



The Scottish Parliament
Pàrlamaid na h-Alba

Official Report

MEETING OF THE PARLIAMENT

Wednesday 30 November 2011

© Parliamentary copyright. Scottish Parliamentary Corporate Body

Information on the Scottish Parliament's copyright policy can be found on the website - www.scottish.parliament.uk or by contacting Public Information on 0131 348 5000

Wednesday 30 November 2011

CONTENTS

	Col.
TIME FOR REFLECTION	3961
PUBLIC SECTOR PENSIONS	3963
<i>Motion moved—[John Swinney].</i>	
<i>Amendment moved—[Gavin Brown].</i>	
<i>Amendment moved—[Willie Rennie].</i>	
The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney)	3963
Gavin Brown (Lothian) (Con)	3969
Willie Rennie (Mid Scotland and Fife) (LD)	3974
Jamie Hepburn (Cumbernauld and Kilsyth) (SNP).....	3977
Christina McKelvie (Hamilton, Larkhall and Stonehouse) (SNP)	3980
Rob Gibson (Caithness, Sutherland and Ross) (SNP).....	3982
Margaret Burgess (Cunninghame South) (SNP)	3985
Mary Scanlon (Highlands and Islands) (Con).....	3987
James Dornan (Glasgow Cathcart) (SNP)	3990
Clare Adamson (Central Scotland) (SNP)	3994
Nigel Don (Angus North and Mearns) (SNP)	3996
Chic Brodie (South Scotland) (SNP)	3999
Joe FitzPatrick (Dundee City West) (SNP).....	4000
Christine Grahame (Midlothian South, Tweeddale and Lauderdale) (SNP)	4003
Willie Rennie	4004
David McLetchie (Lothian) (Con)	4007
John Swinney	4010
BUSINESS MOTION	4014
<i>Motion moved—[Bruce Crawford]—and agreed to.</i>	
PARLIAMENTARY BUREAU MOTIONS	4016
<i>Motions moved—[Bruce Crawford].</i>	
DECISION TIME	4017
ST ANDREW'S DAY	4022
<i>Motion debated—[Kevin Stewart].</i>	
Kevin Stewart (Aberdeen Central) (SNP)	4022
Christine Grahame (Midlothian South, Tweeddale and Lauderdale) (SNP)	4024
Jamie McGrigor (Highlands and Islands) (Con)	4025
Rob Gibson (Caithness, Sutherland and Ross) (SNP).....	4027
Jamie Hepburn (Cumbernauld and Kilsyth) (SNP).....	4028
Willie Coffey (Kilmarnock and Irvine Valley) (SNP)	4030
The Minister for Parliamentary Business and Chief Whip (Brian Adam).....	4031

Scottish Parliament

Wednesday 30 November 2011

[The Presiding Officer *opened the meeting at 14:30*]

Time for Reflection

The Presiding Officer (Tricia Marwick): Good afternoon. Our time for reflection leader today is the Rev John A H Murdoch, moderator of the St Andrew's Presbytery and minister of Largo and Newburn Parish Church.

The Reverend John A H Murdoch (Moderator of the St Andrews Presbytery and Minister of Largo and Newburn Parish Church): My late father, Evan Murdoch, Miss Goldie's uncle, told me once that when you are in the company of certain people, religion and politics are topics that you might avoid. With my cousin sitting near and her successor a member of one of my two congregations in Largo, it is not straightforward to dismiss the latter and, as a parish minister, it would be thought more than a little odd if I were not interested in the former.

I come here at your invitation, for which I am extremely grateful, aware of the need for both religion and politics to become more relevant to our nation, as young and old, believers and those of no faith, and those of all political and religious viewpoints work together for a sense of understanding, tolerance and harmony between those of all backgrounds and faiths, so that our nation remains true to its principles, its history and its sense of equality. There can be no finer day than this day, St Andrew's day, to come here.

In the mid-1970s, I was a divinity student a stone's throw away, in the Canongate kirk. I lived in Russell House, beside the manse where the esteemed Ronald Selby Wright was minister for over 40 years. I remember seeing, on one of the walls of the youth club that he ran, a lovely picture from the late 1960s of Pringle Fisher, the Scottish rugby captain, shaking hands with one of my boyhood heroes, the Scottish football captain, John Greig, of a team well known in the other city. Dr Selby Wright had brought them together in the youth club and what inspiration the young got from seeing that picture. In that setting, where impoverished youngsters from the closes around the Canongate learned new skills and tried to understand one another better while having great fun in the caring atmosphere of the youth club run by the church, that picture spoke of teamwork, unity and a sense of respecting others, no matter what their background, their faith or their tradition.

You in politics who are charged with the care of the people of the nation—a high calling—and

those like me in the sphere of religion who are tasked to make God real, to honour the biblical commandment of loving God with all of one's heart, all of one's soul, all of one's intellect and to love one's neighbour as oneself, we surely have much to do together.

As moderator of St Andrews Presbytery I bring the good wishes of all in our presbytery and, indeed, of Largo—Upper and Lower—for all that you attempt to do here in this wonderful sphere for the betterment of everyone in the country. On this St Andrew's day, there can be no better model to look to for striving to do all that is noble, true and good than our patron saint. As you know, he carried his cross without fear or favour of the crowd. Some message, some saint and some faith for all the world.

Public Sector Pensions

The Presiding Officer (Tricia Marwick): The next item of business is a debate on motion S4M-01440, in the name of John Swinney, on public sector pensions.

14:35

The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney): The people of Scotland attach the highest value to their public services. They understand that those services are the bedrock of a fair and prosperous society. Today, however, right across Scotland, public services will not be operating at the level that members of the public would normally expect and experience. That is a direct result of the manner in which the United Kingdom Government has pursued a cash grab to reduce the deficit, disguised as short term pension reforms. I respect the right of public sector workers to take industrial action. However, I also believe that members of the public have a right to access public services and they should be able to do that today.

The priority for the Government is the provision of affordable, sustainable and fair public sector pensions for our public sector workforce. We believe that that is crucial to ensure that we continue to attract the skills and commitment necessary to deliver first-class public services. The need for affordable, sustainable and fair public sector pensions is, therefore, of critical importance to everyone in our society, not just the beneficiaries of those pensions. The Government's concern is that the short-term cash grab by the UK Government has undermined the opportunity to secure agreement around affordable, sustainable and fair public sector pensions. That is a significant issue for the people of Scotland, and the strength of feeling is clearly detectable among those people outside the Parliament and in communities the length and breadth of Scotland. No one will be unaffected by today's action.

Gavin Brown (Lothian) (Con): The cabinet secretary has already used the phrase "short-term cash grab" twice. Does he acknowledge that, in Lord Hutton's interim report, under the heading "Short-term options for reform", Hutton says:

"There is a rationale for increasing member contributions to ensure a fairer distribution of costs between taxpayers and members?"

John Swinney: The point in Lord Hutton's interim report about the short-term option may have something to do with this comment on the remit of the Independent Public Service Pensions Commission. The UK Government stated:

"As part of the review, the Commission is invited to produce an interim report by the end of September 2010. This should consider the case for delivering savings on public service pensions within the spending review period."

If the UK Government demanded savings to be identified by Lord Hutton within the spending review period, it is hardly a surprise that Lord Hutton answered the question as he did, by suggesting that only increases in employee contributions would enable that to be undertaken.

David McLetchie (Lothian) (Con): He also suggested—

John Swinney: Mr McLetchie—

The Presiding Officer: Mr McLetchie, if you want to intervene can you stand up and do so?

John Swinney: As you have given Mr McLetchie such a fantastic introduction, Presiding Officer, we will have to hear what he has got to say.

David McLetchie: If the cabinet secretary is ruling out increasing contributions, can he tell us what options he would prefer?

John Swinney: The question relates to whether there is a requirement to increase contributions in the short term or whether there is a case for longer-term pension reform. I will cite a couple of statistics for Mr McLetchie. In 2009-10, the total contribution to public sector pensions in Scotland was £2,988 million and pension payments totalled £2,778 million; so, the pensions were in surplus in 2009-10 with the amount of contributions higher than the amount of payments. The existing cap-and-share arrangements, which were put in place and agreed with trade unions long before the Hutton report was commissioned, would have contributed at least the first year of the increased contributions that were demanded by the UK Government. So there is no case for short-term increases in contributions other than to reduce the deficit that the Tories are determined to reduce too far and at too fast a pace for the benefit of our people.

Gavin Brown: Will the cabinet secretary give way?

John Swinney: It looks as though we are going to have an entertaining afternoon.

Gavin Brown: The cabinet secretary insists that the UK Government is trying to reduce the deficit, but what impact does he seriously think that the increase in contributions will have on the deficit?

John Swinney: My goodness! Where is that quote? Here it is. This quote from the Independent Public Service Pensions Commission's terms of reference explains that the object of the proposals that Hutton is to look at in the short term is

"to contribute towards the reduction of the structural deficit."

If the member has not caught up with the Conservative Government's brief, what hope do we have that he knows what is going on on this particular issue?

There has been a great deal of debate about whether it is appropriate for the Parliament to meet today and have this debate. I and the Government believe that, on days such as this, the Parliament has the responsibility to make its voice heard. We have a duty to put our case to Westminster, and that is why we are in the Parliament today.

I was struck by the Jim Sillars quote that my colleague Mr Crawford read to the Parliament last week. He said

"A Parliament is not an office or a factory. It is the heart, soul and the instrument whereby civic society gains its democratic legitimacy for the protection of free speech and rule by the ballot box."—[*Official Report*, 23 November 2011; c 3743.]

On an issue as significant as public sector pensions, it is absolutely correct that the Scottish Parliament is meeting today, amid such public anger, to make our view clear to the UK Government.

I fully understand why so many public sector workers feel the need to strike today. They feel that it is necessary to make their voices heard in the great pensions debate and to register their disapproval of the UK Government's plan to increase significantly their pension contributions. At a time when public sector workers face a pay freeze, significant increases in national insurance contributions, higher VAT, and rising inflation and fuel costs, increasing pension contributions is simply the wrong thing to do.

Using our limited powers, the Scottish Government has taken action. We have introduced a social wage to help to protect hard-pressed families during these difficult times. We have maintained the council tax freeze, renewed our commitment to the Scottish living wage, and given security of employment through our commitment to no compulsory redundancies within those parts of the public sector that we manage directly. Those are practical measures to help people who are facing financial challenges. Those are the actions of a Government that is in tune with the concerns of its citizens.

The key to resolving disputes of this nature is to maintain a process of meaningful and open discussion, which allows all sides to explore creative and imaginative solutions within an agreed timetable. I hope that the opportunity exists to make progress.

As we explore the issue, it is important to understand the financial, political and legal context that underpins and shapes this debate. There are approximately 0.5 million members of the six main

public sector pension schemes in Scotland. Those schemes cover the NHS, teachers, local government, the civil service, the police, and the fire and rescue services. Those schemes collectively support a further 314,000 pensioners and dependents. All in all, almost 20 per cent of the population is directly affected by the issue, either as a scheme member or a beneficiary, and we are all indirectly affected.

The costs of those schemes are, in the main, met by a combination of employer and employee contributions. In 2010, contributions totalled nearly £3 billion and the total paid out as pension payments was less than that at £2.8 billion. In macroeconomic terms, across the UK as a whole, the cost of meeting public sector pension liabilities represents around 1.9 per cent of gross domestic product per annum. The Hutton report highlights that pension payments are scheduled to fall as a percentage of GDP over time, so the rush to ramp up contributions in the short term is, once again, demonstrated as misplaced.

Gavin Brown: Does the cabinet secretary agree with the GDP assumptions within that graph in the Hutton report?

John Swinney: I am purely and simply setting out the evidence that was gathered as part of an extensive process of analysis and that the Hutton report has put into the public domain.

One of the important factors driving the debate on pensions is that people are living longer and have a much better quality of life. The latest Office for National Statistics data, published in October 2011, show that male life expectancy rose by 6.8 years between 1985 and 2010, and is projected to increase by another 4.9 years by 2035. Female life expectancy rose by five years between 1985 and 2010, and is expected to increase by a further 4.6 years by 2035.

Another piece of context is vital: we have to tackle the myth of the gold-plated public sector pension. The reality is that public sector pensions are, in the main, relatively modest. The average national health service pension, for example, is £7,057 per annum, while that for a local government worker is £4,754. Although it is right for us to question and consider the affordability and sustainability of the current arrangements, we must do so on an informed basis and not on the basis of ideological cant or prejudice.

The final piece of the contextual jigsaw concerns the powers and responsibilities of the Scottish ministers on public sector pension issues. The Scottish ministers have limited responsibility in relation to the NHS, teachers, local government, police and firefighters pension schemes. That responsibility is fettered by a number of significant legal and financial constraints imposed by the UK

Government that make it extremely difficult for us to deliver appropriate responses to the pensions challenge. The responsibility for the civil service scheme is reserved to the UK Government.

The United Kingdom Government commissioned Lord Hutton to undertake an independent review of the issue. We supported Lord Hutton in the way in which he went through the exercise, making it possible and practical for him to engage with stakeholders in Scotland. Lord Hutton's interim report was published in October 2010 and his final report was published in March 2011. The report concluded that new schemes should be developed based on a more equitable sharing of risks and costs. The principal recommendation was that the Government should replace the existing final salary pension schemes with a new career average scheme. Lord Hutton also recommended that, in order to mitigate the risks to scheme finances posed by increasing longevity, normal pension age should be linked to state pension age. Lord Hutton made 27 recommendations in total and advised that they should be introduced no later than April 2015.

As we have discussed, the UK Government responded with the increase in short-term contributions. We have to be clear on this point: the 3.2 per cent figure was not a recommendation from Lord Hutton; it is a figure put in place to suit George Osborne's deficit-reduction plans. It has nothing to do with securing sustainable pensions.

I have repeatedly outlined the Scottish Government's principled opposition to the UK Government's confrontational policy of seeking to impose increases in employee contributions. I publicly announced our opposition to this policy in the Parliament on 22 June this year. We continue to oppose the policy and to press the UK Government to rethink its approach. In our opinion, the time to consider changes to employee contribution rates should be at the time of a response to proposals for longer-term reforms. It should not be ahead of those proposals for longer-term reforms.

The UK Government is clearly hellbent on this course of action in spite of the evidence, in spite of the strength of feeling and in spite of the need for a long-term approach for pensions. It is disappointing that the UK Government has continually threatened the Scottish Government with the need to comply with its view on this issue. We were told that, if the Scottish Government does not implement the increase in pension contributions, the UK Government will reduce the Scottish budget by £8.4 million for every month's delay; by over £100 million in 2012-13 alone; and by over £0.5 billion during the spending review period. That would be on top of the deepest cuts in the Scottish block grant for generations and would

have a knock-on effect on Scottish public services—jeopardising our plans for public service reform and the achievement of community-based outcomes, as well as putting thousands of jobs at risk in Scotland. The aggressive and arrogant threat by the UK Government proves two points: first, that we have limited options outside of applying the increases; and second, that the UK Government continues to have the power to meddle in, and influence, issues that are central to the future of Scotland and which should be for the Scottish Government and the Scottish Parliament to decide.

We reluctantly set out in September the Scottish Government's response as being to recognise that the application of the first year of the increases to the NHS, teachers, police and firefighters schemes was inevitable, unless we could persuade the United Kingdom Government to think again. Our consultation process on the increase made it clear that no one earning less than £15,000 a year full time would face any increase at all. The proposals offer partial protection to the newest members of the scheme, which will help to reduce the risk of opt-outs from the schemes.

That relates to the policy forced upon this Parliament by the United Kingdom Government. If we had not been forced into that situation, we could have done other things to address the issue, which is a challenging one for the people of Scotland and public sector workers.

The Scottish Government believes that there is a legitimate debate to be had on the sustainability of public sector pensions but that it must be undertaken in a considered way, through dialogue and discussion, not by the type of threatening behaviour that we have had from the United Kingdom Government and not in a fashion that puts additional financial pressure on members of the public who are facing acute financial pressures at this time. That is why it is important that this Parliament speaks clearly and with one voice on the issue to demonstrate that the people of Scotland believe that the United Kingdom Government has taken the wrong course of action and that we want to take a different course in the Scottish Parliament.

I move,

That the Parliament recognises and appreciates the valuable work done by Scotland's public sector workers; notes the importance of pensions that are affordable, sustainable and fair and believes that long-term pension reforms must be taken forward with consent and in partnership; registers its strong opposition to the UK Government's decision to impose a general levy on pension contributions and considers this to be a cash grab for the purposes of deficit reduction rather than a move to secure the long-term sustainability of public sector pensions; regrets the fact that UK ministers appear to be

relishing the prospect of strike action, which will cause major disruption and inconvenience to ordinary members of the public across Scotland; condemns the UK Government's threat to cut Scotland's budget by £100 million next year alone, on top of drastic cuts to Scotland's budget, if the Scottish Government does not implement the UK Government's immediate levy on pensions contributions, and calls on the UK Government to reverse its short-term pensions cash grab.

14:51

Gavin Brown (Lothian) (Con): With 68 MSPs, countless civil servants and countless spin doctors, Mr Swinney should have done a bit better than that in his speech. He said two weeks ago when we debated the issue that

"The Scottish Government will welcome the opportunity at the end of this month to set out in more detail and over more time all our thinking on public sector pensions".—*[Official Report, 17 November 2011; c 3548.]*

Having listened to him for what felt like about half an hour—although it was only about 15 minutes—I am no clearer about what the Scottish Government proposes on pensions, other than that it does not like what the coalition Government is doing.

Mr Swinney also said—this is great—that

"I look forward to savaging ... the Conservatives and the Liberals."—*[Official Report, 17 November 2011; c 3547.]*

Comparisons with dead sheep are not merited on this one.

Let me pick Mr Swinney up on one point before we move on to the reality of the debate. On several occasions, he used the term "short-term cash grab". When challenged on it, he put forward the view, from the document that he had in his hand, that the UK Government alone is driving the proposal and that Hutton disagreed. The quotation in my intervention was from the interim report from Hutton that was published in October last year. Page 21 of the final report, which was published in March this year, states that

"The Commission felt that there was a rationale for short-term cost savings in recognition of the substantial unanticipated increases in longevity. In practice these savings could only be realised by increasing member contributions. The Commission recommended that any increase should be managed so as to protect the low paid"—

as we are doing

"and if possible staged",

as we are doing. It is incorrect to say that it is a "short-term cash grab" that is promoted only by the UK Government.

What was also absent from the cabinet secretary's speech was—

Mary Scanlon (Highlands and Islands) (Con): Facts.

Gavin Brown: More than one or two facts were missing. What was also absent was any reference at all to the previous Scottish Government's paper, produced by the Scottish Public Pensions Agency—which is headed up by Mr Swinney—in July last year.

I know that this will cause the Scottish Government acute embarrassment, but let us just—*[Interruption.]* Perhaps there really is no shame among the SNP members, and it will not cause any embarrassment at all, but I will remind them what that document said. The SPPA floated four potential proposals—

Members: No!

Gavin Brown: I can count to four, and I can certainly see four proposals in the document. The first proposal involved keeping a final salary scheme, and suggested reducing the level of benefits available without necessarily reducing member contributions. How sustainable and fair is it for public sector workers in the long term to reduce the level of benefits that they get without reducing member contributions? Within the first option, the SPPA suggested changing the accrual rates; from the narrative I suspect that it is referring to a reduced rather than an improved accrual rate. *[Interruption.]* I tell Mr Swinney that that is on page 2 of the document, if he is looking for it.

The second option was to replace a final salary scheme with a career average scheme revalued for earnings. That seems to be pretty much what Hutton suggested, and what the UK Government is going ahead with.

The third suggestion was to move to a defined contribution scheme. The SPPA proposed that as a good idea because it

"removes the employer's risk ... and places the risk of uncertainty over the value of their final pension with the member."

Public sector workers would therefore have no idea what they would receive in retirement. The Scottish Government criticises the UK Government proposals, but its own proposals go much further.

John Swinney: Is not the flaw in Mr Brown's argument that—as opposed to what he alleges—the Scottish Public Pensions Agency proposed absolutely nothing to the Hutton review?

Gavin Brown: That is interesting, because I can tell Mr Swinney where I got the information from: I went to the Hutton review page on the Treasury website. Hutton has—rather inconveniently for the SNP—logged the names of everybody who made a submission, and all the submissions are available online for anybody to see—*[Interruption.]* I will happily send Mr Swinney a copy of the

document if he is having trouble accessing it. The proposals were floated as potential options for reform.

John Swinney: I have the document in front of me, and the Scottish Public Pensions Agency recommends no such option and makes no such proposal to the Hutton inquiry. It gives factual information to the inquiry to enable it to come to a judgment.

Gavin Brown: Mr Swinney is practically running the four-minute mile in trying to get away from the Scottish Public Pensions Agency. The agency put forward four options for reform. It is true that it does not choose one of the four as its preferred option, but the reality—

Members: Oh!

The Presiding Officer: Order.

Gavin Brown: Members have jumped in before the punch line, Presiding Officer.

The reality is that all four of the proposals would have produced a worse outcome for public sector workers or, at best, the same outcome as the UK Government's proposals. It is therefore a bit rich for Mr Swinney to grandstand as he has in the past couple of days—and weeks, months and years.

The UK Government's approach boils down to the reality that we are living longer. Life expectancy increases by two years for each decade that passes, and the average 60-year-old now lives 10 years longer than in the 1970s. I read yesterday the statistic that we are expected to spend 40 per cent of our adult lives in retirement. As a consequence, the cost of pensions has increased. The annual cost is now more than £32 billion a year, and it has increased in real terms by a third in a decade.

John Mason (Glasgow Shettleston) (SNP): Does Gavin Brown accept that there is a huge difference in life expectancy between richer areas and poorer areas, and that it will hit the poorer people particularly hard if we increase the pension age?

Gavin Brown: The reality is that if we are living longer and want pensions we will have to pay for them through people working for longer, putting more into their pensions or accepting a worse or lower pension.

As costs have increased, the balance of those increases has been paid predominantly by the taxpayer. What the UK Government was driving at via Lord Hutton was the achievement of a degree of fairness between the employee and the taxpayer. We want public sector pensions to remain among the very best that are available but we also want them to be sustainable in the long

term. As one demonstration of where the extra costs have gone, I point out that when the English teachers' pension scheme was set up—I suspect that the Scottish scheme is not hugely different—5 per cent was paid by the taxpayer and 5 per cent by the employee. Now 6.4 per cent is paid by the employee, while 14.1 per cent is paid by the taxpayer. The idea behind Hutton's long-term reforms is partly to try to redress that balance.

Mr Swinney mentioned the figures for Scotland, but when he referred to the £2.9 billion he provided no breakdown of the amount that was paid by employees and workers and that paid by the taxpayer. According to Audit Scotland, employees pay £814 million and taxpayers pay £2.17 billion.

Lord Hutton said that we need

“reforms that can balance the legitimate concerns of taxpayers about the present and future cost of pension commitments in the public sector”.

With that in mind, the UK Government took an approach that was based on fairness and sustainability.

The SNP claims that the whole situation has been far too rushed. However, the Hutton review was set up in 2010; it published an interim report the same year; and it reported in 2011. Some changes are being implemented in 2012 and phased in over three years. That does not sound as if things are being rushed.

Kevin Stewart (Aberdeen Central) (SNP): In the 2011 budget, it was accepted that Lord Hutton's recommendations would form the basis for negotiation. Why in the past wee while has the UK Government not negotiated—[*Interruption.*] It has not negotiated. The general secretary of the Scottish Trades Union Congress has said that there has been no formal dialogue with the unions since 2 November. Where is the negotiation?

Gavin Brown: I assume that the term “wee while” means today. I entirely accept that there have been no negotiations whatever between the Government and the unions today but, on just about every single day until today's strike, there has been negotiation and there will be negotiation over the course—

Kevin Stewart: When?

The Presiding Officer: Mr Stewart, please stop shouting across the chamber.

Gavin Brown: I could not have put it better myself, Presiding Officer.

It is also untrue to say, as the Scottish Government has said, that a general duty of 3.2 per cent is being enforced on all public sector workers. Just as Hutton suggested, the UK Government has put in place a phased system

based on what people are paid. For example, anyone who is paid under £15,000 will not pay anything additional into their pension

Members: Not true!

Gavin Brown: Members might say that that is not true, but even the cabinet secretary has said that. The Scottish Government is mirroring exactly what the UK Government has done. In most schemes, people who are paid under £20,000 will have a 0.6 percentage point increase. The changes are being phased in. In fact, under the scheme, the majority of lower-paid workers will actually be better off with their pensions. I accept that they will have to work longer, but they will be better off. That strikes a fairer balance, is more sustainable and ensures fairness between the taxpayer and the workers instead of simply approaching the matter on the basis of workers' interests.

Contrary to what Mr Stewart has suggested, the UK Government has negotiated and, indeed, put on the table on 2 November an improved offer that would ensure that anyone within 10 years of retirement could retire on their current terms, and would increase the accrual rate from the initial proposal of one sixty-fifth to one sixtieth of salary. I note from the Audit Scotland report that in all but one of the schemes the members who are paid the least get an accrual rate of one eightieth, so improving that to one sixtieth represents a better long-term sustainable deal for the lower paid.

We accept that this issue is hugely sensitive, which is why responsibility for producing a report was given to an independent and respected figure—Lord Hutton. We are living longer, and pensions have to be paid for. The United Kingdom Government is attempting to strike a fairer balance between the taxpayer and the employee. Many people—especially the lower paid—will end up with better pensions. That proposal is far better than the schemes that have been proposed by the SNP in the submission to Hutton from the SPPA.

On that basis, I move amendment S4M-01440.1, to leave out from “and believes” to end and insert:

“; notes that the UK Government's pension reform proposals are based on the independent review conducted by Labour's former Secretary of State for Work and Pensions, Lord Hutton, which concluded that there was a clear case for change; believes that reform is inevitable because people are living longer and that these proposals will mean that most public sector employees will see no reduction in the pension that they receive at retirement, that any employee within 10 years of retirement will see their pension protected with no change in the age that they can retire and no change in the amount of pension that they will receive when they retire; believes that these reforms strike a fairer balance between what employees pay and what other taxpayers have to pay; regrets that the strikes are going ahead today while negotiations are still ongoing and in light of the new offer put forward by the UK Government;

further notes the Scottish Government's submission to the Hutton inquiry via the Scottish Public Pensions Agency, which proposes a number of options, all of which would have had the same or worse results for employees and is astonished that it proposes as one of its options a change to a defined contribution scheme, and criticises the Scottish Government for producing far-reaching proposals that would penalise employees while at the same time grandstanding against the UK Government's proposals for reform.”

15:05

Willie Rennie (Mid Scotland and Fife) (LD): It is, of course, right that I start my contribution to the debate by expressing support for the 500,000 public sector workers in Scotland. We may disagree about whether they should be on strike today, but it is clear from the hundreds whom I have met right across Scotland that they choose to work in the public sector because they believe in what that means, and that they are dedicated to their jobs. I fully understand their concern at the changes that are being made to their terms and conditions. That gives us some insight as to why this debate should be happening here in Parliament, and as to why this Parliament should be sitting.

Irrespective of how some people try to portray it, Scotland is not a country of public sector workers. Half a million people will be directly affected by changes to pensions, another two million taxpayers also have an interest. They have to pay part of the pension bill and are entitled to have their interests represented here today, too. Strike or no strike, all Scotland's public should expect to see their Parliament sitting to debate such important issues.

A century ago, men in Scotland would have left school at roughly 15, worked for 50 years, retired at 65 and, perhaps, lived for a few more years. In more recent times, people go to university, perhaps have a gap year, start work at 25, will continue until they are 60 and then want a strong pension for a further 20 years. Therefore, to keep pensions the same simply does not add up.

Some change has already visited various groups; people who work for private companies have seen the end of their final salary pensions; people with private pensions have seen annuity rates drop quite dramatically; and the cycle of world stock markets has meant that the value of many people's retirements has been cut by tens of thousands of pounds.

Of course people are concerned, but I am grateful for the steps that the UK Government has taken to ensure fairness in the proposed changes in order to protect those on low incomes—despite what Mr Swinney says—to increase benefits for many workers, and to ensure that all accumulated benefits are retained, especially for those who are

only 10 years from the end of their service. Change to public sector pensions was always going to come.

Jim Eadie (Edinburgh Southern) (SNP): On “fairness”, can Willie Rennie justify the move from the retail prices index to the consumer prices index as the basis for calculating inflationary uprating? That will affect everyone who receives a state pension—not only workers in the public sector.

Willie Rennie: As Jim Eadie rightly points out, that will apply across the public sector and across society as a whole. It is the rate that is used by the Bank of England. It is appropriate to use it because it more accurately reflects the costs that people bear.

Even the Labour Party has accepted that public sector pensions should be reformed. In London—where Labour is not boycotting Parliament—Ed Balls has urged restraint and negotiation; and Rachel Reeves, who is Danny Alexander’s shadow minister, said earlier this month that

“it has always been clear that public sector workers will need to accept higher contributions on average and, given that people are living longer, an increase in the retirement age, too.”

Labour’s John Hutton produced the report that members have mentioned. He said in June:

“Britain is becoming an ageing society and pension reform in the public sector, began by the last Labour Government, did not in my view keep pace with the accelerating nature of these profound demographic changes ... The costs increases are real and are set to continue for some time.”

Public sector workers in Scotland who heard their Scottish Government say that it is against change, nevertheless found a letter in their post that informed them that the Scottish Government would make changes and increase their pension contributions. For all that the Scottish Government says that the state should continue to pay, when it came down to it the Scottish Government wrote to people to say that individuals and not the state should pay.

When John Swinney and I took part in the radio programme, “Brian Taylor’s Big Debate”, in St Andrews, Mr Swinney said that if the Scottish Government were to bear the brunt of the payments, that would cut across what the Government is trying to do and its public sector employment strategy. That is exactly the point: John Swinney considered the choice that he had to make and he chose to make public sector workers pay more so that he could spend more. That is exactly the same decision and conclusion as the UK Government reached. It is no different in any way.

On 4 October health workers did not learn that the Scottish Government had chosen to bear the burden.

Mark McDonald (North East Scotland) (SNP): Mr Rennie asserts that the choice was exactly the same for the UK Government. Who was writing to Danny Alexander, telling him that they were going to cut his budget?

Willie Rennie: The choice is this: if the money does not come in it cannot be spent. I know that the SNP is keen for more responsibility, but what hope is there for Scotland if it cannot accept the responsibility that it has?

Public sector workers got letters from the Scottish Government telling them that their contributions would increase, just as contributions will increase for public sector workers in the rest of Britain. Exactly the same decision was taken. The Scottish Government could have opted to allow people to make the same contributions. It did not do so. It chose the same route as the UK Government had chosen.

It is a surprise that the motion does not urge Mr Swinney to change his position and stop the increases in contributions in Scotland. We have been hearing all afternoon—and indeed for weeks—that somehow the Scottish Government is standing up to the UK Government. It is not standing up to the UK Government; it is doing exactly what the UK Government is doing.

I imagine that the people who say that the state and not individuals should bear the burden—I am appealing to back benchers—will vote against the motion, because it does not say that. The motion calls on Parliament to oppose what the UK Government is doing, but the reality is that the SNP is doing exactly the same.

John Swinney: Before Mr Rennie finishes his speech, and notwithstanding debate on the long-term agenda, will he tell us what the justification is for short-term pension contributions increases, when the evidence that I have marshalled for the Parliament provides no compelling reason for them?

Willie Rennie: Mr Swinney has tried to distort what John Hutton said in his report. John Hutton had the opportunity to say that the UK Government should not increase contributions in the short term, but the reality is that he said that there is value in doing so. He was very clear about that. He said that there would be advantages in increasing contributions. That is what it is all about. If we do not get the money in we cannot spend it. The burden of pensions on the state is considerable and the balance is inappropriate.

We discover today that the Scottish Government’s Scottish Public Pensions Agency

recognised the seriousness of the challenge and recommended that even more severe action be considered. Gavin Brown was right to draw attention to that. Mr Swinney is not putting such proposals before Parliament because he is ashamed of the reality of what he believes. He is not prepared to be up front and to tell people exactly what he thinks. The evidence shows that Mr Swinney is acting in exactly the same way as the UK Government is acting.

The cost of public sector pensions has increased by a third in the past 10 years. Change was always going to come. The Scottish Government protests that it does not want change, but it sent out the letters that trigger the changes. It will implement the scheme and it will make individuals pay more.

Despite all the hype and bluster about the negotiation process and the UK Government's motivations, on pension reform there is little difference between political leaders across the political spectrum in this country. Labour supports change. The SNP supports change. Members of both parties were out on the picket line today, pretending that they were with the strikers, but the facts tell a different story.

I move amendment S4M-01440.2, to leave out from "notes", to end and insert:

"further recognises that the cost of public sector pensions has increased by a third in the last 10 years; believes that long-term pension reform is needed to put in place pension schemes that are sustainable and fair to both public servants and taxpayers; acknowledges that the UK Government's reforms will protect low-paid workers and accrued pension rights and that UK ministers have put forward an amended proposal for reform that will provide more generous accrual rates and protect those within 10 years or less of retirement, and recognises that Scottish Government ministers have informed Scottish public sector workers that they have chosen to make these changes and increase pension contributions in line with changes being made across the rest of the UK."

15:16

Jamie Hepburn (Cumbernauld and Kilsyth) (SNP): I will try to focus on the reality of the situation, rather than produce a submission for "Jackanory" such as we have just heard.

I would be wrong if I said that I am glad to speak in the debate. No one can be glad about what is happening to public sector pensions. However, it is right that we debate the issue on this day and I hope that at decision time the Parliament will add its voice to the voices of the more than 2 million workers who are acting to combat the Tory-Liberal attacks on pensions.

Contrary to what Mr Rennie said, the Scottish Government has been consistent in its approach. It has consistently opposed the action that the UK

Government has taken on public sector pensions and has consistently called on the UK Government to halt action on its damaging proposals. The people who are striking on this day of action have the support of SNP members in their aims.

For a clear statement of intent, we need look no further than the First Minister's letter of 4 October to people who work in the public sector and contribute to pension funds, to which Willie Rennie referred. The First Minister wrote:

"Public sector workers are entitled to pensions that are affordable, sustainable, and fair both to workers and to taxpayers. We are strongly opposed in principle to the UK Government's policy of increasing contributions."

Mary Scanlon: If contributions are not increased, how does the member suggest that we fund the gap in 2014-15 between payments to pensioners and contributions from employers and employees in relation to NHS, teachers and civil service pensions? The deficit will be £489 million. Where will he get that money?

Jamie Hepburn: Let us get away from the fallacy that there is a funding gap. We have surpluses in many pension funds. We are witnessing nothing less than a cash grab by the UK Government in an attempt to tackle the deficit. It is not about reforming pensions for the sake of reform.

Willie Rennie: Does Jamie Hepburn accept that the Scottish Government has a choice about whether to increase pension contributions?

Jamie Hepburn: I will come to that point if I have time to do so—if there are not too many more interventions. I must say that Mr Rennie has made a better intervention than he did the last time that I spoke in a debate on pensions, when he asked me whether I realised that money does not grow on trees. That was banal; he is doing a little better today.

There is no choice for the Scottish Government. Mr Rennie should understand the limitations on the Scottish Administration's ability to apply financial levers. The Scottish Government has had a gun to its head on the issue. I will try to steer clear of unparliamentary language—for your sake and mine, Presiding Officer—but Mr Rennie has been entirely disingenuous in his approach to the debate.

I support the motion and the Scottish Government's position. I agree that the UK Government relishes the action that is taking place today and has done little to prevent it. The STUC said clearly that there has been no formal dialogue since 2 November. Mr Brown suggested that negotiations have been on-going until today. That is not what the STUC says, and I trust it over the ranks—not massed but meagre ranks—of Tory MSPs any day.

On the wider issue of economic recovery, I wonder whether any Tory MSP can tell me which of the following they think has helped to support families through the current economic difficulties: the VAT increases; the national insurance contributions increases; or the significant increases in pension contributions. I see that no Tory has sought to intervene yet.

Mary Scanlon: Will the member give way?

Jamie Hepburn: Of course.

Mary Scanlon: Those who earn £15,000 or less will pay nothing more, those who earn between £15,000 and £29,000 will pay 1.5 per cent more over three years and the increase in personal allowances is taking 1 million workers in the UK out of paying tax. All that will help families.

Jamie Hepburn: Mary Scanlon said it quite clearly: there will be increases to pension contributions. I struggle to see how that is a benefit to hard-pressed families at this moment in time. [*Interruption.*]

The Presiding Officer: Mrs Scanlon, please stop shouting across the chamber.

Jamie Hepburn: I would not worry about it, Presiding Officer. I was not listening anyway.

Every member here today will have constituents who work in the public sector and are deeply concerned about the impact of the proposals. HM Revenue and Customs is one of the biggest employers in Cumbernauld and Kilsyth and, this morning, I visited the picket lines there to hear some of the concerns about the UK Government's proposals. Some concerns are about the serious impact on people's living standards during their working lives because of the increased contributions and during their retirement because of reduced pensions.

Concern was also expressed about the increase in the state pension age to 67 being brought forward, which was announced yesterday. That will affect all who are aged 52 or under, which includes me, for the avoidance of doubt. That is the other part of the pensions equation. We are starting to see the state pension being hammered as well. Jim Eadie was right to raise concerns about changes to calculations. I was glad—well, perhaps not glad—to be able to go along and hear the concerns that were expressed to me this morning.

Having cited the experience of those I talked to who are on strike, I turn to the concerns of another constituent who contacted me. General practitioners as a profession are not noted for their militancy but, in an e-mail to me, my constituent made it quite clear that he is livid about the UK Government's position. He said:

"The increase in contributions has nothing to do with 'unaffordable pensions' or longevity. The suggestion it has is disingenuous. The NHS Scheme runs at a surplus and the negotiated changes in 2008 will provide £10bn extra to the Govt. over the next 5 years as a loan at preferential rates."

We should remember that there have been changes and that the workforce has been willing to negotiate and to see those changes in recent years, but now others are being foisted on it. That GP is very concerned about the negative impact of the proposed changes on him and those who work in the national health service.

I had hoped to say some other things, but I will conclude by saying that I hope that the message goes out loud and clear from Parliament that we are on the side of the public sector workers who are fighting the cuts to their pensions.

15:22

Christina McKelvie (Hamilton, Larkhall and Stonehouse) (SNP): Union members might ask why I am speaking in today's debate. I want to make my voice heard for the many women who are on strike today. Many of my constituents have contacted me to ask me to represent their view in this, our national Parliament.

I am not an employee in the usual sense of the word. I am a democratically elected representative of the constituency of Hamilton, Larkhall and Stonehouse. I am bound by a duty to speak up for all the people in my constituency. I am expected to do that job and I am here today to fulfil that role. At this point, I should declare an interest in that I am a member of Unison.

I support the strikers' aims of equality, sustainability and fairness. I know that my colleagues in the SNP will speak up for many workers who are affected by the Westminster cash grab, but I will speak for the women who have contacted me to talk about the damaging effects of the Con-Dem proposals.

The Fawcett Society has pursued female equality for many years and has come up with some stark analyses of the impact on women. Let us not forget that the cleaners, dinner ladies, school assistants, admin assistants and care givers did not create this financial crisis. Low-paid and part-time women workers did not create the situation that we are in today. It was created by a Labour chancellor and Prime Minister who did not take on the big banks and speculators and it is being continued by a millionaire Tory chancellor who, rather than taking on the people who caused the crisis, has pandered to them and tinkered around the edges with levies on the banks.

The Fawcett Society asserts—and I agree—that women in the UK face entrenched economic

Scotland needed a parliament, and why I continue to dedicate my life to working for the full powers that we need to deliver fair pensions, and much else, for Scotland.

For those public sector workers who are striking today, and for families everywhere in Scotland, this is a time of deep uncertainty. As the UK financial situation grows even more precarious, and as talk around the Cabinet table and the kitchen table turns to worrying economic times, the UK Government should be using every possible opportunity to support the lowest paid in our society. It should not be making piecemeal concessions, but should be taking a principled approach that allows people to see the way forward. As has been said, the financial mess in which we find ourselves has not been caused by dinner ladies, nurses or social workers. Someone ought to ask why this coalition Government does not go out of its way to tax the non doms, to tax the bankers, and to fine the kind of people who actually caused the deep financial problems. The autumn statement said nothing about that. This attack on pensions, and its timing, are clearly the easy option.

The Con-Dem pension plan will see contributions rocket. It will land some public sector workers with more than a £2,000 yoke on their backs every year between now and 2014; it will do nothing to respond to a rise in the cost of living; it will do nothing to improve pay; and it will mean increased working years. David Cameron calls this offer generous. Danny Alexander calls it fair. I call it vindictive; this Parliament calls it damaging, I hope; and the Scottish people call it wrong.

I hear that on the streets of Inverness today, they are chanting

"Danny, Danny, Danny. Out! Out! Out!"

and quite rightly. The Highlands and Islands have the highest proportion of public sector workers in Scotland. I have been contacted by firemen, policemen, teachers and nurses, all of whom are frankly frightened by the UK Government's pension offer.

Willie Rennie: Rob Gibson has set out what he is opposed to, but what is he in favour of changing?

Rob Gibson: I said earlier that I want to work for a Parliament that has full powers to deliver fair pensions. I answered Mr Rennie's question earlier.

The people in the Highlands and Islands have good reason to be frightened. All around them, they see the effects of George Osborne's plan A, and those measures are set to have an impact for generations to come. The Fire Brigades Union has commissioned an independent report into the long-term effect of the proposals, and has found

that a typical firefighter will be expected to cough up more than £26,000 extra in pension contributions in their life. Police officers in my constituency face the same bleak outlook, and will be expected to contribute more than £2,800 a year with a 3.2 per cent increase in contributions.

The submission from the Scottish Police Federation to the pensions debate shows dismay at Tory and Lib Dem treatment of this Parliament—an institution for which they have demonstrated gross contempt and disrespect. The Scottish Police Federation rightly brands the coalition's gun-at-the-head approach to imposing its will on this Parliament as an affront to democracy. That is what it is. The UK Government's £100 million pension ransom is no way to implement policy and no way to run a country.

As we heard yesterday in the Chancellor's woeful autumn statement, the Tory-Lib Dem deficit reduction cash grabs are doing very little to encourage economic growth. There is no new money.

Stuart McMillan (West Scotland) (SNP): Rob Gibson touched on the Highlands. Does he agree that there are other areas of Scotland in which a high percentage of people work in the public sector and that the pension cash grab will reduce individuals' spending in communities? It will certainly hamper the future of our communities and the economy in Scotland and elsewhere in the UK.

Rob Gibson: I welcome those remarks. I spoke on behalf of my constituency and I am glad that other members are thinking about theirs, but I wish that the Tories would think about the people in their constituencies who have been damaged by the proposals.

The UK Government's austerity measures are not working. Our economy is still unstable and ordinary Scots are suffering. We are by no means insulated from the sovereign debt crisis as the UK continues to borrow and to react to a market that is determined eventually to pick Britain off. The pensions raid is old-style class politics, or rather old-style Tory politics with the help and acquiescence of the Liberal Democrats. Our structural deficit will still be with us come 2014, and as the chancellor told us yesterday, borrowing will well exceed his initial expectations, only by then many Scots families will have suffered the results of the Tories' frantic efforts to reduce the deficit, and make no mistake—my constituents are suffering.

Where is the political support for my constituents? It is not coming from the Liberal Democrats, never from the Tories and, shockingly, not from the Labour Party, whose cuts would have

gone deeper and been tougher than Margaret Thatcher's, by its own words. I stand with my striking constituents today, but they should know that Ed Miliband and Nick Clegg do not.

I look forward to the day when Scotland sets its own economic path. The striking workers outside the Parliament and elsewhere should know that, in an independent Scotland, we would run at a budget surplus and fund fair pensions for all. We would protect household budgets and support the hard-working public sector employees who deliver vital services in our society. Let all of us in the Parliament stand up to the Westminster pensions bulldozer, reject the folly of frantic and fruitless deficit reduction and work for fairer Scottish public sector pensions in the future.

15:37

Margaret Burgess (Cunninghame South) (SNP): I am pleased to have this opportunity to speak on an issue that is important to all our citizens. In my first speech in the chamber, I said how honoured and privileged I was to have been elected to represent the people of Cunninghame South and that I would always stand up and speak on their behalf. Today, as an elected member and as a trade unionist, I am pleased to be able to speak out in support of public sector workers in Cunninghame South and throughout Scotland, and to do so here in our national Parliament, which is the right place to do it.

I am disappointed that the Labour Party has chosen to boycott Parliament today, because that is what it has done. This is the national Parliament of Scotland and it deserves the respect of everyone who is elected to it. The Labour members should be here to speak out on behalf of their constituents against the UK Government's treatment of public sector workers, whom they purport to support. When I look at the 37 empty seats, they show me the scant regard that the Labour Party has for this Parliament. It is quite simply a disgrace.

Jamie Hepburn: The member referred to 37 empty seats. I point out that a few Liberals are not here, either.

Margaret Burgess: I do not want to be rude, but I do not think that they will be missed.

I want to talk about the impact that the pension reforms are having on people in my constituency, particularly as the majority of those who have a job are employed in the public sector and many others are in receipt of public sector pensions. It is important to consider how the people of Cunninghame South and North Ayrshire will be affected by the proposed changes to public sector pensions.

Last week, I spoke to many families in my constituency who told me that they are struggling to make ends meet and finding it difficult to cope. They are already experiencing the pay freeze, higher VAT charges, significant increases in energy costs, rising inflation and increases in national insurance contributions, and there are proposed cuts to working tax credits. They are now being asked to pay higher pension contributions, work longer and, in many cases, receive less when they retire.

Is it any wonder that those families are telling me that they would rather have the money to spend now, because they have to make the choice now between heating and eating, or between buying shoes for their children and paying their house insurance? Make no mistake about it: those are the choices that the families in my constituency, and I am sure in other constituencies, are facing. My concern is that many of those families will simply choose to opt out of the pension schemes. That would be in no one's interests, because it would leave individuals and families in a worse position in retirement and affect the viability of the pension schemes, because less money would be going in.

I very much support the SNP Government's position that the case for pension reform should be considered in a timetable that suits Scotland's interests, not the UK Government's interests, and that any reform must be affordable, fair and sustainable and—more important—must happen with the agreement of all those concerned.

People who are currently in receipt of public sector pensions—let us not forget that the average pension is less than £6,000, and that the average for women drops considerably—will also have less money, because the basis for uprating pensions will change from the retail prices index to the consumer prices index. All predictions say that in the long term that will reduce the value of benefits paid out by 15 per cent.

I referred to this matter affecting all the people in my constituency. I will try to explain that. In case anyone imagines that public sector pension changes and welfare benefit reforms are no concern of theirs, they should consider this: every benefit cut, every additional pension contribution and every failure to uprate pensions fully will cut the money in people's pockets, reduce spending power in Cunninghame South and throughout Scotland, and therefore hurt businesses and threaten jobs that my constituency for one can ill afford to lose. Asking public sector workers to pay more towards their pensions at this time is, in my view, just plain daft.

In contrast, the Scottish Government, within its existing powers, is helping hard-pressed families by introducing the Scottish living wage across the

public sector where it has direct control; introducing a no compulsory redundancy policy in its public sector, which protects 10,000 jobs; continuing the council tax freeze for the life of this parliamentary session, bringing an average saving of £1,200 to band D households; introducing free prescriptions, when 600,000 low earners were struggling to pay the charges; and keeping Scottish Water under public control and allowing water charges to be frozen for a further two years. I could go on and on about the changes that the Scottish Government is making, with the powers that it has, to people's lives.

Willie Rennie: The member has outlined a number of SNP policies, to which a price is attached. Does she think that it is appropriate that John Swinney is increasing the contributions because he is not prepared to pay the price of not doing so?

Margaret Burgess: That question has been answered. We saw the letter that Mr Swinney got from the Government about the impact that that would have. As I said, I support the Scottish Government's position, which will help the people whom I have been talking about.

The Con-Dem Government's proposal to reform public sector pensions at this time and in this manner is an ill-thought-out, short-term measure to reduce the budget deficit. As has been said, that is the reality. As the motion indicates, long-term pension reform must be taken forward with consent and in partnership; it should not be done by threat and diktat. Let us be honest here: the Tories, aided by the Liberal Democrats, are using benefit and pension reforms to destroy the public sector and wreck the welfare state—that is what they are about.

The cabinet secretary has outlined how things would be better for everyone in Scotland if we had control of our economy. From what we heard from George Osborne yesterday and from the absence of the Labour Party here today, I believe that the Opposition parties are making the case for independence for us. I support the motion.

15:45

Mary Scanlon (Highlands and Islands) (Con): I refer members to my entry in the register of members' interests. Like other members, I record my thanks for the valuable contribution of public sector staff. I also thank the Scottish Parliament information centre for its briefing; I am only sorry that no one in the SNP read it, because if they had done so we would not be at loggerheads.

I thank the SNP for bringing the debate to the Parliament. It is the second debate on public sector pensions in two weeks and the second in the Parliament's 12 and a half years. When

Labour MSPs picket workplaces today, they should tell union members that in the Parliament's 12 and a half years, of which Labour spent eight in government and more than four in opposition, Labour never brought a debate on public sector pensions to the Parliament.

The SNP is a party that aspires to government, but I see little sign that it will accept any responsibility on pensions. The party of Government would normally suggest ideas. Indeed, no Government front bench has ever looked more sheepish in the face of the facts.

Jamie Hepburn: Will the member give way?

Mary Scanlon: The SNP has 10 speakers in the debate; we have three. I want to get the facts into the debate.

The facts in the public sector pensions dispute have certainly not got in the way of the rhetoric that surrounds the strike, so I will put some truths on the record.

First, public sector employees who earn less than £15,000 will pay no more in pension contributions. Employees who earn between £15,000 and £21,000 will pay 1.5 per cent, which will be phased in over three years. People who earn between £21,000 and £30,000 will pay less than 3 per cent, which will be phased in over three years. The average increase will be 3.2 per cent, which means that people who earn more than £60,000 will bear the brunt of the increased payments that are phased in over three years. Therefore, when members say that they are supporting the lower paid, they are talking nonsense. They are campaigning against an approach whereby the lower paid will pay no more and the higher paid will pay more. That is not socialism as I understand it. The UK Government's proposals are fair, equitable and sustainable.

Secondly, the Scottish Government has discretion in relation to the six public sector pension schemes in Scotland, of which only the local government scheme is a funded scheme. It is worth examining Audit Scotland's figures on all the schemes, with reference to the snapshot figures for 2009-10. The only two pension schemes in surplus are the two schemes that have a tiered system of contributions, based on salary. The NHS scheme, which was introduced in 2008, has an employee contribution of 5 per cent for salaries up to £21,000, rising to 8.5 per cent for salaries of more than £110,000. The local government tiered scheme, which was introduced in 2009, starts with employee contributions of 5.5 per cent on earnings up to £18,000, rising to 12 per cent on earnings of more than £40,000, so council workers who earn more than £40,000 contribute the highest percentage in their funded pension scheme.

The Conservative coalition Government at Westminster is proposing a tiered scheme for all public sector workers. That is what has brought people out on strike, although that type of pension scheme already exists in local government and the NHS, with the highest paid contributing the most. I do not recall NHS or council strikes in Scotland when those schemes were introduced two or three years ago.

The cabinet secretary noted the overall surplus—

The First Minister (Alex Salmond): I want to be fair to Mary Scanlon, but she just said that the NHS has a tiered scheme and that it is in surplus. Why, then, is the levy being charged to NHS workers?

Mary Scanlon: The scheme is in surplus at the moment, but according to Audit Scotland it will not be in surplus in two years' time—far from it, as I said when I intervened during Jamie Hepburn's speech. I thank the First Minister for his intervention.

The cabinet secretary noted the surplus in 2009-10. However, his figures included the local government funded scheme; if we consider the five unfunded schemes we find a deficit of £56 million. Mr Swinney failed to tell us that in 2009-10 the teachers' scheme had a deficit of £240 million, the civil service scheme had a deficit of £38 million and the police and firefighters' schemes paid out exactly the amount that they took in in contributions—the figures are all in appendix 3 of the Audit Scotland report.

As Gavin Brown said, the Government's Scottish Public Pensions Agency said in its response to the call for evidence from Hutton:

"Affordability should be considered in its broadest sense."

The First Minister: Remembering that the levy is not going to be paid into the schemes, will Mary Scanlon tell us how it will increase their sustainability?

The Deputy Presiding Officer (John Scott): Given the interventions that the member has taken, we will give her extra time.

Mary Scanlon: I appreciate that, Presiding Officer.

If the First Minister were to read Lord Hutton's report, he would see that the only means of making the schemes sustainable is to pay in—*[Interruption.]* I am just about to come to that, Mr Neil. I am pleased that my contribution is so important that the First Minister has intervened on me repeatedly.

I was interrupted in the middle of my point about the Scottish Government's response to Hutton, which also states that a

"consistent and holistic approach should be taken to reviewing pension schemes across the public sector"—

those are the Scottish Government's words, not mine—

"based around common principles, issues and recommendations. This would help to avoid further divergence in public service pension scheme design".

I ask the finance secretary why, if the tiered employee contributions are acceptable for the NHS and local government schemes, they are not acceptable under the UK proposals for the other public sector schemes.

The figures in the Audit Scotland report might or might not be exceptional, but we know that the voluntary early retirement and voluntary early severance schemes will hugely increase the pension pay-outs for last year and this year. I also want to put on record that there has been a loss of 14,700 jobs in the public sector between 2006 and 2010.

Given that the Scottish National Party responds to Hutton with a call for affordability, consistency and common principles to avoid divergence, what is its view of the fact that employee contributions range from 1.5 per cent in the civil service to 6 per cent for teachers and 11 per cent for police and firefighters? Equally, employer contributions to pension schemes—funded by the taxpayer—range from 11.5 per cent for firefighters to 13.5 per cent in the NHS, 15 per cent for teachers, between 18 and 22 per cent in local government, 19 per cent in the civil service and 25 per cent for the police. There is a massive inbuilt discrepancy in employee and employer contributions. I ask the finance secretary: where is the fairness in that? Those divergences and inconsistencies are stark and wholly out of line with what the SNP is calling for.

The three key tests of affordability, fairness and sustainability are at the heart of this pensions debate, and of the UK Government's proposals. I thank SNP members for being here today to give us the opportunity to have a democratic debate on this issue, but I also ask them to read the SPICe briefing and to come back with a bit of honesty in their approach to the debate.

15:52

James Dornan (Glasgow Cathcart) (SNP): I stand here today as a member of a party that not only aspires to government but actually is in government.

It is with a somewhat heavy heart that I take part in the debate. A substantial part of me wishes that

I was outside, supporting those hard-working public servants who have been so harshly treated by the Conservative-Lib Dem coalition. It is beyond my ken why that coalition thinks that the best way to deal with an economic crisis created by bankers and speculators and exacerbated by the actions of the previous Labour Westminster Government is to penalise the workers on whom we will most heavily rely during the fallout from the welfare cutbacks imposed as a result of that right-wing coalition's dogma.

We normally expect cutbacks such as these from the Tories—they are almost their *raison d'être*—but even I, as someone who does not have a particularly high opinion of the Lib Dems after my experience on Glasgow City Council, am surprised by the enthusiasm with which Moore and Alexander have become the gofers of Cameron and Osborne.

No one who comes from a background such as mine crosses a picket line easily. My dad was a docker, as were his brother and his cousins and my granddad. We are steeped in the traditions of the labour movement, and I am extremely proud of that. Unfortunately, none of them is with us any more, but I have no doubt that each and every one of them would support my being in here today to debate the reasons why those public servants feel forced to take such drastic action. As a matter of fact, they would see it as a dereliction of my duty if I did otherwise. Being an MSP is not a job; it is a responsibility that the people of our constituencies and regions honoured us with in May, and they expect us to fulfil our responsibilities even in the most difficult of times.

I will take no lessons from those kiddie-on socialists who think that they can treat the people like fools by taking a duvet day today and calling it solidarity. The trade unions know who is really on the side of the workers. Despite the rhetoric of Balls and all, the Labour Party had pretty much the same things planned for us if it had got into power. A wee bit less hypocrisy and a touch more honesty would be welcome. For goodness' sake, even Labour's own leadership sees through Scottish Labour. Miliband does not support the strike, and Gordon Brown is leading a debate today—not one on the issue of public sector pensions, I might add—in only his third appearance since his humiliating defeat at the hands of the Tories.

Willie Rennie: Will the member give way?

James Dornan: No.

Although we are on the side of the workers and are using this full day to show our anger at the actions of the coalition, it is business as usual for Labour at Westminster. Of course, it was Gordon Brown who scrapped tax relief on pension

dividends in 1997, taking out £5 billion from pension funds each year against official advice and penalising pensioners for decades to come.

While Labour members posture and pontificate, while the Tories salivate about taking on the unions and while the Lib Dems do as their masters bid them, the SNP Government continues to fight for the rights of public sector workers. While the Tories are making this naked cash grab, the Scottish Government has put in place a no compulsory redundancies guarantee for public sector workers. While the coalition is determined to make low-paid workers pay the price for the bankers' incompetence and worse, the Scottish Government has helped those same low-paid workers by putting in place a council tax freeze, scrapping prescription charges and freezing water bills. While the Tories and Lib Dems are happy to have moved from the retail price index to the consumer price index as the basis for calculating pension and benefits annual increases, the Scottish Government has put in place measures to help to protect low-paid workers from the worst of the effects of this latest attack on their pensions.

Under Scottish Government proposals, no-one earning less than £15,000 a year will face any increase at all, as has been discussed.

Members: Those are Conservative proposals.

James Dornan: They are different from the Tory plan. [*Interruption.*] Yes, they are. [*Interruption.*] Members have already heard it from Christina McKelvie.

The proposals are in keeping with the other actions that the Scottish Government has taken to protect low-paid workers, such as guaranteeing public sector workers the Scottish living wage of £7.20 per hour even at a time when it has had to constrain public sector pay. The Scottish Government will not impose the increases on the local government pension scheme. Many of my constituents have already benefited from the Scottish Government's actions. As I represent a constituency with one of the highest numbers of public sector workers in the country, I will do all that I can to ensure that we continue to do all that we can to mitigate the worst of Westminster's decisions.

It is a tragedy that things have got to this stage. It is clear that workers feel that they have run out of options and that the Tory-led Government intends to do to the low paid what Tory Governments have done in the past. I understand why people feel that they have no option. However, it is pretty clear that today is what the coalition Government wants. This is Cameron's Maggie moment; this is where he gets those right-wing back benchers, who are a wee bit unsure of his Thatcherite credentials, to fall in behind him.

He knows that, as long as the ministerial cars are there, the Tories have nothing to fear from their junior partners.

John Swinney has made it clear on a number of occasions that the Scottish Government fully recognises the need to face up to the difficult financial period that we are in and have ahead of us. He has recognised the need to look at public sector pensions, but, more important, he has made it crystal clear that this is not the way to go about it. How can there possibly be any trust between the trade unions and UK Government after such a draconian imposition on pension reform? Although the Scottish Government is doing all that it can to alleviate the worst of the fallout for the lowest paid, the UK Government has made it almost impossible for it to take unilateral action here in Scotland. *[Interruption.]* I will pass, if the member does not mind.

When John Swinney wrote to the Treasury suggesting a deferral of the changes—changes that we clearly do not agree with—until after the public sector pay freeze, he was told in no uncertain terms by Mr Moore that the consequences would be huge for the Scottish budget, amounting to more than £550 million. No Scottish Government could possibly agree to such a cut to its budget, especially during a period in which its budget has already been slashed by the UK Government.

If the coalition is determined to go ahead with its reforms, all that we can do under the existing constitutional settlement is mitigate the effects. As I have previously outlined, that is what the Scottish Government is doing. However, the only way in which we will truly be able to improve the pensions of the people of Scotland is if Scotland becomes an independent nation that is responsible for both raising the moneys for the pension and setting what people should be entitled to.

As has been said, according to the 2010 “Government Expenditure and Revenue Scotland” report, pensions are more affordable in Scotland than in the UK as a whole—that has been the position for the past five years. In an independent Scotland, we would be better able to afford current pension levels than the rest of the UK.

At the end of the day, it comes down to ideology. Everyone recognises that there is a major financial problem and that pensions, pay and expenditure have all got to be looked at, but it is how we go about doing that that is important. The coalition has decided that those at the bottom should pay the highest price for the sins of some of those at the top, while the Labour Party has decided to stand on the sidelines and shout abuse without getting involved. Only the SNP has made a serious effort to show that there is indeed a better way.

Today was a great opportunity for the vast majority of the Parliament to send the coalition a message and to say loud and clear that this is not how we do things here in Scotland. It is a shame that some of our colleagues would rather make political attacks on the SNP Government than take the fight to the real enemy down in Westminster. It is time for the Labour Party to support the Scottish Government in its fight to delay or scrap the cuts, to target the coalition and to stand up for those hard-working public sector workers who are being targeted by the right-wing coalition Government.

The Deputy Presiding Officer: We have recalculated the time that is available in the debate, with the result that I must now reduce members’ speeches to around six minutes.

16:00

Clare Adamson (Central Scotland) (SNP): I declare an interest as a councillor for North Lanarkshire Council and a member of the board of North Lanarkshire Leisure. I know that both organisations will have many employees on strike today.

I have a further declaration of interest to make. Along with many of the 500,000 public sector workers in Scotland—otherwise known as taxpayers; I say that for Gavin Brown’s benefit—my brother, my sister-in-law and my husband are on strike.

I come from a working-class Lanarkshire background. I was brought up with principles that bound the working classes together and held dear the trade union rights that had been so dearly won on my behalf by others. My mother was a civil servant, and my father, who re-educated himself later in life, went on to become a university lecturer. Service—public service—was the working tradition that surrounded my formative years.

I was taught to respect the trade union movement and to trust it to look after the rights of its members, whether steel workers, miners, teachers, civil servants or nurses. However, I was also taught that public service is, by and large, a vocation. Civil servants, teachers, care workers, binmen and social workers all dedicate their lives to the benefit of our society and, in doing so, sacrifice the opportunities that are afforded in the private sector.

I do not intend to diminish the hardship that is being faced by all in our society during this Labour-made recession—I know that it is very tough for everyone—but public service workers forgo bankers’ bonuses, large salaries, share options, private healthcare and many other benefits that can be afforded to those in the private sector.

Working in the public sector is a choice, which involves individual employees making a contract with an employer. Up until now, the choice of public service offered a safety net and a promise that, after years of dedicated service, a reasonable pension would be provided in old age.

The cabinet secretary alluded to the fact that public sector pensions are described as gold plated. I have heard the argument that those in the private sector are envious of what is perceived to be a public sector benefit, but that is no reason to attack and destroy the public sector pension schemes; it is an argument to bring the private sector schemes up to standards in the public sector schemes.

Gavin Brown: Will the member take an intervention?

Clare Adamson: No, thank you.

It is many years since my husband, who is a teacher, has been on strike. Over the past few weeks, as it has become apparent that there would be no negotiated settlement with the Con-Dem Government, I have reflected on my memories of more than 20 years ago. When I was a teenager, my best friend's father and brother were miners and both were on strike for months on end. I remember the hardship, worry and alienation that her family experienced during the miners' strike, and I remember the fear that was felt in my community when miners picketed Ravenscraig. This was my home town, and I was stunned that miners and steel workers, who were both fearful for the future of their industries, were pitted against one another.

Whether in the form of rent strikes, shipyard worker work-ins or marches to London to save the Craig, Scotland has a proud tradition of activism and today's strike is no different from those struggles. Workers strike because they fear for their future and feel alienated. Jimmy Reid described what alienation meant in his famous address to the University of Glasgow:

"It is the cry of men who feel themselves the victims of blind economic forces beyond their control. It is the frustration of ordinary people excluded from the processes of decision making. The feeling of despair and hopelessness that pervades people who feel with justification that they have no real say in shaping or determining their own destinies."

The mining and steel industries have been virtually wiped out in Lanarkshire. Breaking the miners and the closure of Ravenscraig were just two of the blows dealt to Scotland by Thatcher's Government. Between 1980 and 1993, six acts of Parliament increasingly restricted the unions' ability to take lawful industrial action. Secondary action was outlawed and picketing was restricted. Ballots were needed for official industrial action from 1984 and they have had to be postal since

1993. The seven days' notice for employers further reduced unions' ability to respond quickly, and potentially reduced the effectiveness of any action that they took.

The Tory Government was determined to weaken and break the trade unions and leave them at the mercy of the courts.

Gavin Brown: Will the member take an intervention?

Clare Adamson: No, thank you.

High Court injunctions prevented unions from undertaking strikes. They allowed unions to be sued for damages, which was the situation before the Trade Disputes Act 1906 came in. The Conservative Government also interfered with the running of unions by compelling certain forms of election and throwing out the traditions of those unions. It created a—so-called—Commissioner for the Rights of Trade Union Members, encouraged members to pursue complaints against their unions, and demanded political fund ballots. *[Interruption.]*

The Deputy Presiding Officer: Order, Mr Johnstone.

Clare Adamson: Each of those demands was a blow to the trade union movement, and the empty chairs in the chamber belong to the party that would lay claim to being its champion. However, the incoming Blair Labour Government kept almost every aspect of Conservative trade union law. They described the new relationship as "fairness not favours".

The right to strike is just that—the right to strike, not a favour handed out by a Labour Government that managed to out-Thatcher Thatcher.

Today I am supporting my family members and my friends as they exercise their right to strike over the threat to their pensions. I know that they support us in condemning that threat in the chamber today.

The Deputy Presiding Officer: Thank you for coming in close to time.

16:07

Nigel Don (Angus North and Mearns) (SNP): I also declare my trade union membership, but I remind folk that I am here as an MSP to represent all my constituents.

I welcome the chance to speak today although I would much rather be taking part in a different debate. I am concerned that we might have reached a low point in Scottish history. I take the opportunity to voice the concerns of my constituents in Angus North and Mearns, many of whom have felt it necessary to take industrial

action today over the increased payments that are being demanded of them.

One of the things that I find unsettling about this whole episode is the impression that the UK Government is relishing the fight with the unions. Mr Cameron and his coalition partners talk of the unions as an abstract concept, which is strange to those of us who are union members, rather than speaking about them as if they were made up of ordinary workers from households in communities. Yesterday, we heard the chancellor, George Osborne, talk about union members and taxpayers as if they were two separate entities. In his universe, they might be, but we know better.

When the UK Government talks about withdrawing or reducing the current pensions offer as a result of the strike action, it is not threatening faceless unions but 300,000 ordinary members of the Scottish public. They are the teachers in the schools in my constituency; they are the health workers from Brechin infirmary, Kincardine hospital and Stracathro hospital; they are the clerks from Forfar sheriff court; and they are the benefits staff from Castlestead house job centre in Montrose. I am absolutely sure that those people do not want to go on strike, as our Conservative colleagues seem to imply.

Willie Rennie: Will the member take an intervention?

Nigel Don: I will come back to the member.

Striking costs people a day's wages—money that comes directly out of the slice that is disposable income at a time of year when families want more, not less. People are clear that when they go on strike, there will be a knock-on effect on others; they understand that. Our teachers appreciate the difficulties that some parents will have because their children are off school.

Why are people striking? I think that James Dornan got somewhere close to the answer. They are striking because they have a point that they want the UK Government to hear, and they feel that striking is the only way to get their point across. People go on strike only when they have no other way to make their voice heard. Those people deserve to be listened to; they do not deserve to be derided by a Government that has increased VAT and national insurance contributions and which now wants to introduce what is, frankly, another tax by way of pension contributions.

Willie Rennie: Does Mr Don support John Swinney's decision to increase pension contributions?

Nigel Don: Mr Rennie needs to learn another trick—we have already answered that question. When the chancellor says that he is going to take

the money back if we do not do that, we do not have much option.

My main point is on something that the parties opposite seem not to have worked out yet. I understand that we are talking about £2.8 billion over a period, although I stand to be corrected on that figure. I will put that in the context of the current UK deficit. When I spoke to Michael Moore at the Scotland Bill Committee a few weeks ago, the UK deficit seemed to be about £155 billion a year, although yesterday's statement may have taken it to somewhere over £160 million—other members may know the correct figure. I simply make the point that we are talking about a very small figure in the context of the current financial circumstances, which I do not underestimate.

What is wrong with making the proposed change now is the fact that it comes on top of all the other problems that the common folk of Scotland—and the UK in general—are getting to grips with. When VAT has just been increased, when people's national insurance contributions have just been increased, when they have had their pay frozen and when they know that life is not going to get any better, they do not need the UK Government coming along with any excuse to put another 1, 2 or 3 per cent on what they must pay. That is why this is the wrong time for the proposal—that is the fundamental point.

Yes, we all accept that pensions need to be reviewed in the long term, but the proposal is to grab money in the short term and to worry about the benefits in the long term. The UK Government should be sorting out the current financial crisis, not putting further impositions on those who are already contributing to resolving it—because everybody whom we are talking about is in employment and is making a contribution to our society.

No matter how the change is painted, it is clear to my constituents and the whole of Scotland that the Conservatives and their coalition partners are increasing public sector workers' pension contributions to fill a hole in their failed budget deficit plan.

Alex Johnstone (North East Scotland) (Con): Will the member take an intervention?

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

Nigel Don: The pensions issue will need to be addressed. However, the UK Government's approach and proposals are the wrong solution at the wrong time. That is why I am here to stand up for the public sector workers in my constituency by voicing their concerns in Parliament. I hope that the UK Government is listening to my point about timing, although I very much doubt that it is.

16:13

Chic Brodie (South Scotland) (SNP): This is a very disappointing, if not sad, day. The actions of today will, no doubt, be remembered by the vast majority of Scots for some time. Despite the Government's commitment to affordable, sustainable and fair public sector pensions and despite the Government's commitment—illustrated so often—to maintaining the social wage and employment for all workers, above all public sector workers, through various mechanisms including freezing the council tax and abolishing prescription charges, today Scotland's elderly, its children, its lonely, its sick and their friends, neighbours and relatives are facing disruption to their daily lives. Why? Against the backdrop of the requirement—which everyone has agreed on today—to amend public sector pension contributions and provision as a result of people living longer and interest rates fluctuating, we encounter today not irresponsible but understandable and regrettable action.

We are empathetic. Why? As has been mentioned, the Hutton report was designed to report on the long-term affordability of public sector pensions and called for an increase in members' contributions while protecting their accrued rights. The report contained a long-term proposal for reforms to contributions. I point out to Gavin Brown and Willie Rennie that the proposal was not a response to the fiscal pressures that the country currently faces: it was a proposal not for the immediate situation, but for the long-term situation. But what has happened? The Tories have used the proposal as a key to unlock the safe that contains the wherewithal to allow them and their supine praetorian guards—the Lib Dems—to grab the immediate short-term funds to contribute towards reducing the London Government's deficit.

Many members have already talked about plans that we would have followed had we not faced financial blackmail from Danny Alexander. I do not plan to rehearse those arguments, and I will not, as many others have done, address the effects of the Con-Dem action on public sector pensions and workers. We know the effects; we have seen them outside the building today. Instead, I will address the causes.

The harsh reality is that the London Government in the present constitutional arrangement is no longer fit for purpose. The dispute over pensions reflects that. There is a rationale behind the deficit-reducing attack on public pensions and on the public sector and its benefits. Wilkinson and Pickett say that the London Government blamed the broken society on the benefit culture and the antisocial behaviour of the poor, and that nearly everyone blames the broken economy on bankers

and the rich, but the harsh truth is that the broken society, the broken economy, and what will be the broken union, result from gross inequalities in our society. The attack on the incomes of the poorer, and on the pensions of people in the public sector, is a result of the antediluvian, ancient and false social war between Labour and the Tories in London.

On the one hand we have the Labour Party—that organised hypocrisy—a party that panics in a crisis of its own making. It has been ever thus—from MacDonald through to Wilson, Callaghan, Blair and Brown. The party has selective amnesia. It forgets that Gordon Brown scrapped tax relief on dividends, and devastated the value of pension funds to the tune of between £5 billion and £7 billion. Hypocrisy. Last year, when in power at Westminster, MPs crossed picket lines—just as the leader of the London Labour Party did today. Labour has been advised by the GMB to cross picket lines. [*Interruption.*] I will come to the Tories in a minute, but let the Labour Party in Scotland explain today to the people of Scotland—their employers—why they have had the front to turn their backs on them.

On the other hand—[*Interruption.*] There is plenty of time, Mr McLetchie.

On the other hand, we have the Tories, a Tudor monarchy with mobiles. The sins of Thatcherism are being revisited on Scotland today. I am tempted to say that there is a coincidence between the Falklands and Libya, but I will pass over that. The heightening of tension, and the extreme language of conflict, are reminiscent of the early 1980s. The Bullingdon club bullies are now out in force. *Wisden* has said that the Bullingdon club, although ostensibly one of the original University of Oxford cricket teams, used cricket matches as a respectable front for the mischievous, destructive and self-indulgent tendencies of its members.

To both parties, the message is, "Get your hypocritical and bullying tanks off the Scottish lawn." This Government has shown the ability to consult, to negotiate and to come to sensible solutions. There is another way, but it is not the London way.

The Deputy Presiding Officer: Thank you for finishing before your time.

16:19

Joe FitzPatrick (Dundee City West) (SNP): A few MSPs have stayed away today but, as Margaret Burgess said, they will not be missed.

The wishes of the Scottish electorate in May's election mean that this chamber is full of SNP MSPs, representing all of Scotland's communities.

When important issues come up, we turn up and do our job. That is what our constituents elected us to do, and we will not let them down by staying silent in this Parliament in the face of a naked cash grab on the pensions of 300,000 Scots.

Even the unions expect elected members to attend Parliament on strike days. In reference to today's strike, as Chic Brodie mentioned, a GMB spokesperson stated:

"The GMB are not asking MPs not to cross the picket line. Our position is we want them inside Parliament ... doing their normal job, representing the people."

I agree. It is clearly the job of the Scottish Government and all Scotland's parliamentarians to stand up to Westminster and to speak with one strong voice for Scotland's public sector workers. I am here today to stand up for health workers, social workers, civil servants, clerks, teachers and other public sector workers in Dundee and to send a clear message that we are opposed to the coalition Government's pension changes.

Bob Doris (Glasgow) (SNP): I will comment on teachers' pensions. I was a teacher for 10 years and am still a member of the Educational Institute of Scotland.

I draw to Mr FitzPatrick's attention a few facts about teachers' pensions. In 2006-07, there were reforms to the cost base of those pensions, based on projected affordability towards 2050. The UK Government was supposed to undertake an evaluation in 2010-11 to nail down how effective those changes had been. I inform Mr FitzPatrick that it cancelled that evaluation and, instead, decided to increase teachers' pension contributions by 50 per cent.

Will Mr FitzPatrick condemn that move and support teachers in Glasgow and throughout Scotland in taking action today? Does he believe that this Parliament is best placed to defend the pensions not only of teachers but of all public sector workers?

Joe FitzPatrick: Bob Doris makes a good point and puts on record a number of facts that are important to the debate. I stand with teachers in Glasgow, just as I stand with teachers in Dundee.

This morning, I visited some of the picket lines in Dundee. Along with the Dundee East MP Stewart Hosie, I spent time talking to Public and Commercial Services Union members at the Department of Work and Pensions. They talked about their absolute disgust at the chancellor's comments in yesterday's autumn budget statement, which, rather than trying to defuse the situation and encourage further negotiation, rubbed salt into the wounds of workers who had already been at the knife edge of the UK Government's austerity measures.

The UK Government's much-lauded respect agenda was finally revealed as a farce when John Swinney received the ultimatum from Danny Alexander—which Willie Rennie keeps forgetting was ever written—to implement its pension changes or face further cuts in the Scottish block grant. There is no respect for the Scottish Parliament or the Scottish people. In its short time in Government, the coalition has failed to support families and businesses in Scotland. It has increased VAT and national insurance contributions and has allowed energy bills to soar, pushing thousands more into fuel poverty.

By stark contrast, the SNP Government is determined to support hard-working families in these tough economic times. Working with trade unions, it has been able—under the leadership of John Swinney in his position as Cabinet Secretary for Finance, Employment and Sustainable Growth—to offer a guarantee of no compulsory redundancies, thereby protecting some 10,000 jobs. Had the Scottish Government taken the same bully-boy approach that the UK Government has taken in bulldozing change through, those jobs would have been lost.

We have gone further than that. We have frozen the council tax since 2007. By 2016, that will have saved the average band D council tax payer £1,200. We have abolished prescription charges. We have also kept Scottish Water in public hands, which has allowed us to freeze water bills for the next two years. If we had not done that, who knows what the charges would have been this year? Perhaps they would have spiralled as energy charges have done.

Our Government has taken action to protect the lowest-paid workers from increases, which the Conservative and Liberal parties have failed to do. The increases in contributions are theirs and theirs alone. Not one of the 250,000 public sector workers who are on strike today believes that those increases are anything other than a naked cash grab by the UK coalition.

It is not too late. I call on the Tories and Lib Dems to listen to the message that the public sector workers throughout the UK are sending, listen to the clear message that the Parliament is sending, back down and reverse their damaging plans.

I tell the Labour members who are listening on their laptops and smartphones that voting time is 5 pm. There are no pickets at the entrances to the Parliament so, although those members have missed the opportunity to have their voices heard, there is still time for them to ensure that their votes are recorded to support public sector workers and send the strongest possible message to Westminster.

16:24

Christine Grahame (Midlothian South, Tweeddale and Lauderdale) (SNP): I, too, stand in support of public sector workers, whether they are out on strike today or otherwise. As someone remarked, pension provision is a contract between employee and employer. A private pension is a contract with the provider; in the case of the public sector, the contract is with the state. As with every contract, it is bilateral and in breaking the contract unilaterally, the state has breached that contract. This is not the first time that it has done it—it does it all the time with the state pension. It is also the case that, in considering employment, an employee will look at an entire package including salary, holiday leave and pension provision. In some cases, they will accept a salary that is less because they know that they will have a good pension in the future. So, the breach of that contract has ramifications.

Gavin Brown: Will the member give way?

Christine Grahame: Let me make some progress.

Christina McKelvie was right to say that most of the people who are suffering in this are women and that women in part-time jobs will be the worst hit. Let us compare that disgusting situation with the richness of bankers such as Sir Fred Goodwin, who gets close to £350,000 per annum in pension. That is after a cut—originally, he had £500,000 per annum. Who was in power when the bankers' profligacy and gambling with our money led us to this precipice? Gordon Brown and Alistair Darling. When Sir Fred Goodwin's pension claim was reduced from £500,000 to £350,000 per annum, Alistair Darling said:

"I'm very glad that RBS have now resolved the matter with Sir Fred Goodwin. I think that Sir Fred, in handing back part of his pension, is doing the right thing."

Well, what a cut—£500,000 to £350,000 per annum. Was that the right thing? I think not.

The Labour Government also failed to impose pension and bonus limits on senior bankers while ordinary people, out in the streets today, bailed those bankers out with their taxes to the tune of some £65 billion. We own the Royal Bank of Scotland almost lock, stock and barrel; yet, there was only a brief attempt at Westminster made by Ann Clwyd—a worthy attempt by a back bencher—to introduce a Bankers' Pensions (Limits) Bill. It seems to me that the only pensions that are being limited are those of low-waged public sector workers. In 2009, Alistair Darling also imposed a two-year pay freeze and a £1 billion-a-year raid on the pension funds. By emptying the Opposition benches today, Labour members are demonstrating gross hypocrisy. Nor is it a choice between public and private sector. Westminster

kens wheel how to divide and rule. As Margaret Burgess rightly said, if public sector workers do not have money in their pockets, the private sector suffers as well.

Let us look at the heading in *The Scotsman* today: "Strike-hit Britain faces permanent austerity". Bankrupt Britain is not a choice for Scotland—Scotland is not bankrupt. Norway discovered oil and gas around the same time as Scotland, 40 years ago. Norway's oil fund is currently around \$15 billion and is projected to grow by 36 per cent in the next three years. The Scottish oil fund—the UK oil fund—is nil, zilch, zero. Those are two nations: one independent, one tied to a failed union and a UK that told the Scots they were too poor, greedy and incompetent to run their own affairs.

Mary Scanlon: Will the member give way?

Christine Grahame: We need no lessons from Mary Scanlon or Westminster—certainly not from the Tories. Those who are fighting for justice and fairness need to look beyond Westminster for that. An independent Scotland would have the resources and the political will for social justice in pay and pensions for all of its people. That is the choice for Scotland's people, and it is one that they will have in the referendum.

16:29

Willie Rennie: We have heard from Jamie Hepburn, Christina McKelvie, Rob Gibson, Margaret Burgess, Mary Scanlon, James Dornan, Clare Adamson, Nigel Don, Chic Brodie, Joe FitzPatrick and Christine Grahame, but not a single SNP MSP opposed John Swinney's increase in the pension contributions. For all their mock anger today and all their pretending to oppose the proposals, SNP members are right behind every increase in contribution.

Mary Scanlon: I respectfully remind the member that I am a Scottish Conservative MSP.

Willie Rennie: I am very sorry for daring to accuse Mary Scanlon of being with the SNP mob.

SNP members ignore the briefing, ignore the facts and pretend to be opposed to the increases in contributions.

Jamie Hepburn: Will the member give way?

Willie Rennie: Not just now.

SNP members go on the picket line and say that they are for the workers, but they support the increases in contributions. A little more respect and integrity would be important in the debate.

There is one point on which members agree: Labour members and the Greens should be here. The debate might not have been particularly

enlightening but it has been useful, because it has exposed the fact that the guys in the SNP do not know what they are talking about. It has been useful at least to explore the issues, and Labour and the Greens might regret not being here to stand up for the communities that they represent.

In the context of standing up for communities, I looked through the statement that my good friend Danny Alexander made in the House of Commons at the beginning of the month and found that after his statement he took questions from 47 back benchers from various parties, including members from Wales, Scotland and Northern Ireland. However, not a single SNP MP even dared to ask a question. SNP members had plenty of opportunities to take part, but not one of them did so. So much for the mock anger.

Jamie Hepburn: I am glad that Willie Rennie has given way at last. He mentioned the statement from Danny Alexander. Why does he refuse to acknowledge that his colleague sent letters to the Scottish Government, threatening it with the withdrawal of £100 million from its budget in the coming year?

Willie Rennie: The member might have noticed that I have been asking about that issue all afternoon. Mr Swinney had a choice and he ducked it. The key point—[*Interruption.*]

The Presiding Officer (Tricia Marwick): Order. Can we hear the member, please?

Willie Rennie: There is a key point about Mr Swinney's dodge and delay, and a few SNP speakers have got to the truth of the matter—that it is all about dodge and delay until after the referendum. The SNP refuses to face up to the difficult decisions that the country must make if pensions are to become sustainable, because this is all about independence and the thought that, somehow, when we are independent we will be in the land of milk and honey and will suddenly be able to afford everything and pay everybody all the pension they could ever want. The reality is different. The SNP is prepared to sacrifice sustainable pensions for its own narrow gain and for the sake of its independence referendum. It is a mark of the SNP Government that it refuses to face up to the difficult decisions that my colleagues in London are prepared to stand up and make.

Derek Mackay (Renfrewshire North and West) (SNP): The member talked about his colleagues in London. Does he agree with his Prime Minister, who said in the Parliament today that the trade unions' strike is a "damp squib"? Will that help constructive discussion to find a resolution to the issue?

Willie Rennie: As we seek a resolution, it does not help for members to pretend that they support

the workers when the reality is that they are in favour of increasing contributions. Such dishonesty does not help us to have proper discussion and debate.

Despite what SNP members have said, discussions and negotiations with the unions have been going on this month. If members check the facts, they will find that that is the truth.

Brian Adam (Aberdeen Donside) (SNP): Will the member please tell us how the letter that came from his UK Government to the Scottish Government, saying that if it did not implement the changes, it would be £8.4 million a month worse off, fits in with the respect agenda? Is it not true that the Lib Dems are partners in the coalition Government's actions on this matter and that this is the greatest demonstration that we have ever seen of power devolved being power retained?

Willie Rennie: Mr Adam raises a genuine point. However, the reality is that if we do not collect the money, we cannot spend it. That is basic. If we do not get the money in, we cannot spend it. If the Scottish Government does not take the pension contributions—I repeat that Mr Swinney has made the decision to increase the contributions—it cannot spend the money. It is straightforward. That is why it is essential that we have a bit of honesty.

Chic Brodie: Will the member give way?

Willie Rennie: Talking of honesty, let us hear from Mr Brodie.

Chic Brodie: I bow to Willie Rennie's accountancy genius. How many people do the Lib Dems expect to walk away from public sector schemes and move to the private sector? What effect does he think that will have on the sustainability of these incomes and on his projection of the Government needing to have the money before it can spend it?

The Presiding Officer: Mr Rennie, you have one minute in which to wind up.

Willie Rennie: It does not help that Mr Brodie is spreading scare stories about the viability of the pensions. The negotiations with the trade unions are continuing in good faith. It is completely dishonest of Mr Brodie to suggest that people will somehow walk away from those pensions, and I hope that he reflects on his remarks.

There has been lots of misinformation about low-paid workers. The proposed changes are progressive changes. For those who do not know what that means, it means that those who are on the lowest incomes will not pay any increase in contributions and those who are on the highest incomes will pay the most.

Christina McKelvie: Will the member take an intervention?

Willie Rennie: No, I do not think that I will.

Those who have the biggest shoulders will take the biggest burden. Members should check the facts before they speak.

The Presiding Officer: Mr Rennie, you need to wind up now.

Willie Rennie: The debate has not been enlightening, but the one thing that we have heard from the SNP is full support for the increase in contributions that Mr Swinney has imposed.

16:37

David McLetchie (Lothian) (Con): Today is a great day for the Scottish Parliament—it is devoid of Labour members. Let us for a moment feast our eyes on this welcome sight. We have seen the future and it works. Politics, like nature, abhors a vacuum. While Red Ken and Rosa Klebb vie for votes on the picket lines, they do so in support of a totally unjustified strike action that is undermining our public services, closing schools and cancelling operations.

Into that void of irresponsibility marches the SNP, led by its shop steward for today, John Swinney. Today, SNP members march behind a grandstanding motion that betrays a party that prefers to play to the gallery rather than properly consider the issue of public sector pension reform. We know that it is playing to the gallery not just for the reasons that Mr Rennie has outlined but because, as the diligent researchers of my friend Gavin Brown have shown, the SNP Government's own agency—the SPPA—in its submission to the Hutton commission set out four options for public sector pension reform, each of which would result in a no better or worse outcome for Scotland's public sector workers than the reform proposals that have been tabled by the UK Government for negotiation and discussion with the trade unions. John Swinney must tell us this: did he read and approve of the submission? If he did neither, why is he failing in his ministerial responsibility to do just that and consider what changes are needed to our public sector pension schemes? What about his responsibility to tell us what his proposals actually are? That was a previous pledge that he signally failed to honour in today's debate, and none of the other SNP members could help us in that regard either.

The Scottish Government alleges that these changes are a cash grab for the purposes of deficit reduction rather than a move to secure the long-term sustainability of public sector pensions. Nothing could be further from the truth, as would

be apparent from even a cursory reading of the Hutton commission report.

Jim Eadie: On the issue of cash grabs, does the member not understand that the change in indexation from the retail prices index to the consumer prices index, which has been introduced by a Conservative chancellor, will take money out of the pensions of public sector workers in the national health service and represents the biggest cash grab of all?

David McLetchie: I believe that that change applies to the indexation of benefits and helps to address the soaring deficits in these schemes. Indeed, if the member cares to read the report, he will see that the Scottish Government and local government in Scotland are benefiting from that move.

Let me remind the SNP of Hutton's conclusions and recommendations. First, in line with Hutton, Her Majesty's Government has made a commitment to maintaining a defined-benefit, salary-related pension scheme for all public service employees. One of the SNP options was to scrap that. Secondly, the commission took as a given recent changes such as the use of the consumer prices index as a measure of inflation—the measure to which Mr Eadie has just referred—and the increase in employee contributions but said that, although the changes have reduced cost pressures, they have not addressed fundamental longer-term structural problems with the schemes. Thirdly, the commission said that its reforms represented a balanced deal that would deliver fair outcomes for workers and taxpayers and build trust and confidence in the system. Fourthly, the Government accepted and agreed to the recommendation to honour in full the pension promises that scheme members have accrued to date.

Even after all the changes, public sector pension schemes will remain among the very best available to employees in this country, offering guaranteed and defined benefits and inflation proofing. The reforms are designed to benefit low and middle-income earners in the public sector, many of whom will receive a larger pension income on retirement than they do at present. Let us repeat, for the umpteenth time, that employees earning less than £15,000 a year will not have to make increased contributions and those earning up to £21,000 will see their increase limited to 1.5 per cent. Moreover, the phasing of changes means that they will not affect anyone within 10 years of retirement.

I have reread the cabinet secretary's statement to Parliament in June. He said that he thought it wrong to require employees to increase their contributions but refused to clarify whether he supported any increase at all or what he regarded

as a more appropriate timetable for phasing in increases. Five months on, we are none the wiser about his views.

However, one grain of information that we gleaned from Mr Swinney back in June was that if the SNP's professed and preferred policy were to be followed and employee contribution rates were not increased, the Scottish Government would have to find an additional £400 million per year to replace that funding. Will any of the SNP members who object to increased contributions in the short term over the next three years care to tell us exactly what services would have to be cut or how many teachers or nurses would have to lose their jobs in order to pay for that? Their response is silence—I will not hold my breath waiting for the answers.

If Mr Swinney and the SNP do not want to face the facts as set out by Hutton or Her Majesty's Government, perhaps they will listen to Audit Scotland, which in February published a report that set out the cost of public sector pensions in Scotland and contained a wealth of information about the schemes. It pointed out that, although employees' contributions vary, on average they are around one third of the contributions that are paid by their employers—in other words, taxpayers—and that 85 per cent of the public sector workforce is in one of these schemes while only 35 per cent of private sector employees in Scotland have employer-sponsored pensions. The report also tells us that, under what is called the classic civil service pension scheme, employee contributions can be as low as 1.5 per cent while the employer/taxpayer contribution is an eye-watering 19.4 per cent—a ratio of 13:1.

Page 34 of the Audit Scotland report tells us that our local government pension scheme had an aggregate deficit of £8.9 billion in 2009-10. That is the pension scheme that Mr Swinney thinks does not need any increase in employee contributions. When will that £8.5 billion deficit be sorted out?

The report points out that the savings that the pension reforms that were implemented between 2006 and 2009 will produce will be limited in the short term and will be fully realised only over 30 to 40 years. It also gives us some interesting illustrations about the effect of enhanced life expectancy. For example, female NHS employees retiring at 60 can now expect to live for a further 32 years compared with 20 years in 1955. There are also steady increases in life expectancy over shorter periods. For instance, the life expectancy of pensioners at age 65 in the Strathclyde pension scheme increased by a whole year between 2005 and 2008.

That trend does not mean that we will all eventually live for ever, but it illustrates the increased longevity with which we have to

contend. It also illustrates the fact that pension schemes that were devised at a time when pensioners had a shorter lifespan in retirement are no longer appropriate, given all the advances in medicine, care, public health and overall living standards that have led to longer lives.

The report also tells us that the changes in Scotland's population mean that the proportion of pensioners is predicted to rise from one in four of the population to one in three by 2050. Younger generations have an obligation to older ones, but there are limits to what can be sustained with such a demographic. Paying more for pensions from current contributions and working longer before retirement are part and parcel of what is needed in the interest of fairness between generations of Scots.

Today's synthetic anger from Mr Swinney and the SNP fools no one. They have been shown up big time. Mr Swinney likes to refer to the proposed increases in pension contributions over the next three years as a naked cash grab, but the only nudity on display in the Parliament is the naked political opportunism of the SNP and the utterly cynical behaviour that it has exhibited today.

I support the amendment in the name of my friend Gavin Brown.

16:47

John Swinney: I think that I speak for all members present when I say that I am glad that David McLetchie limited the talk of nudity to his remarks. The prospect was becoming too frightening for the rest of us.

The other point of unity is that we all regret that the Labour Party and Scottish Green Party members decided not to be in the Parliament that we have all been elected to serve in.

The absence of the Labour Party has meant that its members have missed some fine contributions to the debate. I single out the speech that Margaret Burgess made on behalf of her constituents in Cunninghame South. It was an exposition of the concerns of ordinary citizens in our society—the people in our country who rely on members of the Parliament to speak up on their behalf. It also got to the nub of the debate by setting out the fact that, at the same time as public sector workers face increases in their contributions to their pension schemes, they have to wrestle with a multiplicity of other financial pressures. Those pressures range from the freeze in their salaries—which, in many cases, the Scottish Government has applied—through the rise in energy costs that the energy companies have applied and the rise in fuel costs, which is a fact of life, to a variety of other tax changes that the United Kingdom Government has made.

Margaret Burgess also made the point, in response to attacks on public sector pensions that are regularly marshalled by the Conservative Party, that the pensions that are paid in our society make a direct contribution to local economies the length and breadth of Scotland, because they provide the sustainable resources that enable individuals to exercise their spending power in localities such as Cunninghame South, which Margaret Burgess represents so forcefully.

Other SNP members made substantial contributions to the debate, as did Mary Scanlon, whose comments attracted great interest from the First Minister. What struck me was that all my colleagues acknowledged the significant impact that increased pension contributions will have on individuals in our society and recognised the financial difficulties that the changes will bring. I suppose that the debate comes down to that point, which is very much relevant to the UK Government's short-term decision to increase employee contributions to pension schemes by 3.2 per cent.

There has been much talk of the need for a considered approach to proposals for pension reform. We should consider the timeline for the 3.2 per cent increase in contributions. The Hutton commission reported on 7 October 2010; by 20 October, the Chancellor of the Exchequer had given such sophisticated consideration to a long-term issue that he had decided to increase contributions by 3.2 per cent. The implication is, as the First Minister said to Mrs Scanlon, that the contributions increase will flow not into the pension schemes that the Conservatives say are in such a poor financial position but straight into the Treasury. That does not help the sustainability of any pension scheme, although sustainability was the focus of the argument that Conservatives advanced in the debate.

David McLetchie: Is the cabinet secretary's proposition that the current contributions that employers and employees make to a pension scheme should be sufficient only to cover the current outgoings? Is that what he is saying?

John Swinney: That is not what I am saying. What I am saying is that the 3.2 per cent increase that the chancellor has applied has nothing to do with improving the sustainability of pension funds and has everything to do with reducing the structural deficit. The UK Government has made a financial choice to apply the increase to people in Scotland who contribute to pensions.

Gavin Brown: Will the cabinet secretary give way?

John Swinney: If Mr Brown will allow me to make a little progress, I will do so in a moment.

A fundamental point about the so-called justification for the 3.2 per cent increase is that, after negotiations were undertaken with trade unions in previous years, it had been agreed that much of the financial gap that is to be closed by the 3.2 per cent increase would be dealt with by cap and share arrangements. In essence, shortly after public sector workers received letters that said, "As a result of your contribution you have made your pension scheme more sustainable," they received a demand for a further 3.2 per cent increase in their pension contributions. That strikes me as fundamentally unfair in the context of the severe financial pressure that people are experiencing.

That is the short-term issue that concerns the Scottish Government. The long-term issue is significant.

Gavin Brown: Hutton said that cap and share arrangements cannot of themselves address the underlying issue of structural reform. I repeat that, on page 21 of his report, he said clearly:

"The Commission felt that there was a rationale for short-term cost savings in recognition of the substantial unanticipated increases in longevity."

It was not just about the deficit.

John Swinney: That suggests—if we continue the logic of that—that there would be a financial problem in pension schemes in the three-year period, which is not the case. Mr Brown pointed out that Hutton said that cap and share would not address the underlying problems, and that is why a debate is needed on the long-term reform of pensions. The Scottish Government is perfectly happy to engage in the process of long-term pension reform; we have always said that pensions must be affordable, sustainable and fair. We will go through the process in an orderly fashion to secure agreement and consent on proposals.

Mary Scanlon: Will the cabinet secretary give way?

John Swinney: If Mary Scanlon will forgive me, I will not, because I do not have much time in which to conclude my remarks.

The parameters of the debate are a moving feast. The UK Government's position has shifted dramatically since proposals were first announced. The cost envelopes are changing. The debate on long-term reform must involve proper negotiation, and not the smash-and-grab raids of short-term increases, which have contaminated the debate and undermined efforts to secure agreement.

The tactics that have been deployed by the Conservatives do not surprise me. When I read newspaper comments on how ministers have been relishing the idea of industrial action because

it will let them pursue their particular approach, it suggests to me that ministers have not been dispassionate in trying to reach an agreement that would give us sustainable, affordable and fair pensions. The Scottish Government is determined to reach such an agreement in our dialogue with trade unions. We must ensure the sustainability of pensions in the long term. The tactics of UK ministers—in the short-term cash grab, and in the debate on industrial action—have exacerbated the problem.

Mary Scanlon: Page 22 of the Audit Scotland report tells us that the deficit in NHS, teacher and civil service schemes will be £174 million next year, and will rise year on year to £489 million in 2014-15. How sustainable and affordable is that? Where does the deficit money come from?

John Swinney: Nothing from the 3.2 per cent pension increases will flow into those pension schemes. It will flow into the Treasury's coffers. That is precisely the point that we have been trying to make to Mary Scanlon.

On the question of the implications for the Scottish Government, I want to address what I can only call the bobbing up and down of Mr Rennie this afternoon. I will quote to him from the letter that I received from the Chief Secretary to the Treasury on 5 September:

"I would have to reduce the Scottish Government's budget by £8.4 million for every month's delay."

Which part of that does Mr Rennie not understand? It is a bit rich hearing from him that this Government has not been prepared to face up to difficult decisions, when we had to reduce public expenditure dramatically before the election—an election which, I might point out, resulted in the election of 69 members on this side of the Parliament, and not so many over on that side of the Parliament.

The Chief Secretary to the Treasury, while making threats of that sort to the Scottish Government, was not able to tell "Newsnight" where the £28 billion of new spending cuts that he envisages will come from. I do not think that Mr Rennie has much room for giving us lectures this afternoon.

The Presiding Officer: That concludes the debate on public sector pensions.

Business Motion

17:00

The Presiding Officer (Tricia Marwick): The next item of business is consideration of business motion S4M-01445, in the name of Bruce Crawford, on behalf of the Parliamentary Bureau, setting out a business programme.

Motion moved,

That the Parliament agrees the following programme of business—

Wednesday 7 December 2011

2.00 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Ministerial Statement: Cod Recovery Plan

followed by Scottish Government Debate: The UK Government's Autumn Budget Statement and the Scottish Economy

followed by Legislative Consent Motion: Legal Aid, Sentencing and Punishment of Offenders Bill – UK Legislation

followed by Business Motion

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Thursday 8 December 2011

9.15 am Parliamentary Bureau Motions

followed by Scottish Government Debate: Regulatory Framework

11.40 am General Question Time

12.00 pm First Minister's Question Time

2.15 pm Themed Question Time
Education and Lifelong Learning

2.55 pm Ministerial Statement: Local Government Finance Settlement 2012-13

followed by Scottish Government Debate: Violence against Women, Focusing on Prevention as a Means to an End

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Wednesday 14 December 2011

2.00 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Stage 3 Proceedings: Offensive Behaviour and Threatening Communications at Football (Scotland) Bill

followed by Business Motion

followed by Parliamentary Bureau Motions

5.00 pm Decision Time
followed by Members' Business
Thursday 15 December 2011
9.15 am Parliamentary Bureau Motions
followed by Scottish Government Business
11.40 am General Question Time
12.00 pm First Minister's Question Time
2.15 pm Themed Question Time
Finance, Employment and Sustainable
Growth
2.55 pm Scottish Government Business
followed by Parliamentary Bureau Motions
5.00 pm Decision Time
followed by Members' Business—[Bruce Crawford.]
Motion agreed to.

Parliamentary Bureau Motions

17:01

The Presiding Officer (Tricia Marwick): The next item of business is consideration of two Parliamentary Bureau motions. I ask Bruce Crawford to move motions S4M-01446 and S4M-01447, on approval of two Scottish statutory instruments.

Motions moved,

That the Parliament agrees that the Aquatic Animal Health (Miscellaneous Modifications) (Scotland) Regulations 2011 [draft] be approved.

That the Parliament agrees that the Budget (Scotland) Act 2011 Amendment Order 2011 [draft] be approved.—[Bruce Crawford.]

The Presiding Officer: The questions on the motions will be put at decision time, to which we now come.

Decision Time

17:01

The Presiding Officer (Tricia Marwick): There are five questions to be put as a result of today's business. The first question is, that amendment S4M-01440.1, in the name of Gavin Brown, which seeks to amend motion S4M-01440, in the name of John Swinney, on public sector pensions, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Brown, Gavin (Lothian) (Con)
 Carlaw, Jackson (West Scotland) (Con)
 Davidson, Ruth (Glasgow) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Annabel (West Scotland) (Con)
 Hume, Jim (South Scotland) (LD)
 Johnstone, Alex (North East Scotland) (Con)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 McArthur, Liam (Orkney Islands) (LD)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McInnes, Alison (North East Scotland) (LD)
 McLetchie, David (Lothian) (Con)
 Milne, Nanette (North East Scotland) (Con)
 Rennie, Willie (Mid Scotland and Fife) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Scott, Tavish (Shetland Islands) (LD)
 Smith, Liz (Mid Scotland and Fife) (Con)

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)
 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)
 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)
 McMillan, Stuart (West Scotland) (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)
 Swinney, John (Perthshire North) (SNP)
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)
 Torrance, David (Kirkcaldy) (SNP)
 Urquhart, Jean (Highlands and Islands) (SNP)
 Walker, Bill (Dunfermline) (SNP)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

The Presiding Officer: The result of the division is: For 18, Against 64, Abstentions 0.

Amendment disagreed to.

The Presiding Officer: The next question is, that amendment S4M-01440.2, in the name of Willie Rennie, which seeks to amend motion S4M-01440, in the name of John Swinney, on public sector pensions, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Brown, Gavin (Lothian) (Con)
 Carlaw, Jackson (West Scotland) (Con)
 Davidson, Ruth (Glasgow) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Annabel (West Scotland) (Con)
 Hume, Jim (South Scotland) (LD)
 Johnstone, Alex (North East Scotland) (Con)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 McArthur, Liam (Orkney Islands) (LD)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McInnes, Alison (North East Scotland) (LD)
 McLetchie, David (Lothian) (Con)
 Milne, Nanette (North East Scotland) (Con)
 Rennie, Willie (Mid Scotland and Fife) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Scott, Tavish (Shetland Islands) (LD)
 Smith, Liz (Mid Scotland and Fife) (Con)

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)
 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)
 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)
 McMillan, Stuart (West Scotland) (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)
 Swinney, John (Perthshire North) (SNP)
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)
 Torrance, David (Kirkcaldy) (SNP)
 Urquhart, Jean (Highlands and Islands) (SNP)
 Walker, Bill (Dunfermline) (SNP)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

The Presiding Officer: The result of the division is: For 18, Against 64, Abstentions 0.

Amendment disagreed to.

The Presiding Officer: The next question is, that motion S4M-01440, in the name of John Swinney, on public sector pensions, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Adam, Brian (Aberdeen Donside) (SNP)
 Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Brodie, Chic (South Scotland) (SNP)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Eadie, Jim (Edinburgh Southern) (SNP)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 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)
 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)
 McMillan, Stuart (West Scotland) (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)
 Swinney, John (Perthshire North) (SNP)
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)
 Torrance, David (Kirkcaldy) (SNP)
 Urquhart, Jean (Highlands and Islands) (SNP)

Walker, Bill (Dunfermline) (SNP)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

Against

Brown, Gavin (Lothian) (Con)
 Carlaw, Jackson (West Scotland) (Con)
 Davidson, Ruth (Glasgow) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Annabel (West Scotland) (Con)
 Hume, Jim (South Scotland) (LD)
 Johnstone, Alex (North East Scotland) (Con)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 McArthur, Liam (Orkney Islands) (LD)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McInnes, Alison (North East Scotland) (LD)
 McLetchie, David (Lothian) (Con)
 Milne, Nanette (North East Scotland) (Con)
 Rennie, Willie (Mid Scotland and Fife) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Scott, Tavish (Shetland Islands) (LD)
 Smith, Liz (Mid Scotland and Fife) (Con)

The Presiding Officer: The result of the division is: For 63, Against 18, Abstentions 0.

Motion agreed to,

That the Parliament recognises and appreciates the valuable work done by Scotland's public sector workers; notes the importance of pensions that are affordable, sustainable and fair and believes that long-term pension reforms must be taken forward with consent and in partnership; registers its strong opposition to the UK Government's decision to impose a general levy on pension contributions and considers this to be a cash grab for the purposes of deficit reduction rather than a move to secure the long-term sustainability of public sector pensions; regrets the fact that UK ministers appear to be relishing the prospect of strike action, which will cause major disruption and inconvenience to ordinary members of the public across Scotland; condemns the UK Government's threat to cut Scotland's budget by £100 million next year alone, on top of drastic cuts to Scotland's budget, if the Scottish Government does not implement the UK Government's immediate levy on pensions contributions, and calls on the UK Government to reverse its short-term pensions cash grab.

The Presiding Officer: The next question is, that motion S4M-01446, in the name of Bruce Crawford, on approval of a Scottish statutory instrument, be agreed to.

Motion agreed to,

That the Parliament agrees that the Aquatic Animal Health (Miscellaneous Modifications) (Scotland) Regulations 2011 [draft] be approved.

The Presiding Officer: The next question is, that motion S4M-01447, in the name of Bruce Crawford, on approval of an SSI, be agreed to.

Motion agreed to,

That the Parliament agrees that the Budget (Scotland) Act 2011 Amendment Order 2011 [draft] be approved.

St Andrew's Day

The Deputy Presiding Officer (John Scott):

The final item of business is a members' business debate on motion S4M-01089, in the name of Kevin Stewart, on St Andrew's day. The debate will be concluded without any question being put.

Motion debated,

That the Parliament notes that it is now over four years since the St Andrew's Day Bank Holiday (Scotland) Bill was unanimously approved by the Parliament; pays tribute to Dennis Canavan for his efforts in this regard; welcomes what it sees as the increasing interest in celebrating this national holiday but feels that more still needs to be done, and believes that everyone in Scotland should have the opportunity of celebrating their national identity, their cultural diversity and their membership of the international community on St Andrew's Day.

17:05

Kevin Stewart (Aberdeen Central) (SNP):

First, I pay tribute to Dennis Canavan, who saw the St Andrew's Day Bank Holiday (Scotland) Bill through the Parliament. Mr Canavan was terrier-like in his actions on that issue. The first mention that I found of Mr Canavan with reference to St Andrew's day was in the Hansard of 30 November 1983, when he asked the then Secretary of State for Scotland, George Younger, whether he would declare St Andrew's day a public holiday in Scotland. George Younger replied:

"I have no authority in this matter as public holidays in Scotland are fixed locally by district councils."—[*Official Report, House of Commons*, 30 November 1983; Vol 49, c 871.]

As I said, Mr Canavan was terrier-like in seeing his bill through Parliament, but I think that we still have quite a bit to go in celebrating St Andrew's day.

Saint Andrew, of course, was a Christian apostle, the brother of Saint Peter, who became the first pope of the Catholic church. Andrew was the founder and first bishop of the church of Byzantium and is the patron saint of Scotland, Ukraine, Russia, Sicily, Greece, Romania, the diocese of Parañaque in the Philippines, Amalfi, Lucca and Malta. He is also the patron saint of fishermen, fishmongers, rope makers, golfers and performers.

Andrew preached in Asia Minor and in Scythia along the Black Sea, and was crucified in Patras on the northern coast of the Peloponnese. He was crucified on an X-shaped cross—that is, a saltire—reportedly at his request, as he deemed himself unworthy to be crucified on the same type of cross as Christ.

Legend has it that Andrew became the patron saint of Scotland in the 10th century after Angus II

led an army of Picts and Scots in a battle against the Angles at Athelstaneford. On the day of the battle, Angus is said to have seen an X-shape in clouds in the sky, representing Saint Andrew—that is where we get our flag from. Angus's army won the battle and Angus proclaimed Saint Andrew to be the Scots' patron saint.

The feast of Saint Andrew is observed on 30 November in both the eastern and western churches and it is of course Scotland's national day. Only yesterday, Archbishop Mario Conti said in the *Independent Catholic News*:

"Scotland is a nation with an ancient history, and that history is inextricably formed in the shape of the cross; the cross of St Andrew. ... To this day the St Andrew's Cross is a flag which all Scots hoist with pride, and the emblem of our patron is emblazoned on many buildings and coats of arms, logos and letterheads across our country. And so it seems logical that we should mark our dear saint – the first of the apostles to be called by Christ – through a properly recognised national holiday."

I agree with the archbishop on that point.

St Andrew's day, however, is more than just a religious feast day; it should be about the history, the heritage and the culture of our nation. I sometimes feel that Scots abroad and Scots' descendants abroad celebrate Saint Andrew more than we do.

The first Society of St Andrew was formed in Charleston, South Carolina, on 30 November 1729. It was founded by immigrant Scots, many of them from Aberdeen and Fife, and dedicated to the relief of suffering and distress among the inhabitants of the infant colony. Twenty years later, the St Andrew's Society of Philadelphia was started by 25 Scottish residents, to give relief to the poor and distressed. Two signatories of the declaration of independence were founder members of that society: James Wilson, a graduate of the University of St Andrews, and John Witherspoon, a native of Paisley and president of Princeton college.

I could go on listing famous St Andrew's societies across the world, but I do not intend to do so. We have our own ancient St Andrew's Society of Aberdeen, and I have been pleased to attend its celebrations on more than one occasion. Unfortunately, I will not be there tonight. Those are all worthy examples of celebrations of our history, heritage and culture elsewhere in the world, and of the provision of poor relief in the early days in North America. Having talked to folks abroad about this, I believe that, even today, St Andrew's day is a bigger event in other countries than it is here in our own nation.

Mark McDonald (North East Scotland) (SNP): Does Kevin Stewart agree that, if we were to mark St Andrew's day as a national holiday, it could take on the same significance as St Patrick's day

does for Irish people and others, with the associated economic impact that that has across the globe?

Kevin Stewart: I was just coming to that point. *The Sunday Times* this week stated that St Patrick's day had made some €80 million for Ireland, which is good news for the hard-pressed Irish economy. Mr McDonald will know that, a few years back, the city of Aberdeen had some Commonwealth visitors at the time of St Patrick's day. They asked whether the St Andrew's day celebrations were wilder than those for St Patrick's day, and I had to tell them that that was, unfortunately, not the case.

We must make St Andrew's day better. In the past two years, children have had the day off, but that was due to adverse weather conditions last year and strikes this year. I want them to be able to have the day off for real, so that they can celebrate our patron saint on our national day.

17:12

Christine Grahame (Midlothian South, Tweeddale and Lauderdale) (SNP): I congratulate Kevin Stewart on securing this debate celebrating national identity. The increase in the celebration of St Andrew's day is undoubtedly due in part to this Parliament reconvening some 12 years ago, and not least to Dennis Canavan's act—the St Andrew's Day Bank Holiday (Scotland) Act 2007—which raised the profile of St Andrew's day, although not to anywhere near the status of St Patrick's day, as has been noted, or of Burns night. Google displayed the saltire on its home page this time last year, but it is not doing so today. I suggest that members encourage Google to display the saltire at this time next year, because that would be a huge advertisement for Scotland.

St Andrew gave us the saltire, and flags are at the beating heart of a nation. It was in 832 AD at Athelstaneford that the birth of the saltire of Scotland came about. The saltire was also used on the nation's coinage when it was introduced by King David I in the 13th century. It has an ancient and honourable lineage. On this St Andrew's day in our capital city, however, there is no St Andrew's flag, no saltire, in prominent position on the castle. Why not? There is a false argument that the castle is an Army garrison; it is not. It ceased to be a garrison in 1920, and the Army is now there largely in a ceremonial capacity. If one were looking for a conspiracy, one might say that that argument provides a fig leaf for the supremacy of the union flag. Neither the Ministry of Defence nor Historic Scotland owns the castle. Under the terms of the Scotland Act 1998, the Government of Scotland owns it. Ministers own it. Historic Scotland is simply a custodian, and the

Army is a tenant. I suggest that it is time that we changed the terms of that tenancy.

I am thankful that Historic Scotland saw the light and refused to have the Olympic rings erected on the castle ramparts, but I have another suggestion. Why do we not project a large saltire on the ramparts of the castle, just for the time being? Perhaps in these dark times, as we watch the dying throes of UK plc, it might inspire those who are on strike for fairness for pensions to recognise that the future lies not in Westminster, with its gloom, falling productivity and increased unemployment, taxes, VAT, pension contributions and fuel duty and that that is not the only choice. Independence, under the St Andrew's flag of Scotland, the saltire, is another choice, and they and later generations can have a just and equitable future. Raising that vision would be the rallying call that we need—the flag of St Andrew over a capital city, not just today, but every day.

17:16

Jamie McGrigor (Highlands and Islands) (Con): I congratulate Kevin Stewart on securing today's debate. I have just returned from a European and External Relations Committee trip to Brussels, where we were greatly entertained by Dr Louise Richardson, the principal of the University of St Andrews, the third-oldest seat of higher learning in the UK. She talked about that, about St Andrew and about the importance of the four-year university course, which gives students a decent chance to be enlightened in the country that, after all, initiated the enlightenment and the creation of western civilisation as we now know it.

She emphasised that St Andrews is a Scottish, British and European university, which I found quite refreshing, but she complained strongly about the extraordinary anomaly that means that English students have to pay fees while those from other EU member states do not. I do not think that St Andrew would have approved of that unfair and—dare I say it?—anti-English position.

Clare Adamson (Central Scotland) (SNP): Will the member give way?

Jamie McGrigor: I thought that that might cause a slight disturbance, but I will not give way at the moment.

St Andrew was Jesus's first apostle and a fisherman, to boot. Give a man a fish and you feed him for a day; teach a man to fish, and he can do the same for many others for a lifetime. Jesus said to all his apostles that they should "become fishers of men". Owing to the lack of hills in Belgium, the sky sits at a low level and seems almost touchable. For once, it was blue with fluffy clouds, and crossed with the white condensation trails of numerous aeroplanes. One saw at once the

saltire, Scotland's national flag, which St Andrew perceived in a dream. Some have unfairly suggested that, like all fishermen, he was good at telling whoppers, but I do not think so.

As Kevin Stewart and others have been, I am happy to pay tribute to our former colleague, Dennis Canavan, who made a significant contribution to the work of this Parliament between 1999 and 2007, not least in his determination to raise the profile of St Andrew's day, which he continues to do with passion outwith the Parliament. The Scottish Conservatives' position on the issue has been consistent and clear. We have always been supportive of the desire to have St Andrew's day as a bank holiday, but in exchange for another day, not in addition to existing days. That was the approach that was adopted in the St Andrew's Day Bank Holiday (Scotland) Act 2007, and we remain supportive of that. St Andrew's day is, correctly, a voluntary public holiday. We did not support the argument that St Andrew's day must be a compulsory national holiday, because the cost of that would fall on businesses—especially small businesses—and the taxpayer.

Kevin Stewart: Will the member give way?

Jamie McGrigor: In a moment.

CBI Scotland has stated that more and more firms are moving away from shutting on specified days and towards a system in which employees have an annual leave entitlement and decide for themselves, in agreement with the employer, when to take holidays. We are content for employers to engage with employees to discuss taking St Andrew's day off. It might well suit people with children or partners who are doing the same thing. We agree with the sentiment that was so ably expressed by Christine Grahame that St Andrew's day is a useful opportunity for all of us to celebrate the culture and traditions of Scotland and to showcase Scotland. We support the businesses, shops and tourism enterprises that use St Andrew's day to boost their trade.

On my return from Brussels yesterday, I was delighted to see the baggage trolleys in Edinburgh airport adorned with the saltire. However, since it was originally St Andrew's flag and was later adopted as the Scottish flag, there should be a mention of St Andrew himself on the special day that now commemorates him.

Kevin Stewart: Will the member take an intervention?

Jamie McGrigor: All right.

The Deputy Presiding Officer: No. I would be grateful if you would close, please, Mr McGrigor. You have had four minutes.

Jamie McGrigor: Oh. Right. In that case, it is interesting to note that some English schools and institutions recognise St Andrew's day. One of those is Eton College, the educational establishment of our Prime Minister, our former Presiding Officer Alex Fergusson and—representing the lesser mortals—me.

17:20

Rob Gibson (Caithness, Sutherland and Ross) (SNP): I congratulate Kevin Stewart on securing the debate at this appropriate time. I recall that, when I was a schoolchild in Glasgow, we had a school holiday on St Andrew's day. That was continued for only a few years. As a student and teacher and with my family, I took the chance to celebrate our national day as I could. As we heard, Scotland's saltire is the oldest national flag in Europe. Our history as a nation was forged around the pre-eminence of the Scots victors and the bishopric of St Andrews.

Dennis Robertson (Aberdeenshire West) (SNP): The member is talking about history, and he is probably aware that, in 1335 in my constituency, the battle of Culblean took place, at which Sir Andrew Moray thwarted Edward III's attempt to overthrow or take control of the Scottish crown. At that time, Andrew de Moray was the guardian for David II, the son of Robert the Bruce. Would the member like to illustrate that?

Rob Gibson: Yes, indeed. Culblean was an opportunity for Edward Balliol and Edward III to rule north and south, but Moray and Douglas prevented that. It was most important in the middle ages that Scotland stayed together as an entity.

I was delighted when, in 2006, the Parliament agreed to Dennis Canavan's St Andrew's Day Bank Holiday (Scotland) Bill. I welcome the fact that the Scottish Government's website encourages participation, although it is slightly worrying that St Andrew's day information is sandwiched between information on flooding and being ready for winter and alcohol.

I want that legislation to be developed so that we have a full holiday for all Scots. People around the world are looking to us today to see how that develops. I have a press statement from Hillary Rodham Clinton entitled "On the Occasion of Scotland's St Andrew's Day", which states:

"On behalf of President Obama and the people of the United States, I am delighted to send best wishes to the people of Scotland as you celebrate St Andrew's Day this November 30. In Caledonian societies and Scottish clubs from New York to Chicago, across America and the world, people of Scottish origin will be celebrating with you."

It continues:

"As you celebrate this special day, know that the United States is a partner and friend. I wish the people of Scotland

and those of Scottish descent around the world a happy St Andrew's Day celebration."

Derek Mackay (Renfrewshire North and West) (SNP): I will refer to a body that is as esteemed as the President of America: Renfrewshire Council—[*Laughter.*—has been leading the way on St Andrew's day, despite the strikes and bad weather. Does the member welcome the fact that the SNP-led administration of Renfrewshire Council has already made St Andrew's day a school holiday?

Rob Gibson: I very much welcome that. It is obvious that opinion is growing that St Andrew's day should be a full national public holiday. Post-legislative scrutiny of the St Andrew's Day Bank Holiday (Scotland) Act 2007 should be carried out. If a suitable committee came up with such a proposal, it might be passed.

Thanks to the calendar of saints, we are saddled with the rather wintry day of 30 November. St Columba's day is 9 June, when the weather is rather better. I just wish that Scotland's patron saint had a day on which we could go out and celebrate. However, that should not prevent us from celebrating. I am delighted to have joined the debate this evening.

17:25

Jamie Hepburn (Cumbernauld and Kilsyth) (SNP): I congratulate Kevin Stewart on securing the debate—his first members' business debate—on this important issue. I also thank him for the litany of information about St Andrew that he provided. My only regret is that I was not able to take notes, so I will have to refer to the *Official Report* tomorrow.

I also congratulate Jamie McGrigor. I was unaware of St Andrew's perspective on higher education funding in 21st century Scotland and it is useful to have that information. It is also useful to know that he attended Eton college because I thought that he went to Possilpark secondary school in Glasgow.

Annabelle Ewing (Mid Scotland and Fife) (SNP): I will comment on Mr McGrigor's speech. I, too, was in Brussels this week. We did not need to use our imaginations when looking at the aeroplane trails in the sky to see the saltire because the Scottish Government flies the flag at Scotland house. We are waiting to see it being flown shortly outside the Council of Ministers as well.

Jamie Hepburn: Wherever the saltire is flown, we should always welcome it.

I also join Kevin Stewart in paying tribute to Dennis Canavan's efforts in campaigning for the St Andrew's day holiday. I was not privileged to be

a member of the Parliament at the same time as Dennis Canavan, but I worked here in another capacity while he was a member. The high esteem in which he was then held was clear, as is the high esteem in which he is held today. Much of that is down to his efforts in creating a St Andrew's day holiday.

The debate is something of a reprise from last year, when John Wilson lodged a similar motion. It is clear that the issue is of continuing interest to MSPs.

I agree with the statement in Kevin Stewart's motion that there is increasing interest in celebrating St Andrew's day. I see that in the communities that I represent. I will be particularly parochial: my young daughter attends a nursery in Cumbernauld and, over the past week, I have been impressed at its efforts to raise awareness of Scottish traditions and raise money for charity along the way. That culminated in a ceilidh today, which I hope that my daughter enjoyed. That indicates that, sadly, she did not get a St Andrew's day holiday, but I will give her time off in lieu on Friday.

That also reflects my wider experience. When I go into the schools and nurseries in the communities that I represent, I see that St Andrew's day is increasingly recognised. That is welcome and indicates that Kevin Stewart was correct to say that there is increasing interest in celebrating it. However, I agree that we need to do more to make it a widely celebrated public holiday.

Jamie McGrigor *rose—*

Jamie Hepburn: I am tempted to say that Mr McGrigor is on to buttons, given that he would not let anyone intervene on him. Do I have time to let him intervene, Presiding Officer?

The Deputy Presiding Officer: Yes.

Jamie McGrigor: I promise to be brief. I am sorry that I did not take an intervention from Jamie Hepburn, but I ran out of time. He talked about schools recognising St Andrew's day. The reason why I made the point about Eton—which was a serious point, in fact—was that I feel that, if it can hold St Andrew's day in esteem and make it a holiday, more institutions in Scotland should do the same.

The Deputy Presiding Officer: Mr Hepburn, I will give you a little more time, as you took an intervention.

Jamie Hepburn: I should clarify that I did not seek to intervene on Jamie McGrigor, but some of my colleagues did.

I was being slightly disingenuous in my comment about Eton, but I welcome its recognition of St Andrew's day. However, some of the

suggestions that Jamie McGrigor made for encouraging further celebration of St Andrew's day in Scotland were rather piecemeal. More needs to happen here.

It is often suggested that a public holiday comes with an economic cost—that there is a negative impact on the economy. On the contrary, such national holidays can be considered an economic lever. Kevin Stewart made that point well when he referred to the primary example of the St Patrick's day celebrations in Ireland and further afield. We should, of course, aspire to have St Andrew's day celebrated internationally in just the way that St Patrick's day is. St Patrick's day is a huge party for the Irish people and levers a significant amount of money into the economy. St Andrew's day should be the same in Scotland.

17:29

Willie Coffey (Kilmarnock and Irvine Valley) (SNP): I congratulate my colleague Kevin Stewart MSP on securing the debate and thank him for bringing the matter of how we celebrate St Andrew's day to the Parliament's attention on St Andrew's day itself.

Our national day for St Andrew has been overshadowed to a degree by the dispute over United Kingdom public sector pensions. An unintended consequence of that has been that more people than normal are having a day off and I very much hope that Scotland, our nation and our patron saint, Andrew the Apostle, are somewhere in their hearts on this difficult day.

As my colleague said, we owe a debt of gratitude to Dennis Canavan for pursuing this issue on our behalf and ensuring that much more could be done to make it a national day to celebrate. I know that we share Andrew with our friends in Greece, Russia and other countries and that we share our blue-and-white saltire with the island of Tenerife. From my own, admittedly limited knowledge—confirmed, thankfully, by Kevin Stewart—I am aware that Andrew was crucified by the Romans in Patras around AD 60 on a saltire-shaped cross at his own request, which suggested that he did not feel worthy to be put to death in the same manner as his saviour Jesus. His relics are scattered around the world, including here in Scotland.

Obviously, we will never know for certain whether we Scots or Picts adopted Andrew as our saviour at the battle of Athelstaneford after praying to him for victory and the subsequent appearance of his saltire in the sky. However, the story is shared with children around Scotland as one of the sources of our close attachment to him and his adoption as our patron saint.

In these modern times, we do a lot to celebrate St Andrew's day and to share with the world the best of what Scotland has to offer. However, we could do a lot more. Perhaps we should, as some members have suggested, take some pointers from our Irish cousins, who push the boat out and celebrate St Patrick's day in grand style. Ireland has a national public holiday and families get together, celebrate Ireland and basically invite the world to the party. Not only is it a wonderful day for people to come together, it offers a huge boost to trade in Ireland and beyond.

What is stopping us emulating or bettering that in Scotland? Sadly, we seem to haggle over having an extra day, a substitute day or a flexible day and cannot make our minds up about what is best.

Kevin Stewart: I agree completely and utterly with the member that we should not substitute St Andrew's day for another public holiday. However, I would be willing to substitute another holiday with independence day, which should also be a public holiday. Does he agree?

Willie Coffey: Absolutely.

Let us hope that we can change things and make St Andrew's day a day to remember in Scotland and a day on which we invite our friends in the world to come and celebrate with us. With our cultural diversity, our music and our poetry, we have much to offer the world.

I want to finish this brief speech with a small offering I picked up some years ago that takes the liberty of imagining Andrew on the cross at his crucifixion and wonders what might be going through his mind.

"You have brought me to such despair that seemed gone,
lost in the shining light I had found.
For a moment a raging anger casts a shadow upon my
faith.
But passes quickly with the love I have for my true saviour.
And to future people yet unknown
I vow to hear your prayers
and wrest you from the evil scourge of subjugation.
Not yet the blood of Andrew spilled.
Not yet the nation Scotland born.
But from this day throughout the lands
where freedom lies unwon
I will protect and deliver your people ...
... for Libertie shall be their just reward!"

I am delighted to be able to speak in this short debate and to offer my whole-hearted support to Kevin Stewart for bringing St Andrew's day to the floor of the Scottish Parliament.

17:33

The Minister for Parliamentary Business and Chief Whip (Brian Adam): It is interesting to see the great interest in the St Andrew's day holiday and, as members have suggested in the debate, it

might be appropriate to increase the holiday entitlement. Given that in the past three debates in which I have participated, members have invited me to comment on the absence of folk from other parties, I simply welcome the fact that the Labour Party appears to consider this to be a holiday already.

I ought to thank Kevin Stewart for lodging the motion for debate. It allows me to update the Parliament on this year's St Andrew's day events and to confirm the Scottish Government's support for and recognition of our national day.

St Andrew's day gives all Scots an excellent opportunity to celebrate our patron saint and all aspects of our country. I have some sympathy with Dennis Canavan and his regret that few public bodies have taken on board the spirit of the legislation since it was enacted following royal assent in January 2007. I am delighted to recognise that Renfrewshire Council has done so, along with three other local authorities, but we still have 28 to go. Although it is true, as George Younger responded to Dennis Canavan in the 1980s, that such matters are for local authorities, I think that the other 28 perhaps need to wake up and be encouraged to deal with the day in a similar way.

Members may recall that the St Andrew's Day Bank Holiday (Scotland) Act 2007 was not in any way prescriptive. Some members may now seek such prescription, but I do not know whether we need to go down that route just yet. Indeed, the act was framed in such a way as to allow a flexible interpretation by public and private bodies alike.

For its part, the Scottish Government has continued to encourage all parts of Scotland, and public bodies in particular, to recognise St Andrew's day. Indeed, a special programme of events across Scotland has been organised as part of Scotland's winter festivals. As members will be aware, through that funding process the Scottish Government is supporting the delivery of five St Andrew's day events—in Glasgow, Edinburgh, Stirling, St Andrews and East Lothian—which started on Friday 25 November and have run through to today to mark our national holiday.

Through our continuing partnership with Historic Scotland, Scots and visitors alike were also able on Saturday 26 and Sunday 27 November to visit more than 40 sites participating in the visit for free programme, with Edinburgh castle and St Andrews castle and cathedral being open for free today. Some 63 Association of Scottish Visitor Attractions and non-ASVA sites also offered free or discounted entry on the 26, 27 and 30 November. That represents a clear groundswell of support for St Andrew's day.

Scottish ministers will be engaging in activity around the world to celebrate St Andrew's day. This year, the First Minister is attending an event in Beijing, and the Cabinet Secretary for Culture and External Affairs is attending an event in Ottawa and hosting a reception in Washington DC—and the Scottish Government is delighted with the statement that Hillary Clinton issued on behalf of President Obama, which my colleague Rob Gibson referred to. It is great to have such international recognition of and support for our national day and its celebrations. The Minister for Commonwealth Games and Sport is also attending an event in Brussels.

Legend has it that the monk St Regulus—or St Rule—was instructed to take St Andrew's remains to the ends of the earth for safe keeping. It is therefore fitting that his feast day should be celebrated not just in Scotland but in far-flung parts of the world. They may not all be held on 30 November or run quite according to the traditional plan, but the various St Andrew's day festivities all share one thing in common—a celebration of everything that makes Scotland great.

Countless ceilidhs, dinners and concerts are being held around the globe. From Australia to Zambia, around the world countries are celebrating St Andrew's day. The planned celebrations include a ball in the United Arab Emirates organised by the Scottish St Andrew's Society of Abu Dhabi and a ball in Bermuda organised by the Caledonian Society of Bermuda.

It is worth drawing the comparison between Scotland and other countries and the number of public holidays that are recognised. The figures that I have been given are that Scotland has nine public holidays while Belgium, France, Germany and Ireland have 10, Denmark, Finland, Iceland, Italy and Luxembourg have 12, and Austria and Malta have 14. That is not to say that we should aspire to copy other countries, but Scotland is a nation of hard-working, passionate and proud individuals who by and large care deeply about their Scottishness. Acknowledging and honouring their patron saint is just one way of celebrating their nationality.

Schools are getting behind the St Andrew's day holiday. Four authorities have decided to organise a school holiday on or around St. Andrew's day: in addition to Renfrewshire Council, we have Angus, Dumfries and Galloway, and Scottish Borders.

Christine Grahame: Yes!

Brian Adam: I am delighted to hear support for that.

I am confident that, in the years ahead, recognition of the holiday will grow. I hope that, through growth at grass-roots level, the local authorities in Scotland, which have a duty to act

on behalf of the public in their localities, will recognise the holiday and that constructive negotiations between workers' representatives and employers will lead to it eventually becoming an additional holiday.

Christine Grahame: I thank the minister for mentioning Scottish Borders Council, which held the holiday on Monday. I also point out that it flies the saltire every day of the week, every week of the year.

Brian Adam: I am delighted to acknowledge that and it is something that should be encouraged, particularly to celebrate people's Scottishness. That might be apposite in the Borders, which is in close proximity to the border. It is therefore important.

I am confident that, in the years ahead, recognition of the holiday will grow and it may well become an additional holiday. That would be done better by agreement than by imposition. I encourage all members to join in their local celebrations, wherever they are, on our national saint's day.

The Deputy Presiding Officer: I wish everyone a happy St Andrew's day and draw this meeting of the Parliament to a close.

Meeting closed at 17:42.

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

Available in e-format only. Printed Scottish Parliament documentation is published in Edinburgh by APS Group Scotland.

All documents are available on
the Scottish Parliament website at:

www.scottish.parliament.uk

For details of documents available to
order in hard copy format, please contact:
APS Scottish Parliament Publications on 0131 629 9941.

For information on the Scottish Parliament contact
Public Information on:

Telephone: 0131 348 5000
Textphone: 0800 092 7100
Email: sp.info@scottish.parliament.uk

e-format first available
ISBN 978-1-4061-7902-6

Revised e-format available
ISBN 978-1-4061-7911-8

Printed in Scotland by APS Group Scotland
