The result of the division is: For 53, Against 63, Abstentions 0.

Amendment disagreed to.

The Deputy Presiding Officer: The next question is, that motion S4M-05319, in the name of Angela Constance, on action to support youth employment, be agreed to. Are we all agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

For

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

Robertson, Dennis (Aberdeenshire West) (SNP)
 Russell, Michael (Argyll and Bute) (SNP)
 Salmond, Alex (Aberdeenshire East) (SNP)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)
 Torrance, David (Kirkcaldy) (SNP)
 Urquhart, Jean (Highlands and Islands) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

Against

Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Baxter, Jayne (Mid Scotland and Fife) (Lab)
 Bibby, Neil (West Scotland) (Lab)
 Boyack, Sarah (Lothian) (Lab)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Dugdale, Kezia (Lothian) (Lab)
 Eadie, Helen (Cowdenbeath) (Lab)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Findlay, Neil (Lothian) (Lab)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Henry, Hugh (Renfrewshire South) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Macdonald, Lewis (North East Scotland) (Lab)
 Macintosh, Ken (Eastwood) (Lab)
 Malik, Hanzala (Glasgow) (Lab)
 Marra, Jenny (North East Scotland) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 McDougall, Margaret (West Scotland) (Lab)
 McMahon, Michael (Uddingston and Bellshill) (Lab)
 McMahon, Siobhan (Central Scotland) (Lab)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Murray, Elaine (Dumfriesshire) (Lab)
 Pearson, Graeme (South Scotland) (Lab)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Drew (Glasgow) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Stewart, David (Highlands and Islands) (Lab)

Abstentions

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

The Deputy Presiding Officer: The result of the division is: For 67, Against 34, Abstentions 15.

Motion agreed to,

That the Parliament supports the Scottish Government's "all-Government, all-Scotland" approach at the centre of Scotland's Youth Employment Strategy, which has had a positive impact on the challenge of youth unemployment; further welcomes the launch of the Make Young People Your Business campaign; recognises that this approach is vital in the development of Scotland's young workforce; agrees that all MSPs have a role to play in their constituencies to actively encourage local employers and other partners to do more, and welcomes the decrease in youth unemployment by 25,000 seen in the December 2012 labour market statistics.

The Deputy Presiding Officer: The third question is, that motion S4M-05336, in the name of Joe FitzPatrick, on committee membership, be agreed to.

Motion agreed to,

That the Parliament agrees that Bob Doris be appointed to replace Sandra White as a member of the Public Audit Committee.

The Deputy Presiding Officer: The final question is, that motion S4M-05335, in the name of Joe FitzPatrick, on substitution on committees, be agreed to.

Motion agreed to,

That the Parliament agrees that—

James Dornan be appointed to replace Bob Doris as the Scottish National Party substitute on the Equal Opportunities Committee;

Gil Paterson be appointed to replace Bob Doris as the Scottish National Party substitute on the Infrastructure and Capital Investment Committee; and

Roderick Campbell be appointed to replace Gil Paterson as the Scottish National Party substitute on the Rural Affairs, Climate Change and Environment Committee.

The Deputy Presiding Officer: That concludes decision time.

Meeting closed at 17:04.

Members who would like a printed copy of the *Official Report* to be forwarded to them should give notice to SPICe.

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